

**MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS**
May 12, 2022

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 May 12, 2022; whereupon, the roll was called of the members of the Board of Directors, to-wit:

Harry Haupt	President
Ron Warfield	First Vice President/Asst. Secretary
O.J. Armstrong	Second Vice President
Ed Cooke	Secretary
Larry Stefaniak	Treasurer

All members of the Board of Directors were present.

Also present were Chris Richardson of Strawn & Richardson, P.C.; Josh Maas of M. Marlon Ivy & Associates, Inc.; Teague Harris of IDS Engineering; and Carol Frisk.

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. PUBLIC COMMENTS. Director Haupt stated that Carol Frisk's service to the District began September 13, 2001. He presented Ms. Frisk with a Plaque of Appreciation.

A resident asked the Board about the Golf Course and the taxes owed to Harris County, the District and Crosby School District. He asked who will maintain the Golf Course if the current operator stops maintaining it. Director Stefaniak stated the District will then maintain it.

2. 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 April 14, 2022. Following a discussion, it was moved by Director Stefaniak and seconded by Director Warfield that the minutes of the meeting of April 14, 2022 be approved, which motion carried unanimously, 5-0.

3. MANAGEMENT AND SECURITY REPORT. Director Haupt reviewed the incidents in the security report.

4. OPERATOR'S REPORT. Josh Maas presented the monthly operations report for the month of April, a copy of which is attached as Exhibit "A". He reported the District has 649 water connections. He noted the Sewage Treatment Plant was compliant with its permit for the month, operating at 38% of capacity. Accountability for the water system was at 95.09%.

Mr. Maas presented the write-offs for approval.

Mr. Maas next presented a proposal for inflow protectors and curb markers. He noted that the District has 268 manholes. He informed the Board that he will bring in a fire hydrant report next month stating all the repairs that were made.

Following further discussion, it was moved by Director Stefaniak and seconded by Director Warfield that the operator's report be approved, that the write-offs be approved, and to approve the proposal for inflow protectors and curb markers, which motion carried unanimously, 5-0.

5. CONSUMER CONFIDENCE REPORT. Mr. Maas presented the Consumer Confidence Report for approval. He stated the report is due to the public on July 1, 2022, and the

website link will be on the water bill. Following a discussion, it was moved by Director Warfield and seconded by Director Stefaniak that the Consumer Confidence Report be approved, which motion carried unanimously, 5-0.

6. AMENDMENT TO RATE ORDER. The Board considered amending the Rate Order to add a 4% increase to all water rates and all sewer rates. A copy of the Rate Order is attached as Exhibit “B”.

Following further discussion, it was moved by Director Stefaniak and seconded by Director Warfield that the amendment to the Rate Order be approved, which motion carried unanimously, 5-0.

7. ENGINEER’S REPORT. Teague Harris presented the Engineer’s Report, a copy of which is attached hereto as Exhibit “C”. He discussed the Rehabilitation of the Sanitary Sewer System Phases 1B and 2. Mr. Harris presented for approval Pay Application No. 18 in the amount of \$29,043.90 from T. Gray Utility.

Mr. Harris discussed the Eaglepoint Lift Station conversion to submersible pumps.

Mr. Harris next discussed the Eagle Point Lift Station Site boundary revisions, fence, and concrete driveway. He informed the Board that ISI Underground Utilities, LLC plans to pour the 6-inch driveway and 4-inch maintenance slabs by next Tuesday.

Mr. Harris reported they will send the metes and bounds for the new sewer line easement to the attorney to prepare the easement.

Mr. Harris discussed the Squaw Valley Area Culvert Installation. He presented for approval Change Order No. 2, which contains five items previously approved by the Board and

two additional items. He also presented for approval Pay Application No. 1, in the amount of \$71,736.37, to ISI Underground Utilities, LLC.

Mr. Harris discussed the fire hydrant inspections. He suggests using GPS technology to log in the coordinates during the inspection process for future use to build a GIS water line map.

Mr. Harris reported that Randy Hall purchased the 137-acre tract. He stated that he will contact the engineer to learn more about their drainage and detention plans. Director Stefaniak requested Mr. Harris evaluate the developer's plan and report back to the Board.

Mr. Harris informed the Board that the City of Houston contacted the District asking if it has available water supply capacity to assist the City to serve an area north of the District. He stated that he will talk with the City and likely decline the request.

Following further discussion, it was moved by Director Warfield and seconded by Director Cooke that the engineer's report be approved, along with the items presented and discussed, which motion carried unanimously, 5-0.

8. TAX ASSESSOR'S REPORT AND DELINQUENT TAX REPORT. Director Stefaniak reviewed the tax report for the month of April 2022, a copy of which is attached as Exhibit "D". The report reflected the District has collected 94.46% of its 2021 taxes and 98.21% of its 2020 taxes.

Following a discussion, it was moved by Director Warfield and seconded by Director Armstrong that the report be approved, along with the checks on the tax account, which motion carried unanimously, 5-0.

9. TREASURER'S REPORT. Director Stefaniak presented the report, a copy of which is attached as Exhibit "E". 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.

He informed the Board that Comerica Bank stated they will no longer hold the District's money.

Following further discussion, it was moved by Director Cooke and seconded by Director Warfield that the Treasurer's report, and those checks as listed thereon be approved, which motion passed unanimously, 5-0.

10. REVIEW BUDGET FOR FISCAL YEAR ENDING JUNE 30, 2023. The Board tabled this item.

11. ENGAGEMENT OF AUDITOR FOR FISCAL YEAR ENDING JUNE 30, 2022. The Board considered engaging an auditor for the fiscal year ending June 30, 2022. Following discussion, it was moved by Director Stefaniak and seconded by Director Cooke to engage the District's auditor, Howard, LLC., for fiscal year ending June 30 2022, which motion carried unanimously,


12. POST ISSUANCE DEBT POLICY AND PROCEDURE MANUAL AND ENGAGEMENT OF ARBITRAGE COMPLIANCE SPECIALISTS. The Board considered adopting the Post-Issuance Debt Policy and Procedure Manual prepared by Arbitrage Compliance Specialists and related Resolution, copies of which are attached as Exhibit "F". The Board next considered engagement of Arbitrage Compliance Specialists for the Series 2020 Bonds.

Following further discussion, it was moved by Director Warfield and seconded by Director Stefaniak to adopt the Post-Issuance Debt Policy and Procedure Manual and related Resolution,

and to engage Arbitrage Compliance Specialists for the Series 2020 Bonds, which motion carried unanimously.

13. **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 9th day of June, 2022.


Secretary

