

POINT AQUARIUS MUNICIPAL UTILITY DISTRICT

Minutes of Meeting of Board of Directors

April 19, 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 April 19, 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:

None.

Also present were Mr. Mike Pawalowski, Ms. Melanie White, Mr. Russell Cosbey, Mr. Mike Tehrani, Ms. Claudia Redden, Mr. Steve Callaway, Mr. Tim Griffith, Mr. Dave Straughan, Ms. Cynthia Straughan, Mr. Everett McClinton, and Ms. Lori G. Aylett.

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

1. The chair opened the meeting for public comment. Ms. Cynthia Straughan addressed the Board under public comment and thanked operator Mike Pawalowski for his help with an urgent situation during the replacement of her bulkhead.

2. The Board considered the minutes of the meetings held March 15 and March 24, 2022. The Board noted certain corrections to the drafts. After discussion, upon motion duly made, seconded, and unanimously carried, the Board approved the minutes as amended.

3. Mr. Russell Cosbey presented the engineer’s report, a copy of which is attached. The engineer reported that advertising for bids for Waterline Phase Nos. 5-7 (Pollux, Pegasus and Crater) will be done on August 26 and September 2, and the bids will be opened September 16. Bonds and insurance have been approved for the interior hydro tank coating. Mr. Michael Tehrani of Huitt-Zollars gave a detailed power point presentation on the drainage issue near Orion Court, Libra Court, Constellation Circle and Pollux Drive. Mr. Tehrani explained the scope of the study and the methodology used to evaluate. He noted that storm sewer systems

were designed for three and five-year storm events. He explained the location of the storm sewer system and inlets, and the low points on each of the streets in the study. There appears to be sheet flow ponding on Orion, Libra, Constellation and Pollux. At the time the subdivision was designed in 1975, it was built according to then-current storm design standards. Mr. Tehrani also provide information on the location and direction of sheet flow in the drainage area. He noted that now hydrologists area using the more recent rainfall data and designing subdivisions according to Atlas 14 standards with a five-year storm event. Mr. Tehrani noted that while most homes in Point Aquarius are detached single-family homes, there are five homes that are attached from lot line to lot line on Orion Court, and that configuration does not allow sheet flow to pass between the homes.

The engineer discussed three different potential alternatives for proposed drainage improvements. Alternative one would involve constructing an additional 18-inch RCP beside the existing RCP and adding a swale to direct flow to an existing lake beside Andromeda Court between Orion and Centaurus with a restrictor. The outflow restrictor could provide additional detention without negatively affecting adjacent property. This alternative would drop the water elevation on Orion by 0.11 feet with no change downstream. The cost of alternative one is approximately \$67,500. Alternative two would include all of the alternative 1 drainage improvements and adding of a 30-inch RCP beside the existing RCP on Andromeda Court, adding a 36-inch RCP beside the existing 48-inch RCP between Pollux and the outfall to Lake Conroe, adding a speed bump at the end of Orion Court West and replacing the existing 18-inch RCP under Constellation Circle with a 24-inch RCP. The cost for performance of alternative two, which includes alternative one, is \$353,100. Alternative 2 would effect a 3.84-foot drop in the water levels near Orion Court and would also drop water surface elevations on Libra, Constellation Circle West, and Pollux. Alternative three would include all the improvements listed in alternatives one and two plus addition of an extreme event overflow swale on Andromeda Court between Orion Court and Constellation Circle. The swale would need to be extended along Orion Court to the low point in the street. These improvements only marginally reduce the water surface elevation by an additional 0.22 feet and would cost a total of \$403,400. The third option would also require removal of all existing trees in the common area between existing lots in the street right-of-way and would require acquisition of drainage easements on private property.

At the conclusion of his report, Mr. Tehrani noted that a written report will be available prior to the next meeting. Director Wengler will lead the project by reviewing the report with the engineer and will make a recommendation for the Board's consideration.

The Board reviewed the remainder of the engineer's report with Mr. Cosby. The waste discharge permit is under technical review at the TCEQ. The TxDOT project is under construction. The engineer continues to work on the District's asset management plan with the operator. Upon unanimous vote, the Board approved the engineer's report as presented.

4. Mr. Mike Pawalowski and Ms. Melanie White presented an operator's report, a copy of which is attached. The District had 2.51% water loss, and the sewage treatment plant operated at 34% of permitted capacity. The operator reported pumpage from the Jasper well of 125,000 gallons and from the Catahoula well of 6,834,000 gallons. The District had 1,062 active accounts and billed 1,072 accounts. The operator reported that all of the well meters in the District had been calibrated and he expected to see a more accurate rendering of water versus sewer usage. Chlorinator Maintenance replaced the PLC for the chlorine detector. The operator inspected the blowers and determined the bearings need to be replaced. The operator noted that to retrofit the blower would cost approximately \$176,000 for both. The blowers are over ten years old. The operator recommended that the bearings be redone at a cost of \$13,730. Director Lorch asked if the contractor would provide any warranty for the bearing replacement. The operator indicated that he would check, but it is not typical to offer a warranty on a bearing repair on used equipment. Upon unanimous vote, the Board authorized reworking the bearings at a cost of \$13,730, with the operator to investigate the possibility of obtaining a warranty.

At the Summerchase Lift Station, a pump burned up. The operator recommended adding a phased pump at a cost of \$9,295, and upon unanimous vote the Board approved such purchase. The operator reported that the onsite lift station controller has been installed. The Board briefly discussed a fire hydrant that was broken. The operator suspected but could not prove that the fire department may have broken it simply by the nature of the damage done to it. Melanie White continues to work with website and communications operations on her company's behalf. The operator presented quotes for landscaping at the lift station and generator on Pollux and Pegasus. The landscaping quote amounted to over \$3,000. The Board noted that

the customer had previously stated that she was willing to landscape and maintain plants if the Board would pay for the plants. The quote appeared to involve more work by a landscaper. The operator will continue to work with the customer. Upon unanimous vote, the Board approved the operator's report as presented.

5. Ms. Claudia Redden presented a bookkeeper's report, a copy of which is attached. The District has a general fund balance of \$3,079,459.38, a tax fund balance of \$89,516.39 and total debt service funds of \$35,255.84. Upon unanimous vote, the Board approved the bookkeeper's report as presented and authorized payment of bills listed thereon.

6. Lori Aylett presented the attorney's report. The attorney responded to a Public Information Act request. The requestor asked that charges for the response be waived, and the Board agreed to waive the charges on a one-time basis.

7. The Board discussed District website and emergency communications. Director Wengler noted that he met with Dana Richardson, who had been the District's website coordinator. Mr. Richardson noted that he had done this as a public service and had not charged the District any money. He stated that he did not have an interest in managing the website or doing emergency communications for a fee and would be happy to coordinate with a new website coordinator.

Director Wengler presented a proposal from Off Cinco for a website for the District. Off Cinco would charge \$1,500 as a one-time fee to set up the website, and the yearly fee would be \$3,000. Emergency communications could be added for approximately \$1,000 per year. After discussion, upon unanimous vote, the Board approved the proposal of Off Cinco to provide website services.

8. Director Welsch presented a treasurer's report. In the current rising interest rate market, the treasurer stated that it does not make sense to do laddered certificates of deposit. He also noted that Frost Bank annual service charges were approximately \$1,650 more than First National Bank Texas. Director Welsch informed Frost Bank that the District would continue to monitor CD rates for future consideration.

9. The Board conducted a consultant review of the District engineer. Director Wengler noted that Mr. Cosby had done a good job with the transition, but he would

like to see more visual aids during the engineering report and a more aggressive approach on things like the TxDOT project. Director Lorch noted that the engineer showed a great deal of experience and several strong attributes. He noted that he would like to see more timeliness on reports and preparation. Director Welsch stated that he had not been on the Board long enough to give an evaluation. Director Morgan stated that he was against using a grading system and believed that problems should be addressed as they came up.

10. At 7:10 p.m., the Board convened in executive (closed) session pursuant to Texas Government Code §551.074. At 7:14 p.m., the Board reconvened in regular session.

11. The Board adopted the attached Order Director Appointing Director, which Order confirmed the appointment of Kenneth Steven Callaway. Mr. Callaway presented a qualification letter, a statement of appointed officer, and an oath of office. He completed a questionnaire of potential conflicts of interest and received a memorandum regarding completion of Public Information Act and Open Meetings Act training. Mr. Callaway participated in the remainder of the meeting.

12. At 7:18 p.m., the Board convened in executive session pursuant to Texas Government Code §551.071 to receive advice from the attorneys regarding potential litigation. At 8:13 p.m., the Board reconvened in regular session.

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

Secretary 