

**MINUTES OF REGULAR MEETING
FOUNTAINHEAD MUNICIPAL UTILITY DISTRICT
DECEMBER 15, 2021**

The Board of Directors of Fountainhead Municipal Utility District of Harris County, Texas, met in regular session, open to the public on December 15, 2021, 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 Anadel of Wheeler & Associates; Eric Johnson of IDS Engineering; Sarah Redden and later Claudia Redden of Claudia Redden & Associates, LLC; and Michael Cole of Michael A. Cole, P.C.

CUSTOMER COMMENTS

There were none.

SECURITY REPORT

Director Warwick explained that he had had a meeting in the Constable's Office in which it was explained that there would be a new fiscal year beginning October 1, 2022; that the costs to be paid would remain the same through October 1, 2022 with the new contract beginning October 1.

MINUTES

Consideration of the minutes of the December 1 meeting with a correction in the spelling of the word Sergeant were moved for **approval on the motions of Directors Grace and Cemer, respectively, and the unanimous vote of the Board.**

ENGINEER REPORT

The written report was delivered by Mr. Johnson with commentary to complete it. It was reported that the Sanitary Sewer Rehabilitation project costs are \$469,304.60 and a net savings of approximately \$20,000 over the original bid amount. He stated that the STP work at the 109 Plant would begin 12/20/21 for the UV system; that Fountainhead's share of the Plant improvements other than the UV equipment would be \$887,640; that the 10 year Capital Improvements Plan of District 109 remained at \$31,248,000 of which Fountainhead MUD's share was \$8,124,000, and that IDS would continue to have discussions with Jones & Carter about this on a project-by-project basis; and that District 109 is proceeding with installation of an automatic sampler as part of its evaluation to re-rate the flow capacity of the Plant. On other matters, he noted that Harris County was again reviewing the Board-executed agreement for the Sarti project; that his firm had reviewed and approved the revised site

plans of Somnath Mahdev LLC for the proposed 3.2 Acre office complex on Town Street; that the CIP is still being updated for consideration in early 2022; and that the Risk and Resiliency Assessment Plan or Emergency Response Plan (ERP) has been completed and will be submitted to the EPA by December 31. **He stated that an annual review and approval of this ERP needs to be on the tickler system and on the agenda each January. Director Cemer moved the approval of the report, which motion was seconded by Director Warwick and carried unanimously.**

TAX ASSESSOR COLLECTOR REPORT

The report was delivered by Ms. Anel reflecting a 99.38% collection rate for the 2020 tax levy and **approved by the Board on the motion and second of Directors Cemer and Warwick, respectively, and the unanimous vote of the Board.**

BOOKKEEPER AND INVESTMENT OFFICER REPORT

The reports were delivered by Ms. Redden. At the conclusion of the report **Director Cemer moved its approval, which was seconded by Director Warwick and carried unanimously.**

UTILITY OPERATOR REPORT

The operator presented his report. The Board was told that there were 1984 single family equivalent connections reported to District 109 for commercial sewage usage for the prior month; that generally higher water usage was reported for the month from that for the prior year; that average homeowner usage of water was 7,500 gallons per month; that the water ratio was an acceptable 92%; that the receivable was \$207,334; that there were no terminations for the prior month; that 46 accounts were proposed for termination; and that the write offs which were recommended as uncollectible were \$3,800.45. The Board then reviewed correspondence from the TCEQ which recited alleged violations for the failure to test and approve a backflow prevention device serving InTown Suites and a reticulation pump at the Elevated storage tank. It was noted that the pump was believed to have been approved at the same time as the Elevated Storage Tank which had been installed more than 40 years ago. The Operator readily admitted that the failure to have the backflow prevention device tested and passed was his omission, though he had attempted numerous times to get it reinspected and tested, but that InTown Suites had not been cooperative and so it had never occurred. After some discussion on the matter the Board directed the Operator to require the testing and passage of the backflow prevention device and if this was not done to terminate water service to InTown Suites. The Attorney said he would make a written response to the TCEQ. He noted that it was befuddling to him why and even how the TCEQ was requiring the re-circulation pump to be approved when it was a part of the plant approved by all agencies and constructed more than 40 years ago. With regard to the backflow prevention device the Attorney observed that it seemed clearly a responsibility of the District, even though InTown Suites had been uncooperative in meeting the Operator's insistence that it be tested and pass inspection. **Director Cemer moved the approval of the report, the write offs and the letter being written by its Attorney, which was seconded by Director Warwick and carried unanimously. Authorization for termination of accounts in January was made by Director Cemer, seconded by Director Saunders and carried unanimously.**

ATTORNEY REPORT

The Attorney had previously presented his report for which no approval was required.

REGIONAL WATER AUTHORITY REPORT

Director Warwick reported that the meeting had been conducted in the presence of weak attendance, though the budget and CIP had been approved and an update provided on the status of various construction projects.

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 DECEMBER 15, 2021

1. **ATTORNEY** to prepare minutes and add item on the next or future agenda for semi-annual review of the CIP Budget, Annual approval of the ERP in January; revise the data sheet for Directors to better reflect changes that would make it more accurate; prepare the letter to the TCEQ regarding alleged violations; and prepare for Director elections.
2. **OPERATOR.** Test the Backflow prevention device of InTown Suites.
3. **ENGINEER** *pursue Sarti project approval by County and complete CIP; and follow-up on matters shown in Engineer Report.*

[commitments that are unchanged are shown in italics.]