

DIAMONDHEAD WATER SUPPLY CORPORATION 28717 Waikiki Lane, Montgomery, TX 77356

Meeting Minutes: January 8, 2024

Board Members:

- Jeffrey Hughes, President: Present
- Charlie Michalak, VP: Present
- Carol Fine, Treasurer: Present
- Dean Kisseberth, Director: Present
- Eddie Hudson, Director: Present
- Ray Leon, Director: Present
- Cami McSween, Secretary: Present

Guests: Rob and Kathy Johanson, Becky Radcliff.

Sign-in sheet available.

The meeting commenced at 7:02 pm in the clubhouse. The previous meeting was held on December 11th, 2023.

Agenda:

1. Welcome and Call to Order

The meeting was called to order by President Jeffrey Hughes. Quorum was established.

2. President's Monthly Notes

President's Monthly Notes: Read and Discussed.

- **Interim Board Member:** Ray Leon is currently under consideration for an interim director position.
- **SJRA:** On November 16th, letter received requesting last 5 years of financial records. Board discussed and noted this is merely a request. Despite SJRA taking 35% of our monthly and annual income, SJRA does not provide water or services to Diamondhead WSC. As a result, the board denied this request. In December, a second letter was received and denied.
- **Phosphate Drum Violation:** We received a letter from TCEQ confirming approval of double walled chemical tank for PO4 chemical storage. Hays will proceed with purchasing and installing the barrel. We estimate the price to be \$600.00. We will notify TCEQ when completed.
- **Tariff:** On November 19th, Carol received a letter from the Public Utilities Commission requesting a copy of our rates and tariff. Following discussions with Lisa Fuentes at PUC, we secured consultant Phillip Givens to assist us. He was paid by the PUC so free of charge to us. We followed his advisement on our Tariff and bill structure. Last Tariff filed

with PUC is from 2003. Our new Tariff was uploaded to PUC site on Dec. 28, 2023 and includes the Drought Contingency Plan.

- **Critical Load:** We are preparing a critical load report for Entergy and PUC.
 - **Rate Study:** Request for independent rate study with PUC consultant Phillip Givens is pending.
 - **Lift Station Pump Failures:** Ongoing monitoring efforts. In November, an email was sent to residents to educate them on debris causing lift pump failures.
 - **Water Plant Mntc:** Danny from Hays has performed winterization of our water plant. Pending bypass of oil water cooler. Jeffrey received two work bids for boxes to provide freeze protection. Parker \$4,230 and Tomball Metal \$1,515.50.
 - **TCEQ Copper/Lead Compliance:** All residents of Diamondhead WSC whose homes were built prior to July 1988 have received an email or mail survey to ascertain if any updates have been completed to lines from the meter to the house. Pending next steps.
 - **Hays meter surveillance:** Discussed the possibility of a trigger letter mid-month from Hays to help resident check for home water leak. Question for Hays: Could this be monitored with new meters? Pending.
 - **2023 Annual Financial Report:** Our 2023 Report will need to be filed with PUC. We will look at filings on PUC site to ascertain if a CPA is needed.
 - **Lonestar Ground Water Permit Yearly Analysis:** We are allowed to pump from reservoir 22,772,000 gallons annually. 2023 Usage: 12,056,200. 52.94%. We will continue to lobby to hold our allowance to prevent fines for going over our allotment.
3. **Hays Utility Bill:** The November Hays utility bill was reviewed and approved with a question regarding one repair from Charlie as to whether costs for line repair occurred under concrete? Inquiry pending. December Hays utility bill was \$5,828.27. Reviewed and determined accurate.
 4. **Review of December 2023 Meeting Minutes**
The minutes were motioned for acceptance by Charlie Michalak and seconded by Eddie Hudson.
 5. **Review of December 2023 Treasurer Report**
The treasurer report was motioned for acceptance by Charlie Michalak and seconded by Eddie Hudson.
 6. **Discussion on acceptance of Tomball Metal to complete work on freeze protection boxes. Ray discussed verifying measurements and tabs to secure boxes. VOTE: All board members unanimously agree to accept Tomball Metal's bid.**

Opened for Public Comments

1. Rob Johanson informed the board of damage to South Lift Station boards, presumed by golf balls. Carol requested that the board discuss with the resident.
2. Becky Radcliff asked if there is a way to view the new Tariff on the PUC site. Cami responded that all filings were posted and that it may take 30 days to be viewable.
3. Discussed that April Sound and Walden drilled deep wells and no longer pay SJRA. SJRA is set up to assist with equal sharing of shallow water wells. Jeffrey received information that the cost of a deep well is now over 2 million dollars.

Operations Update:

- Pumped VS Billed: 96.44%
- GPM #1: 60, GPM #2: **138**, Lonestar YTD: 52.94% (**Monitoring Well #2 for decrease**).
- Daily Booster PSI: 59 averages.
- Chlorine Levels: Normal

Meeting Summary: Voting conducted and acceptance of Tomball Metal bid at \$1,515.50 for winterization boxes. This bid was unanimously accepted by all board members.

Next Meeting: Scheduled for February 12th, 2024, at 7:00 pm at the Clubhouse. Annual Meeting February 25th, 2024.

Adjournment: The meeting adjourned at 8:40 pm on January 8, 2023, after a motion to accept by Charlie Michalak and seconded by Dean Kisseberth.