MINUTES OF REGULAR MEETING

WATERWOOD MUNICIPAL UTILITY DISTRICT NO.1

The Board of Directors of the Waterwood Municipal Utility District No.1 of San Jacinto County, Texas, met in regular session, open to the, at the Waterwood Improvement Association building, inside the District on Friday August 19, 2022. The roll was called of the duly constituted officers and members of the Board, to-wit:

 Roy Knapp President

 Darrell Boeske Vice President

 John Dagleish Secretary

 Kevin Cook Director

 Donald Marshall Director

**1. CALL TO ORDER AND WELCOME GUESTS**

Board members were present were Roy Knapp, Kevin Cook, John Dagleish, Darrell Boeske, and

Donnie Marshall, thus constituting a quorum. Also, present were, Karon Murff, Marla Fink, Tony Bonaventure, Gina Peacock, Michael Duffy, Melanie Cook, Rick Harlow, Carol Decker, Stephen Cox, Cameron Snyder, James Jones, Pamela Sultan, Jacob Floyd, Pat Zappa, and Anita Treadway.

**2. Approval of Consent Agenda Items:**

A. Minutes of the regular meeting of July 15, 2022

 Darrell made a motion to accept the minutes from the July 15, 2022, meeting.

John Dagleish seconded the motion. The motion unanimously carried.

**B. FINANCIAL REPORT**

Karon Murff gave her report. Darrell Boeske made a motion to put the Budget on next month’s agenda. John Dagleish seconded the motion. The motion carried unanimously.

Darrell Boeske made a motion to approve the financial report. John Dagleish seconded the motion. The motion unanimously carried.

**C. PAYMENT OF BILLS**

Darrell Boeske made a motion to approve the payment the bills. John Dagleish seconded the motion. The motion unanimously carried.

**D. TAX COLLECTOR REPORT**

Darrell Boeske made a motion to accept the Tax Collector Report. John Dagleish seconded the motion. The motion unanimously carried.

**3. DIRECTOR MATTERS**

A. Emerald Estates presentation and discussion

John Dagleish reported on the Emerald Estates Emergency Contingency request. There would need to be a 2” water tap from Emerald Point to Emerald Estates. There would be 2 check valves installed and the water would be metered to charge for the usage. Emerald Estates would ask for permission to get water.

Kevin Cook suggested that Roy Knapp get in touch with John Kuhl about the legality involved with this request.

B. Discuss Drought Contingency Plan

Roy Knapp discussed the plan that is in place. Roy asked about an update. It will be tabled until Tony reviews it. A motion to place it on the agenda for next month was made by Kevin Cook and seconded by Donnie Marshall. The motion carried unanimously.

C. Adopt Order Calling Directors Election

The Board considered adoption of a proposed Order Calling Directors Election. The Board noted that the terms of office of Directors Knapp, Boeske, and Cook will expire in November 2022, and that a Directors election will be held on November 8, 2022, provided that the election is contested as determined on August 26, 2022. Upon motion by Director Cook, seconded by Director Marshall, and after full discussion, the Board voted unanimously to appoint SKLaw as said agent for the District in this regard.

D. Approve Joint Election Agreement with San Jacinto County

The next item on the agenda was to approve a Joint Agreement and Contract for Election Services with San Jacinto County. The Board reviewed the proposed Agreement, which outlines the terms and conditions for conducting a joint election with San Jacinto County. Upon motion by Director Marshall, seconded by Director Cook, and after full discussion, the Board voted unanimously to appoint SKLaw as said agent for the District in this regard.

E. Appoint Agent for election matters

The next item on the agenda was to appoint an agent for election matters. The Board noted that, pursuant to the Texas Election Code, the District may appoint an agent to receive, maintain, and make available election records for the November 8, 2022, Director’s election, and that the agent should undertake such duties pursuant to regular office hours for 50 days before and 40 days after the election. Upon motion by Director Marshall seconded by Director Cook, and after full discussion, the Board voted unanimously to appoint SKLaw as said agent for the District in this regard.

F. Authorize other appropriate action

None

**4. Tax Matters**

A. Review Tax Rate Study, Loren Morales (RBC Capital Markets, LLC)

Mr. Morales presented to the Board the tax rate study for 2022, recommending that the District levy a maximum rate of $0.84, consisting of $0.34 for debt service, and $0.50 for maintenance and operations.

B. Confirm Tax Status/type as a developing water district

The Board discussed the tax hearing notice requirements of Section 49.236 of the Water Code and the ongoing related characterization of the District as a "developing district". The Board noted the continued minimal completion of District facilities, serving only a small fraction of projected build-out. Upon motion by Director Cook, seconded by Director Dagleish, and after full discussion, the Board voted unanimously to confirm the District’s continued tax status/type as a “developing district.”

C. Authorize Publication of Notice of Public Hearing on Tax Rate

The next item on the agenda was to authorize the publication of a Notice of Public Hearing on Tax Rate. Upon motion by Director Cook, seconded by Director Dagleish, and after full discussion, the Board voted unanimously to authorize the publication of the Notice of Public Hearing on Tax Rate, scheduled for September 16th at 3:00 p.m., and to publish a proposed total tax rate for 2022 of $0.83 per $100 of assessed valuation (consisting of $0.34 per $100 of assessed valuation for debt service, and $0.50 per $100 of assessed valuation for maintenance and operations), along with a tax rate and levy analysis as required by Chapter 49 of the Water Code.

**5. Operations & Maintenance**

1. Receive general report – Precision Utility

Tony Bonaventure gave and explained the report from Precision Utility.

Tony thanked Karon Murff and Anita Treadway for their help this first month.

Kevin Cook asked that Precision Utility be sure and check with the Board before connecting any water taps outside of Waterwood. Darrell Boeske asked to get a “real number” for any asphalt repairs.

1. Authorize appropriate action

**5. CONSIDER OTHER MATTERS THAT MY COME BEFORE THE BOARD**

None

**6. PUBLIC COMMENTS**

Rick Harlow asked about the fire hydrates on Doral and Park Forest. He also talked about a repair on LaJolla where there appeared to be a seepage of water where this repair was made.

Pam Sultan asked questions about the billing this month. Since Precision Utility is still transferring information from Inframark, there will be a slight delay. They are working hard to get everything back to normal. Marla Fink is their representative in Waterwood and will be helping

customers. Darrell Boeske discussed a plan of payment during the transition time. Kevin Cook mentioned that meters may need to be audited.

Mike Duffy discussed the crack in his driveway needing repaired.

Melanie Cook thanked the Board for taking care of the repair on Gumwood.

**7. ADJOURN**

Darrell Boeske made a motion to adjourn. John Dagleish seconded the motion. The motion unanimously carried.

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John Dagleish, Secretary