

**MINUTES OF MEETING  
OF THE  
BOARD OF DIRECTORS**  
July 13, 2023

**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 13, 2023; whereupon, the roll was called of the members of the Board of Directors, to-wit:

Harry Haupt	President
O.J. Armstrong	First Vice President/Asst. Secretary
Steve Fields	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.; Chad Abram of IDS Engineering; and a District resident.

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.** A resident addressed the Board regarding the Golf Course. Director Haupt stated that he had a tour with a group that was interested in the Golf Course.

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 8, 2023. Following a discussion,

it was moved by Director Stefaniak and seconded by Director Cooke that the minutes of the meeting of June 8, 2023 be approved, which carried unanimously, 5-0.

**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 653 water connections. He noted the Sewage Treatment Plant was compliant with its permit for the month, operating at 33% of capacity. Accountability for the water system was 93.21%.

Mr. Maas discussed an overdue account. He recommended sending the overdue account to collections.

Following further discussion, it was moved by Director Stefaniak and seconded by Director Armstrong that the operator's report be approved, and to approve sending the overdue account to collections, which motion carried unanimously, 5-0.

**5. AMENDMENT TO RATE ORDER.** The Board next considered amending the District's Rate Order. Chris Richardson discussed the legislative changes regarding Public Facility Corporations and changes to the water and sewer rates for non-taxable apartments. Mr. Richardson recommends adding language for a 400% increase in water and sewer rates for multi-family properties that become eligible for the non-taxable option. A copy of the amended Rate Order is attached as Exhibit "B".

Following further discussion, it was moved by Director Armstrong and seconded by Director Cooke to approve amending the Rate Order to include a 400% increase in water and sewer rates for non-taxable multi-family properties, which motion carried unanimously, 5-0.

**6. ENGINEER'S REPORT.** Chad Abram presented the Engineer's Report, a copy of which is attached hereto as Exhibit "C". Mr. Abram discussed the Rehabilitation of the Sanitary Sewer System Phases 1B and 2. He reported that they are currently reviewing post construction videos. Mr. Abram stated that they will schedule a final inspection upon completion of the review.

Mr. Abram next discussed the Whitefeather culverts and swales around the Pro Shop. He presented for approval Pay Application No. 6 from ISJ Underground Utilities, in the amount of \$17,986.50.

Mr. Abram discussed the review of the Phase I Drainage Impact Analysis and Report for the Indian Springs development.

Mr. Abram discussed the Wastewater Treatment Plant discharge permit renewal. He reported that the technical review of the application by TCEQ is underway.

Mr. Abram discussed the Wastewater Treatment Plant inspection. He reported that they are preparing a scope of work and preliminary cost estimates to present for the Board's review.

Mr. Abram next discussed the emergency interconnect request from the City of Houston. He reported that review of potential alignments and preparation of conceptual cost estimates for the transmission main is underway.

Following further discussion, it was moved by Director Stefaniak and seconded by Director Armstrong that the engineer's report be approved, and that Pay Application No. 6 for the Whitefeather culverts and swales around the Pro Shop be approved, which motion carried unanimously, 5-0.

**7. TAX ASSESSOR'S REPORT AND DELINQUENT TAX REPORT.** Director Stefaniak presented the tax report for the month of June 2023, a copy of which is attached as

Exhibit “D”. The report reflected the District has collected 96.44% of its 2022 taxes and 98.73% of its 2021 taxes.

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

**8. RESOLUTION CONCERNING DISTRICT DEVELOPMENT STATUS.**

Mr. Richardson presented to the Board a Resolution Concerning District Development Status for 2023 Tax Year, a copy of which is attached as Exhibit “E”. 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 Cooke that the Resolution Concerning District Development Status for the 2023 Tax Year be adopted, which motion carried unanimously, 5-0.

**9. TREASURER’S REPORT.** Director Stefaniak reviewed the report, a copy of which is attached as Exhibit “F”. 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.

**10. APPROVE BUDGET FOR FISCAL YEAR ENDING JUNE 30, 2024.**

Director Stefaniak presented for approval the budget for fiscal year ending June 30, 2024, and the Board considered a Resolution Adopting Operating Budget, a copy of which is attached as Exhibit “G”.

Following further discussion, it was moved by Director Armstrong and seconded by Director Cooke to adopt the budget for fiscal year ending June 30, 2024, and to adopt a Resolution Adopting Operating Budget, which motion carried unanimously, 5-0.

**11. AMENDED RESOLUTION AUTHORIZING FEES OF OFFICE AND REIMBURSEMENT EXPENSE.** Mr. Richardson presented the Amended Resolution Authorizing Fees of Office and Expense Reimbursement, a copy of which is attached as Exhibit “H”. Mr. Richardson explained the past legislative session amended the law allowing an increase in the fee of office amount from \$150.00 to \$221.00. He noted the yearly maximum amount allowed will remain at \$7,200.00. Director Stefaniak noted that the directors do not receive a fee of office. The Board did not take any action on the Resolution.

**12. 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 10th day of August, 2023.

  
Secretary

