

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors

February 15, 2017

The Board of Directors (the “Board”) of Harris County Fresh Water Supply District No. 61 (the “District”) met at the Board’s regular meeting place on Wednesday, February 15, 2017 in accordance with the duly posted notice of the meeting, with a quorum of Directors present, as follows:

Lary J. Cangelose, President
Mike Kelley, Vice President
Charles W. Merritt, Secretary
Ben A. Solis, Assistant Secretary
Darrell A. Barroso, Treasurer

and the following were absent:

None.

Also present were Mr. Jerry Homan, general manager for the District; Mr. Brian Breeding, assistant general manager for the District; Ms. Pam Magee, office manager for the District; Mr. Dennis Short, a resident of the District; and Ms. Jennifer Seipel, attorney for the District.

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

1. Under customer inquiries and input, Ms. Magee reported that the water disconnections for the month had been made. There were 80 disconnects in the District and 11 disconnects in Harris County Municipal Utility District No. 248.

Mr. Short introduced himself and asked several questions regarding the District’s conversion to surface water. Mr. Homan explained the history behind the State’s efforts to move toward the use of surface water as a means of preventing additional subsidence. Mr. Homan also explained the role of the regional water authorities in connection with the conversion to surface water. The Board invited Mr. Short to attend one of the meetings of the North Harris County Regional Water Authority. Mr. Short then thanked the Board for taking the time to answer his questions.

2. The Board next considered the minutes for the meeting held on February 8, 2017. Upon motion made by Director Barroso, seconded by Director Solis, and unanimously carried, the Board approved the minutes as presented.

3. Mr. Homan and Mr. Breeding discussed the engineer’s report, a copy of which is attached hereto. Mr. Homan stated that the Hastings Green wastewater treatment plant (“Train B”) is back online following the completion of certain work performed in connection with the air header replacement project.

Mr. Breeding reported that they have begun performing preliminary evaluations needed in connection with phase one of the sanitary sewer rehabilitation project slated to begin within the next year.

Upon motion made by Director Merritt, seconded by Director Solis, and unanimously carried, the Board approved the engineer's report as presented.

4. The Board considered payment of the general fund bills. After review, upon motion made by Director Merritt, seconded by Director Kelley, and unanimously carried, the Board approved payment of the general fund bills as presented.

5. Ms. Magee, Mr. Homan, and Mr. Breeding presented the management report. Ms. Magee stated that the District received its November SPA check from the City of Houston in the amount of \$96,437.66.

Mr. Homan then mentioned that he again met with Ms. Kathi Valenti, a resident of Tower Oaks, to discuss the efforts being made by the County to clean and remove debris from drainage ditches in the area. He reported that the meeting went well. Mr. Homan and the Directors also discussed the status and results of the work being performed by the County.

Upon motion made by Director Solis, seconded by Director Barroso, and unanimously carried, the Board approved the management report as presented.

6. Ms. Seipel presented the attached Resolution Affirming Identity Theft Prevention Program and confirmed with Ms. Magee and Mr. Homan that the program is in place and being properly administered. Upon motion made by Director Kelley, seconded by Director Solis, and unanimously carried, the Board approved the Resolution as presented

7. The Board then considered the attached Order for Bond Election for May 6, 2017 in accordance with the engineering report which was reviewed and approved by the Board. The election is in the amount of \$30,000,000 to provide for water and sewer facilities for the District. Upon motion made by Director Solis, seconded by Director Barroso, and unanimously carried, the Board adopted the Order as presented.

8. The Board considered items for the next Board meeting, including the North Harris County Regional Water Authority.

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

Secretary

Short Term Action Items

1. North Harris County Regional Water Authority

Long Term Action Items

1. 222 Rate Analysis for Wastewater Usage
2. Plans for use of SPA Funds
 - a. Walking Trails and Other Facilities
3. Trunk Line Repair - Complete; Discussion of Costs with MUD 222 and MUD 248