

**MINUTES OF REGULAR MEETING
FOUNTAINHEAD MUNICIPAL UTILITY DISTRICT
FEBRUARY 16, 2022**

The Board of Directors of Fountainhead Municipal Utility District of Harris County, Texas, met in regular session, open to the public on February 16, 2022, and the roll was called of the duly constituted officers of the Board, to-wit:

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| Sidney A. Hubbard | President |
| Paul Cemer | Vice President |
| Bob Grace | Secretary |
| Norm Warwick | Treasurer |
| Lee Joseph Saunders | Assistant Secretary/Treasurer |

and all of said Directors were present, excepting Director Cemer, thus constituting a quorum.

Persons also present included DeWayne, Wesley and Christine High of WET Services, Inc.; Derrick Michael of SRI; and Michael Cole of Michael A. Cole, P.C.

SRI REPORT

Mr. Michael made his report to the Board concerning sales and use tax revenues. His complete written report was reviewed. He noted that November sales tax revenues from the State were approximately \$36,194; there had been a 63% increase in sales tax revenues over that of the prior year; and that the trend should continue with revenues exceeding that for the prior year.

SECURITY REPORT

There was no report.

MINUTES

Minutes of the February 2, 2022 meeting were approved on the motion of **Directors Grace and Saunders, respectively, and the unanimous vote of the Board.**

ENGINEER REPORT

Eric Johnson made his report to the Board. He explained that he would be touring colleges with his daughter during the next meeting for the Engineer to attend but that Teague Harris should be present for that meeting. In the report he said that the UV Improvement at the plant was about half done; that Fountainhead's share of the Plant improvements is about \$846,659; and that when the Plant rehabilitation is complete the CIP for the Plant will be reviewed with the 109 Engineer along with whether it will be possible to re-rate the flow capacity of the Plant after analyzing results from the automatic sampler. On the matter of the Sarti project, the County had forwarded the Agreement to Commissioners Court which he understood had been approved by the Court on February 8, but that the actual agreement is needed before going back to the landowner about any acquisition or getting an appraisal. On other matters of concern the lead time for getting a generator once ordered is 8 to 9 months and the Engineer will work to get this done soon. Finally, with regard to the circulation pump

he told the Board his office is working on it and has a target date of March 10 by which to have it done to submit to the State. **The Report was approved on the motion of Directors Saunders and Warwick, respectively, and the unanimous vote of the Board.**

TAX ASSESSOR-COLLECTOR REPORT

Ms. Anel reported that the 2021 levy was 81.26% collected which is unusually less than expected for this time of year, and that she will look into why that is and provide the District with an explanation. She suggested that part of the reason might relate to the fact that the Bank used by the District for tax matters had been changed and that many payments which would normally be paid directly to the District had been made to the old bank instead. She said that a delinquency roll will be brought to the next meeting to which she attends and that the homestead tax exemption would be on that agenda. **Director Grace then moved the approval of the write-offs of \$7,782.82 and the report, which motion was seconded by Director Warwick and carried unanimously.**

BOOKKEEPER AND INVESTMENT OFFICER REPORT

Sara Redden presented the report and announced that the District is making payment of \$846,659 to District 109 for its estimated pro rata share of the STP project for the UV disinfection project as requested by the District 109 Engineer. **The Board thoroughly reviewed the report and moved its approval on the motions of Directors Grace and Warwick and the unanimous vote of the Board.**

UTILITY OPERATOR REPORT

The operator presented his report which among other points noted that the water accountability was 93%; that 1932 ESFCs had been reported to District 109; and that average consumption per household was 5,687 gallons. It was also noted that 111 accounts were proposed for water service termination with 452 past due accounts, but that even the accounts due for termination could be paid before terminations would be required. He stated that most payments are still being made by physical checks. Ms. High noted that more than \$2,000 remained owing from the former owner of the shopping center and was not likely to ever be paid. **Director Saunders then moved the approval of the report, authorization for terminations and the write-offs submitted. The motion was seconded by Director Grace and carried unanimously.**

ATTORNEY REPORT

The Attorney presented his written report which was reviewed by the Board. He requested that the Board approve an agreement for election services for the May 7, 2022 Directors election. **Director Saunders moved the approval for such an agreement with the County, which was seconded by Director Grace and carried unanimously.** He let the Board know that election information shown on the website that showed old election information about the last election had been removed, even though it was for archive purposes, because it could be very misleading to a reader, and that if after the filing deadline no more candidates had filed than positions to be filled the election could be cancelled, which appears will be the case. He stated that the arbitrage compliance review would be conducted in March. **The attorney's report was then moved approved on the motions of Director Saunders and Warwick, respectively, and the unanimous vote of the Board.**

REGIONAL WATER AUTHORITY REPORT

Director Warwick related that the Authority meeting was another quick one because of a football playoff game, but that all appeared to be going well.

There being no other business to come before the Board the meeting was adjourned.

(SEAL)

Secretary, Board of Directors

CUMULATIVE COMMITMENTS FOR ACTION
FOUNTAINHEAD MUNICIPAL UTILITY DISTRICT
MEETING OF FEBRUARY 16, 2022

1. **ATTORNEY** to prepare minutes and *review the wastewater plant agreement with District 109 regarding changes in capacity occasioned by plant design changes which have the effect of downsizing the plant .*
2. **OPERATOR** *to make certain the back-flow preventer has been replaced for and by In Town Suites.*
3. **ENGINEER** *pursue collecting a fully executed copy of the agreement from the County and complete CIP; and follow-up on matters shown in Engineer Report, as well as get approval by TCEQ of the re-circulation pump.*

[commitments that are unchanged are shown in italics.]