

**HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61**  
Minutes of Meeting of Board of Directors  
March 23, 2016

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, March 23, 2016 in accordance with the duly posted notice of the meeting, with a quorum of Directors present, as follows:

Darrell A. Barroso, President  
Lary J. Cangelose, Vice President  
Mike Kelley, Secretary  
Charles W. Merritt, Assistant Secretary  
Ben A. Solis, 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. Bruce Dubiel, operations manager for the District; Mr. Bill Rosenbaum, engineer for the District; Mr. Bob Ideus, fund manager 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. There were no customer inquiries or input to consider.
2. Ms. Magee presented the tax assessor-collector’s report, a copy of which is attached hereto. The report showed a 95.39% collection rate for the 2015 tax year, with all other tax years being 99.40% collected. After further review of the report, upon motion made by Director Merritt, seconded by Director Cangelose, and unanimously carried, the Board

approved the tax assessor-collector's report and payment of the bills listed thereon with checks drawn from the tax fund.

3. Mr. Ideus then presented the fund manager's report, a copy of which is attached hereto. Mr. Ideus reported that the administration building construction fund is being closed, and the remaining balance of \$2,874.23 will be returned to the SPA fund, from which the funds were originally withdrawn.

Mr. Ideus presented to the Board an amended depository pledge agreement sent by Amegy Bank. Upon motion made by Director Merritt, seconded by Director Solis, and unanimously carried, the Board approved the agreement subject to review and approval by the District's attorney.

After further review, upon motion made by Director Merritt, seconded by Director Solis, and unanimously carried, the Board approved the fund manager's report as presented.

4. The Board next considered the minutes for the meeting held March 16, 2016. One change to the minutes was suggested, and upon motion made by Director Solis, seconded by Director Merritt, and unanimously carried, the Board approved the minutes as amended.

5. Mr. Dubiel presented the operations report, a copy of which is attached. With respect to water production, the District pumped 59,976,000 gallons from its wells, with an average daily flow of 2,068,138 gallons. The ratio of water pumped to billed was 97% during the month, with a year-to-date ratio of 98%.

At the wastewater treatment plants, the total combined treatment amounted to 69,164,000 gallons with an average daily flow from the plants of 2,384,966 gallons per day. There were 2.2 inches of rainfall during the month of February.

With respect to the distribution and collection system, twenty bacteriological samples were taken with no coliforms detected. The

operators changed out eleven meters and repaired two service line leaks. There were no residential or commercial taps made during the month.

With respect to out-of-district water use, Emerald Forest Utility District used 240,000 gallons of water and Harris County Municipal Utility District No. 248 used 14,019,000 gallons of water.

As for personnel matters, a safety meeting on health, wellness, and nutrition was held on March 10, 2016. A safety meeting covering confined space entry is scheduled for April 7, 2016.

After further discussion, upon motion made by Director Merritt, seconded by Director Solis, and unanimously carried, the Board approved the operations report as presented.

6. Ms. Seipel reported that Series 2016 refunding transaction was successful and closed on schedule.

7. With respect to the townhome development on Ravensway Center Drive, the Board considered the assignment of capacity previously committed for the project to Mr. Michael Arledge, a new developer. Upon motion made by Director Merritt, seconded by Director Solis, and unanimously carried, the Board approved the assignment of capacity pursuant to the commitment letter previously issued.

8. Mr. Rosenbaum presented the engineer's report, a copy of which is attached hereto. Mr. Rosenbaum reported that five bid were received in connection with the Hastings Green wastewater treatment plant east sanitary trunkline and manhole rehabilitation project, one of which was rejected as non-conforming. After reviewing the remaining bids with the Board, the engineer recommended that the District award the contract to PM Construction & Rehab, LLC, with the terms being (i) a base bid of \$375,020.00 and an alternate bid of \$405,020.00 and (ii) construction time of 120 calendar days.

After further review of the engineer's report, upon motion made by Director Merritt, seconded by Director Cangelose, and unanimously

carried, the Board awarded the above-referenced contract to PM Construction & Rehab, LLC and approved the engineer's report as presented.

9. The Board next considered payment of the general fund bills listed on the report prepared by Ms. Magee, a copy of which is attached hereto. The Board also discussed the bill for certain fertilization work done on District property and requested that a District employee monitor the work being performed going forward.

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.

10. Ms. Magee then presented the management report, a copy of which is attached hereto. Mr. Homan confirmed that the website consultants with whom he and Mr. Breeding have been working are scheduled to attend the District's April 13, 2016 meeting in order to answer any questions the Board may have.

The Board also discussed various personnel matters.

11. The Board considered items for the next Board meeting, including discussion of the possible creation of a District website.

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

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Secretary

## Short Term Action Items

1. Website and Online Bill Payment Options

## 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