

MINUTES OF MEETING
EAST PLANTATION UTILITY DISTRICT
JUNE 19, 2019

THE STATE OF TEXAS §
COUNTY OF MONTGOMERY §
EAST PLANTATION UTILITY DISTRICT §

The Board of Directors (the “Board”) of East Plantation Utility District (the “District”) noticed a regular session, open to the public, to be held on Wednesday, June 19, 2019, at 3:30 p.m., at 447 Cumberland Trail, Conroe Texas, a designated meeting place of the District. Whereupon, at 3:30 p.m. the meeting was called to order and the roll was called of the members of the Board of Directors, to-wit:

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|--------------------------|---|---------------------|
| William B. Knapp | - | President |
| C. Marshall Loosier, Jr. | - | Vice President |
| Eugene C. Arnold, Jr. | - | Secretary |
| W. Preston Humphreys | - | Assistant Secretary |
| Roger Bartel | - | Treasurer |

All members of the Board of Directors were present, except Director Arnold, thus constituting a quorum. Copies of the meeting notices are attached hereto.

Also present at the meeting were Franklin Gallegos, District employee; and Deidra Daniels (paralegal) of Sanford Kuhl Hagan Kugle Parker Kahn LLP (“SK Law”), Attorneys for the District.

HEAR FROM PUBLIC

The Board noted that no public was present.

MINUTES OF MEETING OF MAY 15, 2019

The Board reviewed the minutes from the meeting of May 15, 2019, previously distributed to the Board.

Upon motion duly made and seconded, and after full discussion, the Board unanimously approved the minutes of the meeting of May 15, 2019, as presented.

MAINTENANCE TAX ELECTION

After discussion, the Board deferred action until 2020.

RIVER PLANTATION MUD REPORT

The Board recognized Director Loosier, who presented to and reviewed with the Board the River Plantation Municipal Utility District Report for the month of May 2019. A copy of the Report is on file in the official records of the District. Director Loosier also advised that he had inspected the WWTP and that the tank panels are rusting and bowing out and will need to be replaced, noting that the plan is to replace panels on one tank in 2019 and on the second tank in 2020. Director Loosier also advised that he has received schematics of the WWTP and an equipment list.

Upon motion duly made and seconded, and after full discussion, the Board voted unanimously to approve the River Plantation MUD Report.

DISTRICT FACILITIES AND OPERATIONS

The Board recognized Mr. Gallegos, who reviewed with the Board the Operations Report. A copy of the Report is on file in the official records of the District. Mr. Gallegos noted that water loss for the month was down to 5.93%.

Director Humphreys advised that the District would be implementing a new policy regarding residents who move out and new residents moving in, without providing notice to the District, noting that if notice is not provided within 48 hours, the District will terminate water until an account is properly established in the name of the new resident.

Upon motion duly made and seconded, and after full discussion, the Board voted unanimously to approve the Operations Report and the policy regarding resident move-out/move-in without notice to the District.

BOOKKEEPER'S REPORT

The Board recognized Director Humphreys, who presented to and reviewed with the Board the Bookkeeper's Report, the Investment Report, and the request for payment of checks. A copy of the Report is on file in the official records of the District.

Upon motion duly made and seconded, and after full discussion, the Board voted unanimously to approve the Bookkeeper's Report, Investment Report, and payment of checks presented.

TAX ASSESSOR'S REPORT

No report was offered.

DELINQUENT TAX ATTORNEY'S REPORT

No report was offered.

EMERGENCY PREPAREDNESS PLAN

Upon motion duly made and seconded, and after full discussion, the Board voted unanimously to approve the Resolution Evidencing Annual Review of the Emergency Preparedness Plan, and authorized filing with the TCEQ, subject to certain revisions by the District's General Manager.

IDENTITY THEFT PREVENTION PROGRAM

The Board recognized Director Humphreys, who noted that there had been no violations of the District's Identity Theft Prevention Program.

Upon motion duly made and seconded, and after full discussion, the Board voted unanimously to approve the Resolution Evidencing Annual Review of Identity Theft Prevention Program.

UNCLAIMED PROPERTY

The Board recognized Director Humphreys, who noted that the District's bookkeeper had provided an Unclaimed Property Report, and that the bookkeeper had remitted \$258 to the Texas State Comptroller.

Upon motion duly made and seconded, and after full discussion, the Board voted unanimously to approve the Unclaimed Property Report.

LONESTAR GROUNDWATER CONSERVATION DISTRICT

Ms. Daniels reviewed with the Board a summary of the April and May 2019 meetings of Lonestar Groundwater Conservation District.

The Board noted that no action was necessary.

GENERAL MANAGER'S REPORT

Director Humphreys provided an overview of certain new legislation that will affect EPUD, including: (1) HB 305, which requires that, if a district has a website, it is required to post certain information, including phone number, mailing address, and email address; (2) SB 1640, which relates to open meetings; and (3) SB 2, which sets a cap on the increase of property tax rates.

Director Humphreys advised that the Joint Facilities Agreement between the District and River Plantation Municipal Utility District had been finalized and executed by all parties.

Director Humphreys provided an update on the status of the groundwater credit litigation, noting that negotiations are ongoing between and among the parties.

Director Humphreys advised the Board that the drainage ditch from 549 Stephen F. Austin to Somerset (approximately 900 feet) needs to be dredged and repaired, noting that the cost will exceed \$25,000, requiring the project to be publicly bid. Director Humphreys further noted that the project could be split so that 400 feet are repaired in 2019, with the additional 500 feet in 2020. Director Humphreys requested authorization for the District's Engineer to prepare the Engineering Report and advertise for bids.

Upon motion duly made and authorized, the Board voted unanimously to authorize Director Humphreys to work with the District's Engineer on the drainage repair project, and authorized the District's Engineer to prepare the Engineering Report and advertise for bids.

DIRECTOR COMMENTS

No comments were offered.

ADJOURNMENT

There being no further business to come before the Board, upon motion made, seconded, and approved unanimously, the meeting was adjourned.

PASSED, APPROVED, AND ADOPTED, this 17th day of July, 2019.



Secretary, Board of Directors