

MINUTES
MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 89

October 3, 2019

The Board of Directors (the "Board") of Montgomery County Municipal Utility District No. 89 (the "District") met in regular session, open to the public, on the 3rd day of October, 2019, at Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Houston, Texas 77027, outside the boundaries of the District, and the roll was called of the duly appointed members of the Board, to-wit:

Paul Cote	President
Robert Veasey, III	Vice President
Bredawn Riley	Secretary
Shawn Goodman	Assistant Vice President
Ben Slotnick	Assistant Secretary

and all of the above were present except Director Slotnick, thus constituting a quorum.

Also present at the meeting were George Culver Luke 311 Applications; Kim Cosco and T.J. Cloud of Champions Hydro-Lawn, Inc.; Justin Abshire of Jones & Carter, Inc. ("J&C"); John Montgomery of Municipal Operations & Consulting, Inc. ("MOC"); Erin Garcia of Myrtle Cruz, Inc. ("Myrtle Cruz"); and Tim Austin and Holly Huston of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

There were no comments from the public.

MINUTES

The Board reviewed the minutes of the September 5, 2019, regular meeting. Following review and discussion, Director Goodman moved to approve the minutes, as written. The motion was seconded by Director Riley and passed by unanimous vote.

ENGAGE COMPANY TO CONDUCT ARBITRAGE REBATE STUDY FOR THE SERIES 2004 BONDS

The Board concurred to take no action on this agenda item.

CONSIDER DISASTER RECOVERY SERVICES CONTRACT FROM WCA

The Board considered approval of the Disaster Recovery Services Contract with Waste Corporation of America ("WCA"). Following review and discussion, the Board concurred to defer action on this agenda item.

AUTHORIZE ATTENDANCE AT REGIONAL WATER CONSERVATION MEETINGS

The Board discussed and considered authorizing attendance at the regional water conservation meetings. No action was taken at this time.

LEGENDS RANCH PROPERTY OWNERS ASSOCIATION ("POA")

There was no discussion on this agenda item.

LUKE APPLICATIONS PRESENTATION

Mr. Culver provided a presentation on the services provides by Luke 311 Applications, which provides residents a forum to submit maintenance requests to the appropriate entities. He reported the annual fee is \$3,000.00 and the monthly maintenance fee is \$300.00. Following discussion, the Board concurred to request Mr. Culver to submit a proposal to the Board to review.

BOOKKEEPER'S AND TAX ACCOUNT REPORT

Ms. Garcia presented the bookkeeper's report, including information on the tax account, and submitted the bills for the Board's review. Copies of the bookkeeper's report and tax account report are attached. Following review and discussion, Director Goodman moved to approve the bookkeeper's report. Director Veasey seconded the motion, which carried by unanimous vote.

DISCUSS POSSIBLE AMENDMENT TO AGREEMENT WITH SPRING CREEK UTILITY DISTRICT ("SCUD") FOR DRAINAGE MAINTENANCE

There was no discussion on this agenda item.

REPORT FROM BEST TRASH

There was no discussion on this agenda item.

REPORT ON DRAINAGE CHANNEL MAINTENANCE

Mr. Cosco presented and reviewed a report from Champions, a copy of which is attached. He then reported on minor sloughing along the drainage channel; noting repairs are not necessary at this moment however the Board should consider them in the near future. The Board took no action at this time.

Mr. Cosco updated the Board regarding a sink hole forming along the west side of the drainage channel behind a retaining wall. Following discussion, the Board concurred to request J&C and MOC to inspect the sinkhole and present proposals for repair at the next regular Board meeting.

ENGINEER'S REPORT

Mr. Abshire presented and reviewed with the Board the engineer's report, a copy of which is attached. Following review and discussion, Director Cote moved to approve the engineer's report. Director Veasey seconded the motion, which passed unanimously.

Mr. Abshire updated the Board regarding the billing for the operations of the water plants by the pro-rata water usage from the District, Montgomery County Municipal Utility District No. 88 ("MUD 88"), and SCUD as it relates to the Water Facilities Contract (the "Contract"). Mr. Abshire stated the option was presented to MUD 88 and SCUD, and both districts agreed to this change to the contract. The Board concurred to defer action on this agenda item until the upcoming Joint Advisory Committee meeting.

Discussion ensued regarding the semi-annual Joint Advisory Committee meetings. Following discussion, the Board concurred to hold the semi-annual Joint Advisory Committee meeting on the Fourth Monday's of April and October, subject to confirmation of attendance from MUD 88 and SCUD.

POTENTIAL DEVELOPMENT OF 3.09-ACRE TRACT

Mr. Abshire updated the Board regarding the potential development of the 3.09-acre tract.

WATER AND SANITARY SEWER RATE ANALYSIS

The Board concurred to defer action on this agenda item.

LONG TERM PLAN

Mr. Abshire presented and reviewed a copy of the current five-year Capital Improvements plan, a copy of which was included in his report.

STORM WATER PERMITTING MATTERS

Mr. Abshire updated the Board on Storm Water Permitting Matters.

REPORT FROM ADVISORY BOARD, INCLUDING ALTERNATIVE FUND SOURCES FOR THE SIDEWALK EXTENSIONS ALONG BIRNHAM WOODS DRIVE

Mr. Abshire updated the Board regarding the status of design for the sidewalk extension along Birnham Woods Drive from Mesa Valley Drive to Elan Boulevard. Discussion ensued regarding expanding the extension to include sidewalks from Mesa Valley Drive to the District boundary along the Drainage Channel. Following review and discussion, the Board concurred to (1) request J&C to prepare and present a preliminary cost estimate for the additional extension as discussed; and (2) request Champions to prepare a landscaping proposal to include with the sidewalk extension project.

OPERATOR'S REPORT

Mr. Montgomery presented and reviewed with the Board a copy of the monthly operator's report for the month of September 2019, a copy of which is attached. He stated that the ratio of water billed versus produced for the period from August 8, 2019, to September 9, 2019, was 99%.

Mr. Montgomery next presented a proposal from B-TEK Group in the amount of \$6,000 to install a security camera system at the Water Plant in an effort to deter vandalism in the area. No action was taken at this time.

Mr. Montgomery updated the Board regarding repairs to the iron pipeline gate and construction of the concrete wall on Legends Ranch Drive; noting the work has been completed as approved.

Mr. Montgomery presented and reviewed pricing options to seal concrete walls within the District to prevent mildew build-up.

Following review and discussion, Director Riley moved to (1) approve the operator's report; and (2) approve the proposal to seal concrete walls along Legends Ranch Drive to prevent mildew build-up in an amount not to exceed \$8,800.00. Director Goodman seconded the motion, which passed unanimously.

Discussion ensued regarding the District's annual Town Hall meeting on October 10, 2019 at 6:30 p.m., at Legends Ranch Recreation Center & Clubhouse, 2801 Legends Ranch Drive, Spring, Texas 77386.

Mr. Montgomery reported the District's rate order will need to be amended at the next meeting to include language pertaining to the smart meter installation in the District.

Discussion ensued regarding how the District's facilities fared during Tropical Storm Imelda. Mr. Montgomery reported that the District facilities operated as designed, however during the power outage the pump station was unable to work properly. The Board next discussed purchasing an additional generator for the District's facilities. No action was taken at this time.

CENTRAL DETENTION POND STORM WATER PUMP STATION REHABILITATION

There was no discussion on this agenda item.

TERMINATION OF WATER SERVICE

Mr. Montgomery presented a list of delinquent customers and reported the residents on the termination list were delinquent in payment of their water and sewer bills and were given written notification, in accordance with the District's Rate Order, prior to the meeting of the opportunity to appear before the Board of Directors to explain, contest, or correct their bills and to show why utility services should not be terminated

for reason of non-payment. Following review and discussion, Director Riley moved to authorize termination of delinquent accounts in accordance with the District's Rate Order and direct that the delinquent customer list be filed appropriately and retained in the District's official records. The motion was seconded by Director Goodman and passed by unanimous vote.

There being no further business to come before the Board, the Board meeting was adjourned.



Secretary, Board of Directors

(SEAL)



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