

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors

August 10, 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, August 10, 2016 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. 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. There were no customer inquiries or input for consideration.
2. The Board next considered the minutes for the meeting held on July 27, 2016. Upon motion made by Director Solis, seconded by Director Barroso, and unanimously carried, the Board approved the minutes as presented.
3. Mr. Rosenbaum presented the engineer’s report, a copy of which is attached hereto. Mr. Rosenbaum presented the applications for renewal of the District’s wastewater discharge permits for the Barwood and Hastings Green wastewater treatment plants. Upon discussion, and after further review of the engineer’s report, upon motion made by Director Kelley, seconded by Director Merritt, and unanimously carried, the Board approved submission of the discharge permit applications and the engineer’s report as presented.
4. The Board next 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. Magee presented the management report. Ms. Magee reviewed with the Board the insurance proposals received from the District’s insurance agent. After discussion, the Board requested that renewal of the District’s insurance with BlueCross BlueShield be placed on the next agenda.

Mr. Breeding then showed a video of the slip line work being performed in connection with the Hastings Green wastewater treatment plant east sanitary trunkline and manhole rehabilitation project. Both Mr. Breeding and Mr. Homan reported that the contractor is doing an excellent job, and they are pleased with the work performed thus far.

Mr. Breeding reported that the insurance claim submitted in connection with the lightning damage caused to instrumentation at the Barwood plant recently was approved.

Lastly, Mr. Homan stated that the District recently hired a new laborer to replace an employee that quit last month.

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

6. The Board briefly discussed the North Harris County Regional Water Authority (the "Authority"). Several directors attended the latest meeting of the Authority, at which the construction of a waterline along Grant Road was again discussed.

7. With respect to the Water Users Coalition (the "Coalition"), Mr. Homan stated that he has received several inquiries from directors of nearby districts regarding their interest in serving on an advisory council to the Coalition. Several Board members expressed their approval of the idea of creating such a council.

8. The Board considered items for the next Board meeting, including renewal of the District's health insurance, utility commitment letters for several tracts being developed within the District, and a presentation by the District's financial advisor regarding the proposed development of an 18-acre tract by KB Homes.

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

Secretary

Short Term Action Items

1. Presentation on Potential 18-Acre Development by KB Homes
2. Renewal of District Health Insurance
3. Various Utility Commitment Letters for In-District Tracts

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