

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors

February 21, 2018

The Board of Directors (“Board”) of Harris County Fresh Water Supply District No. 61 (“District”) met at the Board’s regular meeting place on Wednesday, February 21, 2018 in accordance with the duly posted notice of the meeting, with a quorum of Directors present, as follows:

Mike Kelley, President
Charles W. Merritt, Vice President
Ben A. Solis, Secretary
Darrell A. Barroso, Assistant Secretary
Lary J. Cangelose, 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. Bill Rosenbaum, engineer for 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 input and inquiries, Ms. Magee reported that today was water disconnection day. There were 60 disconnections in the District and 10 disconnections in Harris County Municipal Utility District No. 248.

Ms. Seipel also stated that, pursuant to the District’s rate order, water service to one residence was disconnected and will not be reconnected until payment of taxes has been made.

2. The Board considered the minutes for the meeting held on February 14, 2018. Upon motion made by Director Solis, seconded by Director Barroso, and unanimously carried, the Board approved the minutes as presented.

3. Mr. Rosenbaum next presented the engineer’s report, a copy of which is attached hereto. He presented and recommended payment of a pay application from Vaca Underground Utilities, Inc. in the amount of \$245,700.00 for their work in connection with the relocation of a water line under U.S. 290. Upon motion made by Director Barroso, seconded by Director Cangelose, and unanimously carried, the Board approved the pay application as presented.

Mr. Rosenbaum also discussed the proposed development of a meat market at 13867 Cypress N. Houston Road, which the engineer has deemed Tract 11B.

After discussion, upon motion made by Director Merritt, seconded by Director Barroso, 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 Solis, and unanimously carried, the Board approved payment of the general fund bills as presented.

5. Ms. Seipel then reviewed with the Board the comments received from Harris County (the "County") and Harris County Flood Control District ("Flood Control") with respect to the interlocal agreement addressing the improvement of drainage channels within Barwood and Tower Oaks Meadows and the repair of a washout along White Oak Bayou. The Board had a lengthy discussion and provided comments on the interlocal agreement as presented. At the conclusion of that discussion, the Board authorized the attorney to amend the agreement to reflect their comments and continue negotiations with the County and Flood Control.

6. Ms. Magee, Mr. Homan, and Mr. Breeding presented the management report. Ms. Magee presented the November SPA check from the City of Houston in the amount of \$95,440.49.

The Board also discussed the upcoming summer AWBD conference. Ms. Magee confirmed that the Directors' reservations have been made.

With respect to the Barwood wastewater treatment plant, Mr. Breeding and Mr. Homan stated that the repair of the slab upon which several pumps are located is complete. Mr. Breeding showed several pictures showing how the polyurethane foam successfully raised and leveled the slab.

Mr. Breeding reported that the District's attorney sent a demand letter to the driver who backed her car into the wall adjacent to the District's administration building, causing several panels to come down.

Mr. Homan also reported that the force main located at the washout at White Oak Bayou has been wrapped in corrosion inhibitor tape.

Mr. Homan stated that the construction of a portion of sidewalk along Wortham Boulevard in front of a District plant, as recently requested by a District resident, is complete. Mr. Breeding showed several pictures of the sidewalk.

Mr. Homan reported that one of the incumbent directors has an opponent in the May 5, 2018 directors election. Ms. Seipel stated that she will be doing a presentation on Texas election law at the District's March 14, 2018 meeting.

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

7. Ms. Seipel presented a 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 Cangelose, seconded by Director Merritt, and unanimously carried, the Board approved the Resolution as presented.

8. The Board lastly considered items for the next Board meeting, including a utility commitment letter for the meat market to be located at 13867 Cypress N. Houston Road.

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

Secretary

Short Term Action Items

1. Utility Commitment Letter for Tract Located at 13867 Cypress N. Houston Road

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