

## POINT AQUARIUS MUNICIPAL UTILITY DISTRICT

Minutes of Meeting of Board of Directors

February 15, 2022

The Board of Directors (“Board”) of Point Aquarius Municipal Utility District (“District”) met via videoconference (Microsoft Teams) and at 13185 Point Aquarius Boulevard, Willis, Texas 77318, on February 15, 2022, in accordance with the duly posted notice of said meeting, with a quorum of directors present, as follows:

Roland Morgan, President  
Frank R. Wengler, Secretary  
Glenn Andy Welsch, Treasurer  
Frank Lorch, Director

and the following were absent:

Dennis Duckett, Vice President.

Also present were Mr. Mike Pawalowski, Ms. Melanie White, Mr. Russell Cosbey, Ms. Claudia Redden, and Ms. Lori G. Aylett (via vidoconference).

The President called the meeting to order and declared it open for such business as might properly come before it.

1. There were no public comments for the Board’s consideration.
2. The Board considered the minutes of the meeting held January 25, 2022. After discussion, upon motion duly made, seconded, and unanimously carried, the Board approved the minutes, as presented.
3. There was presented the attached Order Levying Additional Penalty for Delinquent Taxes. The order levies a 20% penalty on 2021 delinquent taxes for business personal property on April 1, 2022 and for real property on July 1, 2022. Upon unanimous vote, the order was adopted as presented.
4. Mr. Russell Cosbey presented the engineer’s report, a copy of which is attached. The engineer reported that the contracts have been sent to G-Tex for execution. The engineer is planning to start the topographic survey on Orion Court as soon as possible. The Board asked the engineer to push this forward. The engineer received the Declaration of Administrative Completeness for TPDES waste discharge permit. The next step will be to advertise a notice regarding the permit for public comment. There was a lengthy discussion regarding asset management and the purposes of and differences between the asset management plan and capital improvement plan. A workshop meeting is planned to discuss asset management on February 22, 2022. Mr. Mike Pawalowski and Mr. Russell Cosbey will attend the asset management plan workshop meeting in person. The Board noted that there did not need to be a video conference option for the meeting, and the attorney will post it accordingly.
5. Mr. Mike Pawalowski and Ms. Melanie White presented an operator’s report, a copy of which is attached. The District had 5.25% water loss, and the sewage treatment plant operated at 35% of permitted capacity. The operator reported pumpage from the Jasper well of 56,000 gallons and from the Catahoula well of 6,695,000 gallons. The District had 1,058

active accounts and billed 1,065 accounts. The District installed no new taps and performed 2-meter change outs.

The operator reported that work was completed as reflected on the report. The operator has talked with residents with property adjacent to the lift stations with new generators. Mr. Pawalowski is still gathering quotes for landscaping or fencing (as appropriate to each site) and hopes to have them ready for the March Board meeting.

6. Ms. Lori Aylett presented an attorney's report. The attorney had contact with the homeowner on Andromeda whose service was disconnected after multiple instances of tampering. She advised the customer of the costs associated with restoration of service.

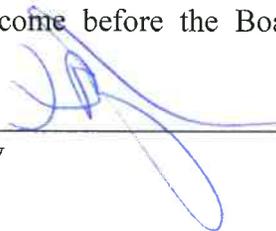
7. The attorney for the District then discussed with the Board the requirements of Texas Local Government Code Chapter 203, Subchapter D (Senate Bill 625). The law requires districts to annually provide certain records and information concerning the District's finances and tax rates to the Texas Comptroller of Public Accounts. The comptroller has created a special information database on their website, where the information will be assembled, updated, and made available to the public free of charge. The required information is already publicly available in other places, but the law requires submission of the information to the comptroller. The information includes the name of the District, the names of the Board members, any employees, addresses, websites if applicable, names of certain consultants, the total amount of bonds authorized by District voters, the aggregate principal amount of bonds issued, the tax rate, and audited financial information. Upon unanimous vote, the Board authorized the attorney to prepare and file the required report by the April 1, 2022 deadline.

8. The attorney noted that the District was required to review the FTC identity theft red flag program on an annual basis. The attorney recommended that no changes be made to the program. Accordingly, upon motion duly made, seconded and unanimously carried, the Board voted unanimously to adopt the attached Resolution Affirming Identity Theft Prevention Program.

9. Ms. Claudia Redden presented a bookkeeper's report, a copy of which is attached. The District has a general fund balance of \$3,084,277.69, a tax fund balance of \$297,224.96 and total debt service funds of \$240,675.32. Upon unanimous vote, the Board approved that bookkeeper's report as presented.

10. The Board next discussed the District's investments. Director Welsch provided a list of banks for the Board to consider utilizing to invest in certificates of deposit. The maturities of the various certificates of deposit could be laddered to maintain liquidity. Ms. Redden has contacted several of the banks and has been having difficulty getting any of them to accept public funds. Director Welsch and Ms. Redden will continue to work on District investments. Ms. Redden noted that her firm would bill for the extra time associated with trying to locate appropriate banks. The board noted that she should continue the work for the time being, but the District may have to reconsider if the interest earnings do not exceed the cost for the additional bookkeeping services.

There being no further business to come before the Board the meeting was adjourned.

  
Secretary