

DIAMOND HEAD WATER SUPPLY CORPORATION
28717 Waikiki Lane, Montgomery, TX 77356
<https://diamondheadwatersupplycorporation.com>
Water Board Monthly Meeting Minutes:
Monday, July 14th, 2025 @ 7:00 P.M.
Diamondhead Clubhouse

Board Members:

- Ray Leon, President: Present
- Charlie Michalak, VP: Present
- Carol Fine, Treasurer: Present
- Dean Kisseberth, Director: Present
- Eddie Hudson, Director: Absent
- Jerry Yanello, Director: Present
- Cami McSween, Secretary: Present via phone

Guests: Becky Radcliff. Sign-in sheet available.

This monthly regular Meeting commenced at 7:00 pm in the clubhouse. The previous monthly meeting was held on June 9th, 2025.

1. Welcome and Call to Order

The meeting was called to order by President Ray Leon.

2. Quorum established

3. Review of June 2025 Meeting Minutes

The monthly minutes were motioned for acceptance by Charlie Michalak and seconded by Dean Kisseberth.

4. Financial Reports:

4.1. June Financials Review. Treasurer Report motioned for acceptance by Charlie Michalak, seconded by Ray Leon.

4.2. 2024 Federal Return Review. Discussion: Diamond Head WSC's non-profit status has shielded us from the yearly expense of a professional audit. **Action: Verify with TCEQ for 2025 audit compliance requirements.**

4.2 Financial Approvals Submissions. Ray submitted request for payment of \$62.00 for Special Property Deed recording at Montgomery County Clerk office and \$ 12.64 for Certified Mail – Sanitary Control Easement.

5. President Comments / Updates / Workshop.

5.1: Engineering Services - Bid Proposal Review.

❖ South Lift Station Feasibility Study – Bypass North Lift Station and Lift Station.

❖ Water Plant Sanitary Control Easement Exception.

❖ Water Plant Well #3 TCEQ Registration - As-Built.

❖ Water Plant Well #1 TCEQ Decommissioning Registration.

Bids compared between Weisinger, Quest and Bleyl Engineering.

Quest: Sanitary Easement \$1,500., Well Registration \$2,100., Feasibility Study \$6,000.

Bleyl: Sanitary Easement \$7,500., Well Registration \$7,500., Feasibility Study \$11,000.

Weisinger: Well Registration \$10,000.

Note: Quest Engineering proposal excluded TCEQ water quality test samples, permit fees, and reproduction of documents.

Discussion:

The board discussed qualifications of potential engineering firms. After review and consideration of the pros and cons, a motion was made to proceed with **Quest Engineering** for assistance with the **Sanitary Control Easement** and **Well Registration**, contingent upon a **projected completion timeline of sixty (60) to ninety (90) days**.

It was noted that the **Texas Commission on Environmental Quality (TCEQ)** has been informed of our intent to bring the system into compliance.

Motion:

A motion was made to authorize **Quest Engineering** to proceed with the **Sanitary Control Easement Exception** and **Well Registration**, not to exceed the total cost of **\$3,200.00**.

Vote: All board members present voted in agreement.

5.2 Water Plant Property Deed Transfer to Diamond Head WSC – Update

The Board acknowledged the successful completion of the **Special Warranty Deed** for the **Water Plant Property transfer** to **Diamond Head Water Supply Corporation (DHWSC)**.

A special thank you to **Charlie Michalak** and **Cynthia Johnston** for their valuable

assistance in the preparation and execution of the deed.

The **Special Warranty Deed** is now officially **filed with the Montgomery County Clerk's Office**.

5.3 Water and Sewer Infrastructure Transfer to DHWSC – Update

The Board recognized the execution of the **Special Warranty Deed** for the transfer of the **Regency Point Water and Sewer Infrastructure** to **Diamond Head Water Supply Corporation (DHWSC)**.

The **Special Warranty Deed** has been **filed with the Montgomery County Clerk's Office**, completing the infrastructure transfer for **Regency Point**.

5.4 Texas Consumer Confidence Report 2025 – July 1st Communications. Email sent to all residents in service area. US postal service mail sent to any emails that were returned. Certified letter mailed to TCEQ reporting completed. **Dean to add this task for Annual list each May.**

5.5 TCEQ Water Plant Property Perimeter Fencing Compliance Update. Approval received for 2 residents whose trees/ bushes are over water plant fence. Carol has contacted our contracted yard service company, but they are too busy to schedule for some time. Charlie Michalak to follow up with obtaining a tree service to trim. This is required by TCEQ.

5.6 Water Plant Maintenance and Operators Manual Update. Ray Leon, after providing Hays with support and continued follow, has received this Manual. **Completed.**

5.7 City of Conroe Storm Water Drainage Infrastructure Support. City of Conroe Engineering organization is of the opinion that City of Conroe is not financial responsible for the repair of our Storm Water Drainage Infrastructure in the subdivision of Diamondhead because we do not have a Service Agreement with the City. Since the annexation by City of Conroe, they have taken care of the neighborhood ditches. Also, City of Conroe has completed extensive drainage work on Diamondhead South. One resident is experiencing drainage problems. Cami to follow up and discuss past solutions with resident.

5.8 Diamond Head WSC Cloud Storage Requirements. Discussed importance of data storage for documents including meeting minutes, financials and well/ plant records for compliance with regulatory bodies. We will need to purchase as we are over our free account limit. Purchase price is \$199.00 annually. **Vote taken:** all members in attendance voted YES to annual purchase of \$199.00 for document cloud storage.

5.9 Association of Water Board of Directors – Texas 2025 Conference Update.

Ray provided an overview of key topics emphasized during the 2025 AWBD–Texas Conference. The sessions focused on the following areas:

Ethics: How to Stay Out of the MUD – Guidance on ethical decision-making and avoiding conflicts of interest. **Legislative Updates** – Recent changes in state laws impacting water districts and supply corporations. **811 Call Before You Dig** – Reminders and best practices regarding utility line safety and compliance. **Consumer Confidence Reports** – Updates on regulatory requirements and effective communication strategies with customers. **Financial Audits** – Emphasis on audit readiness, transparency, and fiscal accountability. **Copper and Lead Service Lines** – Discussion of EPA pending requirements. **Transparency** – Tools and policies to improve governance visibility and build public trust.

6. Administrative Work

6.1 Diamond Head WSC By-Law final revision **completed** – Documents ready for attorney review for compliance with Texas business rules and regulations.

6.2 Review and Update of Diamond Head WSC Articles of Incorporation

Ray made **revisions to the existing Articles of Incorporation** to formally include **Regency Point** as part of the Diamond Head Water Supply Corporation (DHWSC) service area.

Action Item:

Cami will obtain a copy of the **current registered Articles of Incorporation** from the **Texas Secretary of State** to review at the next board meeting.

7. Operational: Review of Hay's Monthly Operators Report reflects billed vs pumped loss of 70,100 gallons in July, (93.19%) bill percentage of pumped water. Month of June, 87,88 gallons loss, (89.46%) billed percentage of pumped. **Monitor for leaks.**

8. New Business: continue to follow up with above.

9. Open to Public Comments. None

10. Adjourn at 9:35pm. No executive session.

Next meeting August 11th, 2025 at 7pm in clubhouse.

EXECUTIVE SESSION

To consider legal action on delinquent accounts, non-compliance issues, shareowner's hearings or meetings with the Board, if scheduled, and any matters involving invasion of owner's privacy or matters involving parties who have requested confidentiality, to which the Board has agreed to honor this request. Review any pending legal action and confidential attorney communications, personnel matters, or contract negotiations.