

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 July 16, 2021. 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, and Darrell Boeske, thus constituting a quorum. Also, present were, David Bevins, Larry Maas, Joyce Hubbard, Sam Butler, Melanie Cook, Randy Ayers, Mike Brown, Michael Others and Anita Treadway. The meeting was called to order at 3:00 p.m.

2. APPROVAL OF CONSENT AGENDA ITEMS

A. MINUTES OF THE REGULAR

John Dagleish made a motion to approve the minutes from the June 18, 2021, meeting with a correction under 3 C, we should have been well.

Darrell Boeske seconded the motion. The motion unanimously carried.

B. FINANCIAL REPORT

Kevin Cook made a motion to approve the financial report. John Dagleish seconded the motion. The motion unanimously carried.

C. PAYMENT OF BILLS

Kevin Cook made a motion to approve the payment of the necessary 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. Kevin Cook seconded the motion. The motion unanimously carried.

3. DIRECTOR MATTERS

A. Review workshop with Performance Services.

This workshop was held to show the District possible ways to save money.

Roy Knapp discussed ideas for the District that were talked about in the workshop.

1. Lift stations (that need repairs) Average \$5,000-\$10,000.
2. Switch gear- needs new one (whole motor control replaced)
3. Generator for sewer treatment plant- already has one
4. AMI metering (AMR meters) Karen Ellis with Performance Services said that fiber optic will help and the District could increase the monthly bill another \$3.00 for a tech fee.

B Review audits and approve audits from fiscal year ending September 2019 and September 2020

Michael Others with McCall, Gibson, Swedlund Barfoot PLLC gave the auditor report.

The District needs to adopt a budget for the years of 2019 and 2020. The 2020 audit will be finished within the next two months. The Board wanted to thank Joyce Hubbard for all her input into the budget. The Board approved the budget for the mentioned years.

A motion for the approval of the Audit for 2019, subject to a 10 day review was made by Darrell Boeske. Kevin Cook seconded the motion. The motion carried unanimously.

F. Introduce John Kuhl to the Board for a question and answer session

John Kuhl, the Mud District attorney, was introduced by Roy Knapp. Mr. Kuhl joined the meeting via teleconference (zoom).

C. Discussion and possible repealing of Homestead Exemptions

John Kuhl said that doing away with the Homestead Exemption will not help increase revenue. With the new tax caps the District may want to revisit the Homestead Exemption at a later date. There was also discussion about standby by fees. There may be other things to look at before doing a standby fee.

Discussion about Bonds. John Kuhl said that the District does not have to go back to voters for bond approval.

Mr. Kuhl also mentioned that the debt service looks good.

There was discussion capital improvement for large repairs (not in M & O.), such as lift station repairs. Mr. Kuhl said the District engineer and the operator should work together with this.

Joyce Hubbard said she will send CIP report to the Board.

D. Adopt Order Evidencing Review of Investment Policy

Kevin Cook made a motion to adopt the order evidencing review of the Investment Policy.

John Dagleish seconded the motion. The motion carried unanimously.

E. Adopt Order Adopting List of Qualified Brokers

Kevin Cook made a motion to adopt order Adopting List of Qualified Brokers.

John Dagleish seconded the motion. The motion carried unanimously.

G. Consider other such matters that may come before the Board.

There were no other matters.

4. OPERATORS & MAINTENANCE MATTERS

A. Inframark Report

Joyce Hubbard, with Inframark, gave the monthly operations report.

Joyce discussed the grinder pump in Park Forest (Birch) which has been replaced 3 times. A letter needs to be sent to the renter and the owner (George Russell) of the property about this grinder pump. The rate order for grinder pump may need to be addressed.

The SSO phase 3 needs to be looked at by the end of the year.

1. Submittal of Work Orders for approval

John Dagleish made a motion to accept the report as given. Kevin Cook seconded the motion. The motion carried unanimously

5. PUBLIC COMMENTS

Kevin Cook asked Larry Maas if he would like a copy of the audit. Mr. Maas said he would and was given a copy.

6. ADJOURN

Darrell Boeske made a motion to adjourn. Kevin Cook seconded the motion. The motion unanimously carried.

John Dagleish, Secretary