

**MINUTES OF REGULAR MEETING
FOUNTAINHEAD MUNICIPAL UTILITY DISTRICT
AUGUST 16, 2023**

The Board of Directors of Fountainhead Municipal Utility District of Harris County, Texas, met in regular session, open to the public on August 16, 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.; Rene Anandel of Wheeler & Associates, Inc.; Eric Johnson of IDS Engineering Group; and Cindy Nichols of Michael A Cole, P.C.

CUSTOMER COMMENTS

There were no customer comments.

SECURITY REPORT

There was no report.

MINUTES

Minutes of the Board's August 2, 2023 were not presented for consideration.

ENGINEERING REPORT

Eric Johnson reported that he expects to be able to go out for bids next month for the Sarti Street Drainage Project. He stated that the ground storage tank at water plant no. 1 could be replaced with a tank with a smaller footprint and a height of about 36 feet which is taller than the current tank's height of about 24 feet. He said the replacement of the tank can wait until next year. He next reported that the emergency generator is on track to be ready on September 25, with delivery on site the following week, and that it will take a couple of weeks after that to get it online. The plans and specifications for the elevated storage tank at water plant no. 2 are being finalized and the bidding will occur in September and the project will begin in November or December. The Board discussed the new logo for Klein Forest High School to be placed on the tank. After discussion, **Director Cemer moved approval**

of placing the new Klein Forest High School logo on the tank, which motion was seconded by Director Saunders and carried by unanimous vote. It was next reported that the tank replacement project at water plant no. 1 is 75% complete and the contractor is still building the new concrete tank. The engineer then reported that Quiddity Engineering is close to being done with the District 109 wastewater treatment plant flow analysis and re-rating. **Director Cemer then moved approval of the engineer's report, which motion was seconded by Director Grace and carried by unanimous vote.**

TAX ASSESSOR-COLLECTOR REPORT

Ms. Anadel submitted the tax assessor-collector's report, noting 2022 tax collections of 98.42%. Ms. Anadel reminded Directors that she would attend the first meetings of the Board in September and October and resume attending the second meetings of the Board in November. **Director Cemer moved approval of the tax assessor-collector's report and tax bills, which motion was seconded by Director Grace and carried by unanimous vote.**

BOOKKEEPER AND INVESTMENT OFFICER REPORT

The bookkeeper and investment officer's reports were delivered to the utility operator and handed out to Directors prior to the start of the meeting. Director Cemer brought to the Board's attention an invoice received from Bammel UD for over \$300,000 for its water plant no. 1 replacement project. He presented a copy of a Fountainhead MUD check in the amount of \$531,840 to Bammel UD dated December 14, 2022 in payment of the water plant no. 1 replacement project. He stated that he believes Fountainhead MUD was billed in error and does not owe anything more for this project, and that the Fountainhead MUD bookkeeper agrees. Director Cemer stated that a special meeting has been scheduled with Bammel UD for Sunday, August 27th at 3:00 PM, and that he and Director Saunders will attend. Director Cemer stated that he wants this issue to be resolved before Fountainhead MUD enters into anymore agreements with Bammel UD. He asked for suggestions on how best to approach the issue with the Bammel UD Board. Discussion was had at the conclusion of which **a consensus was reached that the best way to approach this matter is directly with the Bammel UD Board and to not include consultants from either district.**

Director Cemer then moved approval of the bookkeeper and investment officer's reports and bills, which motion was seconded by Director Grace and carried by unanimous vote.

UTILITY OPERATOR REPORT

DeWayne High presented his report to the Board, and among other matters reported that average residential usage was up to 7,540 gallons for the month, and water accountability was 88%. Discussion was had about the water accountability percentage and

DeWayne said that he has looked at the big meters, for meters that aren't working, at the storm sewers and ditches for any sign of leaks, and yearly recalibrates the big meters like the one at the apartment complexes, but is still unable to explain the low water accountability percentage.

DeWayne High then reported that the Regional Water Authority went into Stage 1 of its Drought Contingency Plan yesterday, and his office posted on the District's website the voluntary water restrictions as requested by the Authority. The current list of proposed service terminations was presented for the Board's approval.

Discussion was had about how best to get the message out about the Authority's Stage 1 Drought. At the conclusion of discussion **Director Warwick moved that the operator be directed to: 1) place an insert notification and District contact information in the customer water bills, including information about how to sign up for notifications from the District, and 2) to send a separate mailing to notify District customers of the Authority's Stage 1 drought. The motion was seconded by Director Cemer and carried by unanimous vote.**

Director Cemer then moved approval of the utility operator's report and authorization of service terminations as presented, which motion was seconded by Director Grace and carried by unanimous vote.

ATTORNEY REPORT

There was no attorney's report offered for tonight's meeting.

The Board reviewed the W.I.N. proposal for District's insurance for the period beginning October 1, 2023 and ending September 30, 2024. It was noted that the premium had increased a little over \$4,600 from the prior year, mostly due to property values increasing by \$1,375,000. The Board requested that an item be placed on the May, 2024 agenda to consider going out for bids for the District's insurance expiring September 30, 2024. **Director Saunders then moved approval of the W.I.N. proposal for insurance for the period beginning October 1, 2023 and ending September 30, 2024, which motion was seconded by Director Cemer and carried by unanimous vote.**

NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY

Director Saunders reported that representatives of Montgomery County attended the last Regional Water Authority meeting, and they are trying to get two sample wells to learn more about subsidence and the affect of using groundwater.

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 AUGUST 16, 2023

ATTORNEY to include the tax assessor-collector's report on the first meetings in September and October, and to resume in November to the second meetings.

ENGINEER to *no new commitments.*

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[commitments that are unchanged are shown in italics.]