

MONTGOMERY COUNTY FRESH WATER SUPPLY DISTRICT #6

MINUTES OF THE MEETING MARCH 06, 2022

The Board of Directors convened in a regular scheduled session open to the public at 6:00 PM at its regular meeting place within the district 12081 Lakeview Manor Dr. Montgomery County, Texas pursuant to public notice posted in compliance with the applicable provisions of the Texas Government CH 551 where roll was called to order at 6:00pm

Charles Small	President
James Maxwell	Secretary
Carl Wartemann	Director
Ricky Stuksa	Director

Directors Small, Maxwell, Wartemann, and Stuksa were present, thus constituting a quorum. Director Jarrah was absent. Also present was Kevin Kaliszewski, Operator, Tara Snoe, Bookkeeper, Mike Mathena, Engineer, Josh Zientek and Frank Mitchell with Mitchell & Zientek, LLP.

1. PUBLIC COMMENT:

There were not public comments at this time.

2. APPROVE THE MINUTES OF THE PREVIOUS MEETING:

Director Maxwell made a motion to approve the minutes of the February 06, 2022, regular board meeting, and the February 08, 2022, Emergency Meeting, as presented. Upon a motion by Director Maxwell, seconded by Director Wartemann, the Board voted unanimously to approve both sets of minutes, as presented.

3. OPERATOR'S REPORT:

Mr. Kaliszewski gave update of all sample testing and advised that they were within normal limits, shared dates of line flushing, and several leak repairs within the subdivision. He also gave an update regarding information from recent emergency repairs. He explained challenges faced with locating lines and identifying where lines are being fed. Efforts were discussed to find lines and effectively cap and reroute them, as needed. He explained attempts at correcting the issue and informed the Board that additional work is scheduled to be completed on March 7, 2022.

Mike Mathena, Engineer, with Lightpoint Engineering, Inc. ("Lightpoint"), who is familiar with the District and has provided engineering services in the past, discussed challenges with the system lines. Mr. Kaliszewski explained some of the potential issues the District could face in the event that proper preventative maintenance and repairs are made. There was also extensive discussion related to preparing the District's Emergency Preparedness Plan ("EPP"). Mr. Mitchell advised that the Board could approve preparation of the EPP at a future Board Meeting if on the agenda.

4. DISTRICT UPDATES:

AUDIT STATUS - Audit Firm McCall, Gibson, Swedlund, Barfoot PLLC provided the Board with final hard copies of the 2021 audit report. Mr. Mitchell, Mr. Zientek, and Mr. Mathena explained the benefits of hiring a financial advisor and funding options for the District, including loans, bond issues, and the potential need for a bond authorization election.

FINANCIALS - Mrs. Snoe presented the Bookkeepers Report of all financial records and distributed the same to the Board for review.

WATERLINE PROJECT UPDATE – Ms. Snoe updated the Board members on review of communications from last meeting with Bleyl Engineering and the Texas Water Development Board (“TWBD”). There was additional discussion of funding options for the District and potential timelines.

DISTRICT NEEDS/MASTER CALENDAR - Mr. Zientek put together a general timeline calendar for the District including several tasks that are required to be completed, annually, by the District to remain in compliance with the Texas Commission on Environmental Quality (“TCEQ”) and other regulations. Mr. Zientek and Mr. Mitchell presented the Board with details and a motion was made by Director Stuksa, and seconded by Director Wartemann, to approve an amendment to the Legal Services Agreement to meet current District needs according to a flat fee monthly rate of \$2000.00 as outlined in the proposed legal services agreement. The motion passed unanimously.

Mrs. Snoe discussed Verizon network updates and the requirement for a device upgrade for the plant phone as the current box is being phased out and will no longer work within the year. Notice information along with current charges for upgrade of device explained to the Board. A motion was made by Director Maxwell, and seconded by Director Stuksa, to reimburse Mrs. Snoe in the amount of \$143.43 for this cost. The motion passed unanimously.

5. ELECTIONS 2022:

Mr. Zientek explained details of the applications received for the May 2022 elections by current Board members, a Certificate of Unopposed Candidates was presented, and advised that the upcoming election could be cancelled as all candidates were unopposed. A motion was made to accept the Certificate of Unopposed Candidates and adopt the Order canceling the May 7, 2022 Directors Election by Director Stuksa, seconded by Director Wartemann, and passed unanimously.

6. TACHUS:

Mr. Zientek informed the Board that the trial was rescheduled to March 9, 2022. The Board considered authorizing Mr. Clifford to move forward as scheduled and appoint President, Director Small to potentially accept a settlement in the amount of \$6000 dollars or higher. Director Stuksa made a motion to proceed with the lawsuit as originally planned and authorize

the Board President, Director Small to accept a settlement offer, if made, not less than \$6,000. Director Maxwell seconded the motion which passed unanimously.

7. WAGE RATE SCALES:

A resolution was presented by Mr. Zientek to adopt prevailing wage rate scales. After it was confirmed by Mr. Kaliszewski that the District is within the extraterritorial jurisdiction ("ETJ") of the city of Conroe, a motion was made by Director Stuksa to approve the resolution and adopt the wage rate scales according to the city of Conroe. Director Wartemann seconded the motion and it passed unanimously.

8. SPECIAL PURPOSE DISTRICT FINANCIALS AND TAX REPORT:

After Mr. Zientek explained the requirement to annually file the Special Purpose District Financial and Tax Report, a motion was made by Director Stuksa to authorize Mitchell & Zientek to file the Special Purpose District Financial and Tax Report with the Comptroller. A motion was made to authorize filing the Special Purpose District Financial and Tax Report by Director Stuksa. The motion was seconded by Director Wartemann and passed unanimously.

9. CONSUMER CONFIDENCE:

Mrs. Snoe advised that the District is required to annually prepare the Consumer Confidence Report ("CCR"). A motion was made by Director Stuksa, and seconded by Director Wartemann, to authorize Mr. Kaliszewski to begin to prepare the CCR. The motion passed unanimously.

10. ANYTHING ELSE THAT MAY COME BEFORE THE BOARD :

The Board discussed conducting its next meeting on April 10, 2022, in order to consider hiring Mr. Mathena as its District Engineer and hiring a financial advisor.

MEETING AJOURNED at 8:05 pm

MEETING MINUTES PASSED AND APPROVED

President

Secretary

[SEAL]