

**MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS**

October 14, 2021

THE STATE OF TEXAS §

COUNTY OF HARRIS §

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 58 §

The Board of Directors of Harris County Municipal Fresh Water Supply District No. 58 met in regular session, open to the public, at its regular meeting place inside the boundaries of the District on October 14, 2021; whereupon, the roll was called of the members of the Board of Directors, to-wit:

Harry Haupt	President
Carol Frisk	First Vice President
Ed Cooke	Secretary
Ron Warfield	Assistant Secretary
Larry Stefaniak	Treasurer

All members of the Board of Directors were present except Directors Frisk and Warfield.

Also present were Chris Richardson of Strawn & Richardson, P.C.; Josh Maas of M. Marlon Ivy & Associates, Inc.; Teague Harris of IDS Engineering; Brenda McLaughlin of Bob Leared Interests; Leonard Schweinle; and several District residents.

WHEREUPON, the meeting was called to order by the President and evidence was presented that public notice of the meeting was given in compliance with the law.

1. CONDUCT 2021 TAX RATE PUBLIC HEARING. The Board President called to order the Public Hearing on the 2021 Tax Rate at 7:00 p.m. The Board noted that no taxpayer appeared to take part in the Public Hearing, as published by law. The Board President then closed the Public Hearing at 7:05 p.m.

2. APPROVE 2021 DEBT TAX RATE. The Board considered setting the 2021 Debt Service Tax Rate, and reviewed the recommendation from the tax assessor. The Board agreed to set a debt service tax rate of \$0.17, a decrease from last year's debt service rate of \$0.19. A copy of the Order Setting 2021 Debt Service Tax Rate is attached as Exhibit "A". Following discussion it was moved by Director Stefaniak and seconded by Director Cooke to set the 2021 Debt Tax Rate at \$0.17, and to approve the related Order, which motion carried unanimously, 3-0.

3. APPROVE 2021 MAINTENANCE TAX RATE. The Board considered setting the 2021 Maintenance Tax Rate and reviewed the recommendation from the tax assessor. The Board agreed to set a maintenance tax rate of \$0.409. A copy of the Order Setting 2021 Maintenance Tax Rate is attached as Exhibit "B". Following discussion, it was moved by Director Stefaniak and seconded by Director Cooke to set the 2021 Maintenance Tax Rate at \$0.409, and to approve the related Order, which motion carried unanimously, 3-0.

4. APPROVE AMENDMENT TO NOTICE TO SELLERS AND PURCHASERS. Chris Richardson presented the Amendment to Notice to Sellers and Purchasers, a copy of which is attached as Exhibit "C" and explained the document must be amended and filed in the property records when the tax rate is changed; all Directors present are required to sign the document. Following further discussion, it was moved by Director Stefaniak and seconded by Director Cooke that the Amendment to Notice to Sellers and Purchasers be approved, which motion passed unanimously, 3-0.

5. PUBLIC COMMENTS. A District resident thanked the Board for lowering the tax rate again.

A District resident thanked the Board for putting information on the website but asked about information in the HOA newsletter.

Leonard Schweinle stated he hopes to get started on security lighting. He noted the security cameras have not yet identified the “hooligans” roaming the golf course on ATVs.

6. MINUTES OF MEETING. The next item to come before the Board of Directors was the review and approval of the minutes of the meeting of September 9, 2021. Following a discussion, it was moved by Director Stefaniak and seconded by Director Cooke that the minutes of the meeting of September 9, 2021 be approved, which motion carried unanimously, 3-0.

7. MANAGEMENT AND SECURITY REPORT. Director Haupt reviewed the security report.

8. OPERATOR’S REPORT. Josh Maas presented the monthly operations report for the month of August, a copy of which is attached as Exhibit “D”. He reported the District has 646 water connections. He noted the Sewage Treatment Plant was compliant with its permit for the month. Accountability was at 97.82%.

Director Haupt asked about the lead and copper sampling. Mr. Maas explained it is performed every three years. He stated it is now less of concern due to the lack of lead and copper in the lines and since “lead free” solder is used. Mr. Mass further stated they performed the test last week.

Mr. Maas presented two quotes from Elite Pumps & Mechanical Services, LLC for repairs at the Sewage Treatment Plant. He stated one quote is to repair the digester wall for \$3,680.00, and the second quote is to install Blower No. 5 for \$10,415.00. Mr. Maas next

presented a quote for \$7,700.00 from Burke's Mechanical Services, Inc. to repair Booster Pump No. 4.

Following further discussion, it was moved by Director Stefaniak and seconded by Director Cooke that the operator's report be approved, to approve the two quotes from Elite Pumps & Mechanical Services, LLC and to approve the quote from Burke's Mechanical Services, Inc., which motion carried unanimously, 3-0.

9. ENGINEER'S REPORT. Teague Harris presented the Engineer's Report, a copy of which is attached hereto as Exhibit "E". He discussed the Rehabilitation of the Sanitary Sewer System Phases 1B and 2. He reported all remaining manhole rehabilitations are complete except the last two Golf Course manholes. Mr. Harris presented for approval Pay Application No. 14, in the amount of \$5,259.60. He discussed the issues with delays in the cleaning and issues with silt buildup. He stated T.Gray Utility is looking at using pipe-bursting in order to finish the rehabilitation. Mr. Harris recommended holding payment of Pay Application No. 14 until the cleaning is complete.

Mr. Harris next discussed the Stormwater Drainage Improvements. He reported the construction plans for both the culvert installation and the drainage swales on the Golf Course have been approved by Harris County Precinct No. 2. Mr. Harris stated the culvert project is out for bids.

Mr. Harris discussed the conversion to submersible pumps at the Eaglepoint Lift Station. He reported Neil Technical Services is finalizing some detail on the new wet well top slab and pump rail installation and they expect to begin bypass pumping in two weeks.

Following further discussion, it was moved by Director Stefaniak and seconded by Director Cooke that the engineer's report be approved, and to approve Pay Application No. 14

for the Rehabilitation of the Sanitary Sewer System Phases 1B and 2 and to hold until the cleaning is complete, which motion carried unanimously, 3-0.

10. TAX ASSESSOR'S REPORT AND DELINQUENT TAX REPORT. Brenda McLaughlin presented the tax report for the month of September, 2021, a copy of which is attached as Exhibit "F". The report reflected the District has collected 97.54% of its 2020 taxes and 98.69% of its 2019 taxes.

Following a discussion, it was moved by Director Stefaniak and seconded by Director Cooke that the report be approved, along with the checks on the tax account, which motion carried unanimously, 3-0.

11. TRANSFER TAX ACCOUNTS TO ALLEGIANCE BANK AND DEPOSITORY PLEDGE AGREEMENT. Ms. McLaughlin requested the Board authorize transferring the tax accounts to Allegiance Bank.

Chris Richardson presented for approval a Depository Pledge Agreement for Allegiance Bank.

Following further discussion, a motion was made by Director Stefaniak and seconded by Director Cooke to authorize transferring the tax accounts to Allegiance Bank, and to approve a Depository Pledge Agreement with Allegiance Bank, which motion carried unanimously, 3-0.

12. DISCUSS BOB LEARED INTERESTS WEB PAGE SERVICE. Director Haupt discussed the web page service that Bob Leared Interests is offering in order for the District to comply with the new requirements regarding documents and information to be posted online. Ms. McLaughlin explained the web page service will keep the District in compliance, but it will not be a District website. She stated it will cost \$350 to set up the web page service and then it will cost \$100 per month.

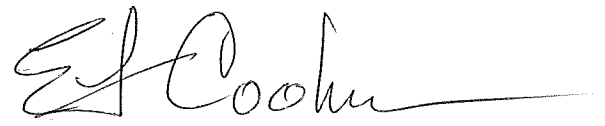
Following further discussion, it was moved by Director Stefaniak and seconded by Director Cooke to approve the agreement with Bob Leared Interests for a web page service, which motion carried unanimously, 3-0.

13. TREASURER'S REPORT. Director Stefaniak presented the report, a copy of which is attached as Exhibit "G". The Board reviewed the checks, investments, and financial statements. Director Stefaniak reviewed the profit and loss statement, the balance sheet and the general ledger for the general fund, the debt service fund and the capital projects fund.

Following further discussion, it was moved by Director Cooke and seconded by Director Haupt that the Treasurer's report, and those checks as listed thereon be approved, which motion passed unanimously, 3-0.

14. ADJOURNMENT/ OTHER BUSINESS. There being no further business, a motion was made, seconded, and unanimously carried, that the meeting be adjourned.

PASSED, ADOPTED and APPROVED this 11th day of November, 2021.



Secretary

