

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 February 19, 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

1. CALL TO ORDER AND WELCOME GUESTS

Board members were present were Roy Knapp, Kevin Cook, and John Dagleish, thus constituting a quorum. Absent was Director Darrell Boeske. Also, present were, Larry & Debbie Maas, Randy Ayers, Steve & Kathy Turchi, Frank Mandola, Mike Duffey, Tammy Johnson, Dan Boutwell, Pat Zappa, Anita Paul, Donnie Marshall, Crystal & Sam Butler, Mike Brown, James Dunnam, Lynn Spencer, 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 January 15, 2021, meeting. Kevin Cook seconded the motion. The motion unanimously carried.

B. FINANCIAL REPORT

John Dagleish made a motion to approve the financial report. Kevin Cook 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

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

3. DIRECTOR MATTERS

A. Appoint a New Board Member

John Dagleish made a motion to approve Donnie Marshall as a new Board member. Kevin Cook seconded the motion. The motion carried unanimously.

Donnie Marshall was sworn in by Roy Knapp, President of the Board.

B Engineering Report

Steve Turchi, a resident of Waterwood, had looked over the Engineering Report and gave his opinion for the District. Steve Turchi said the wells should be the priority. There was discussion about what would need to be done to meet today's and future demands. Steve Turchi discussed more possible options with wells.

Discussion included:

The two existing wells/ repair or replace;

The costs of a new well compared to cost of Water Treatment Plant;

The amount of water that the wells are now pumping;

If the wells can be dug deeper:

How deep the wells are:

Do pumps need repair or replaced?

Roy Knapp discussed the Water Treatment Plant and said it is not a feasible option at this time because of the upfront costs to get it up and running.

The long term 2 year plan would be to accomplish getting the wells pumping at capacity whether it takes repairs, replacement of pumps or drilling a new well.

All things done would be in compliance with TCEQ regulations.

Sam Butler asked if the water rights that the MUD District pays for each year could be leased or sold. There was discussion about the rights.

C. Rate Order Adjustment

There was discussion about the existing rate orders:

Cost of tap fees;

If tap fee costs are more than the regular fee, whether to do a cost plus fee

Include wordage for road repair

The Board will talk to the MUD District lawyer for changes in costs.

John Dagleish made a motion to amend the tap fees to recover true costs plus 15% for tap fees.

Kevin Cook seconded the motion. The motion carried unanimously.

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4. OPERATORS & MAINTENANCE MATTERS

A. Inframark Report

Mike Brown with Inframark gave his report. Mike said the chlorine pump for the booster pump will be replaced today. Roy Knapp said he would like to thank Dustin, with Inframark, for all the

hard work he did during the freeze. He really appreciated him. Mike reported that a transducer was messed up on one of the lift stations and he had to have it replaced.

5. CONSIDER OTHER MATTERS THAT MAY COME BEFORE THE BOARD

Director Darrell Boeske was unable to attend so he asked Anita Treadway to read a report that he gave to her. The report about Standby fees was read as follows:

1. It will take 4 to 6 months to prepare the application.
2. After the application is received, it will take 7 to 10 months to get approval for TCEQ.
3. Then it has to be published twice. After the second publication (if not contested), it will take 30 days to go into effect.
4. The cost is \$10,000 to \$12,000.

. PUBLIC COMMENTS

Steve Turchi said that the community needs to step up and pitch in to help the MUD District.

Mike Duffey asked about upgrading the pumps.

Randy Ayers asked what the capacity is now.

Pat Zappa asked why the District lost water on the FM 980 side.

Tammy Johnson told about the leak at her house and she had called Inframark but got no response.

Anita Paul said a customer called the Point Blank VFD to turn their water off.

Steve Turchi asked why the District was continuing to keep Inframark. Can the District get bids for alternatives that could help with costs?

Larry Maas asked for a plan from the MUD District before WIA will release the balance of the money collected by WIA for help with the District's finances.

Dan Boutwell asked about the utility line that runs through a lot at the Villas.

6. ADJOURN

John Dagleish made a motion to adjourn. Kevin Cook seconded the motion. The motion unanimously carried.

John Dagleish, Secretary