

**MINUTES OF REGULAR MEETING
FOUNTAINHEAD MUNICIPAL UTILITY DISTRICT
JULY 19, 2023**

The Board of Directors of Fountainhead Municipal Utility District of Harris County, Texas, met in regular session, open to the public on July 19, 2023, and the roll was called of the duly constituted officers of the Board, to-wit:

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, thus constituting a quorum.

Persons also present included DeWayne, Christine and Wesley High of WET Services, Inc.; Derrick Michael of SRI; Rene Anandel of Barbara Wheeler & Associates; Eric Johnson of IDS Engineering; Kelly Trebing of Claudia Redden & Associates, Inc.; Melissa Rough of the RWA; and Michael Cole of Michael A Cole, P.C.

SALES TAX REPORT

Derrick Michael presented his report to the Board. Among other things reported Mr. Michael made clear that there had been a lot of vacancies in the park area and other commercial areas; that there had been seven new sales tax generators; that there were signs of new development; that the Chinese buffet was back; and that many changes were being noted. Director Cemer had questions about the “Old City Pub” to which Mr. Michael said he would look in to the matter and he thanked the Board.

SECURITY REPORT

There was no report according to Director Warwick.

MINUTES

Director Grace moved the approval of the July 5, 2023 minutes which motion was seconded by Director Cemer and carried unanimously.

ENGINEERING REPORT

In the report the Sarti Drainage Project was discussed and it was thought that the check to the Title Company for the site would probably be made and hopefully the plans for same approved soon; that the last inspection and work done on Water Plant No. 1 was in

2013 and that given its age of 51 years it would probably have to be replaced and rehabilitated within the next two years which given the more reasonable cost of concrete tanks with no cost of ever having to repaint them, might mean that the replacement would be with a concrete structure; that September 25 is now the new delivery date for the new generator; that Hydro-pneumatic tanks 1 and 2 need replacement; that the re-rating of the sewage treatment plant is still not finished by District 109; that the **relocation of facilities at Water Plant No. 1 still needs to be done for which Directors Warwick and Cemer moved authorization for such work including without limitation the rehabilitation of the Ground Storage Tank No. 1, Hydropneumatic Tanks 1 and 2 at Water Plant No. 2 and the rehabilitation of the Elevated Storage Tank and the unanimous Board approval by the Board**; work of Bammel's Water Plant No. 1 was reported to be 65% complete for which Fountainhead's share is reported to be \$531,840; that work and planning for NWHC MUD 21 and 22 is proceeding for which Fountainhead's share is \$424,573; that the design work at the Sewage Treatment Plant of District 109 is essentially complete and authorization for bidding it has been given by 109 for which share Fountainhead is responsible for \$846,659; that a sidewalk project is 60% complete for TexDot planning; and that a 10 Acre development of the "Old City Pub and Grill" is being looked at by Bammel for feasibility and for which Fountainhead's concurrence is needed and about which Director Cemer had inquired. **The Engineer's letter report detailing all of the above is included in these minutes because of its importance, the details and clarity which it brings to a complicated picture of development.** The report was approved by the Board.

TAX ASSESSOR-COLLECTOR REPORT

Ms. Andel submitted her report. It was told that 97.33% of the taxes for the 2022 levy had been collected; on the motion and second of Directors Cemer and Warwick two accounts had been moved to uncollectible; and Ms. Andel would come to the first meeting of the Board in September at which Ms. Crotwell would appear to discuss and act upon setting a tax rate for 2023. **A motion to approve the report was made by Director Cemer and seconded by Director Warwick and carried unanimously.**

BOOKKEEPER AND INVESTMENT OFFICER REPORT

The bookkeeper's report was delivered by Ms. Trebing. It was noted that there had been \$21,131 in shared sales tax collections from the City of Houston. **Director Grace moved the adoption of a Resolution establishing a new per diem rate for days of service of a Director of \$221 with the same cap of \$7,200 in a year, and to start effective 18 June, 2023, which motion was seconded by Director Saunders and carried by the unanimous vote by the Board.**

UTILITY OPERATOR REPORT

The operator provided the utility operator's report. 1,842 equivalent single family connections were reported to District 109; water usage is reported to be down from June, but will be up for July; water accountability is down because of water work being done in the District; 29 accounts were scheduled for termination last month with 25 having service restored; with water accountability being 83%; penalties assessed being \$5,000 plus and a Regional Water Authority line and shut off valve being replaced. **A motion to approve the report and authorize service terminations was made by Director Cemer and seconded by Director Grace including the authorization for service terminations and was approved by unanimous vote.**

ATTORNEY REPORT

The attorney's report, most of which had been previously discussed or covered in other reports was **approved by Directors Cemer and Grace and the unanimous vote of the Board.**

NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY

It was noted that the RWA had purchased water rights from the State of Texas acting on behalf of the water interests of Cypress Creek and that new water rates would be considered by the Authority at its September 8 meeting, and finally that the water plant improvements at the City's regional water plant should be completed shortly.

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

Secretary, Board of Directors

CUMULATIVE COMMITMENTS FOR ACTION
FOUNTAINHEAD MUNICIPAL UTILITY DISTRICT
MEETING OF JULY 19, 2023

ENGINEER to *follow-up on his commitments made.*

[commitments that are unchanged are shown in italics.]