

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

July 14, 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 July 14, 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.; and Michael Johnson and Andrew Haitz, 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. PUBLIC COMMENTS.** There were no public comments at this time.
- 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 June 9, 2022. Following a discussion,

it was moved by Director Warfield and seconded by Director Cooke that the minutes of the meeting of June 9, 2022 be approved, which motion passed with Director Armstrong abstaining, 4-0-1.

3. MANAGEMENT AND SECURITY REPORT. The Board reviewed the Security Report.

4. OPERATOR'S REPORT. Josh Maas presented the monthly operations report for the month of June, 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 28% of capacity. Accountability for the water system was at 96.57%.

Mr. Maas reviewed the GM Services report for the well pumps at Water Plant No. 1 and Water Plant No. 2. He reported that all ratings were good or excellent.

Following further discussion, it was moved by Director Warfield and seconded by Director Armstrong that the operator's report be approved, which motion carried unanimously, 5-0.

5. ENGINEER'S REPORT. The Board reviewed the Engineer's Report, a copy of which is attached hereto as Exhibit "B". The Board discussed the Rehabilitation of the Sanitary Sewer System Phases 1B and 2.

The Board discussed the Eagle Point Lift Station.

The Board noted that the engineer will send the easement metes and bounds to the attorney for the new Sanitary Sewer Line from Lift Station D-37 and Eaglepoint FM Discharge MH.

The Board next discussed the Squaw Valley Area Culvert Installation.

The Board noted that the engineer has revised the construction plans of the Golf Course Drainage Swales and he has submitted them to Harris County for final review and approval. The

engineer has prepared a construction contract for Texas Pipe Drifts & Supply Co., for a total cost of \$24,950.00, to be executed by Eric Couch.

The Board discussed the 137-acre Indian Springs Residential Development in Harris County MUD No. 544. The engineer forwarded an email to the Board from Ms. Bihlet stating they plan to initially drain their detention basin through the deep gully in Section 3 to Lake Houston. Ms. Bihlet indicated they will divert the detention basin outfall to a drainage channel that will go south and then east through the adjacent tract in an easement to be acquired and then outfall to Lake Houston.

The engineer indicated he will provide for the Board's review a draft letter to Ms. Osegueda, with the City of Houston, regarding her request for water supply capacity

Following further discussion, it was moved by Director Warfield and seconded by Director Stefaniak that the engineer's report be approved, along with the items presented and discussed, which motion carried unanimously, 4-0.

6. ANNEXATION OF SOUTHERN LACE ESTATES TRACT. The Board considered accepting the Petition for Addition of Lands from the owner of the 35.5862 Acre, Southern Lace Estates tract. Chris Richardson stated the City of Houston granted its consent to the District's annexation of this property.

Mr. Richardson next presented the Order Adding Lands and Redefining Boundaries for approval, a copy of which is attached as Exhibit "C".

Following further discussion, it was moved by Director Stefaniak and seconded by Director Warfield to approve the Order Adding Lands and Redefining Boundaries, which motion carried unanimously, 5-0.

7. **NOTICE TO SELLERS AND PURCHASERS.** Chris Richardson presented for approval the Notice to Sellers and Purchasers, to be filed in the Harris County courthouse, a copy of which is attached as Exhibit “D”. He explained the Amendment reflects the annexation of the 35.5862 acres, and will be filed in the Real Property Records of Harris County, Texas.

Following further discussion, it was moved by Director Stefaniak and seconded by Director Warfield that the Notice to Sellers and Purchasers be approved, 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 June 2022, a copy of which is attached as Exhibit “E”. The report reflected the District has collected 96.28% of its 2021 taxes and 98.46% of its 2020 taxes.

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

9. **RESOLUTION CONCERNING DISTRICT DEVELOPMENT STATUS.** Mr. Richardson presented to the Board a Resolution Concerning District Development Status for 2022 Tax Year, a copy of which is attached as Exhibit “F”. Mr. Richardson stated the District, along with the engineer, must determine the status of the District as either Developed or Developing. He informed the Board this determination will set the limits on how the District can set its taxes for the current year. The Resolution will address the status the Board and engineer have determined for the upcoming tax year. Mr. Richardson stated the engineer provided a certificate designating the District as a Developing District, which will be attached as an exhibit

to the Resolution. Following further discussion, it was moved by Director Stefaniak and seconded by Director Warfield that the Resolution Concerning District Development Status for the 2022 Tax Year be adopted, which motion carried unanimously, 5-0.

10. 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 Armstrong and seconded by Director Cooke that the Treasurer's report, and those checks as listed thereon be approved, which motion passed unanimously, 5-0.

11. APPROVE BUDGET FOR FISCAL YEAR ENDING JUNE 30, 2023. Director Stefaniak presented for approval the budget for fiscal year ending June 30, 2023, and the Board considered a Resolution Adopting Operating Budget, a copy of which is attached as Exhibit "H".

Following further discussion, it was moved by Director Warfield and seconded by Director Cooke to adopt the budget for fiscal year ending June 30, 2023, and to adopt a Resolution Adopting Operating Budget, which motion carried unanimously, 5-0.

12. ORDER CALLING DIRECTORS ELECTION. Mr. Richardson informed the Board the biennial Directors Election is scheduled for Tuesday, November 8, 2022. The Order Calling Directors Election and the Notice of Election were presented for the Board's review and approval, a copy of the Order is attached as Exhibit "I". Mr. Richardson explained the Board would be able to cancel the election if no person applies to run against Directors Warfield,

Armstrong and Stefaniak. He also recommended the Board authorize entering into an agreement with Harris County for election services. Following further discussion, it was moved by Director Stefaniak and seconded by Director Warfield that the Order Calling Directors Election and the Notice of Election be approved, to authorize entering into an agreement with Harris County for election services, and further that the attorneys be authorized to post notice of the election as required by law, 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 11th day of August, 2022.


Secretary

