

## **HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61**

Minutes of Meeting of Board of Directors

May 10, 2017

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, May 10, 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. Bill Rosenbaum, engineer for the District; Mr. Tim Krause, a representative for Texas County and District Retirement System (“TCDRS”); 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. Mr. Krause, a representative for TCDRS, gave a presentation to the Board on the retirement plans that TCDRS offers to governmental entities such as the District. He first discussed the history of TCDRS and then explained the benefits available to the District and its employees, should the District decide to participate. As part of the presentation, Mr. Krause discussed the various rates the District would be charged depending upon the employee deposit and employer match percentages selected by the District. The Board asked Mr. Krause several questions and requested that Mr. Homan and Mr. Breeding discuss TCDRS’s plans with the District’s employees. Mr. Krause thanked the Board for their time and left the meeting.

2. There were no customer inquiries or input for consideration.

3. The Board considered the minutes for the meeting held on April 26, 2017. Upon motion made by Director Kelley, seconded by Director Barroso, and unanimously carried, the Board approved the minutes as presented.

4. Mr. Rosenbaum next presented the engineer’s report, a copy of which is attached hereto. With respect to the Hastings Green wastewater treatment plant, the engineer received the proposed discharge permit and has advertised public notice of the permit as required by law. Upon motion made by Director Barroso, seconded by Director Kelley, and unanimously carried, the Board approved the engineer’s report as presented.

5. The Board then canvassed the results of the bond election held on May 6, 2017. Ms. Seipel stated that the returns from the presiding judge indicate that the measure passed by a vote of nine in favor and none opposed. Upon motion made by Director Merritt, seconded by Director Barroso, and unanimously carried, the Board adopted the Order Declaring Results of Bond Election as presented.

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

7. Ms. Magee, Mr. Homan, and Mr. Breeding presented the management report. Ms. Magee took a headcount of directors and their guests that plan on attending the District's annual family day, which is scheduled for May 20, 2017 at Space Center Houston.

Mr. Homan reported that the Consumer Confidence Report has been prepared and will be placed on the District's website. In order to comply with Texas law, a link to the report will be provided to the District's customers in their upcoming bill.

Mr. Breeding stated that the District received a letter from the Texas Commission on Environmental Quality ("TCEQ") confirming that the District's Supplemental Environmental Project ("SEP"), namely replacement of the air header at the Hastings Green wastewater treatment plant, has been completed. Completion of the SEP waives the penalty assessed by the TCEQ against the District. Mr. Homan confirmed that Mr. Rosenbaum is preparing an invoice to send to Harris County Municipal Utility District No. 222 for their portion of the expenses incurred in connection with completion of the air header project.

Ms. Seipel then reported that her office received a check from GEICO for full settlement of the District's claim against the insurer for damage caused by a GEICO insured to one of the District's fire hydrants.

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

8. The Board briefly discussed the North Harris County Regional Water Authority (the "Authority"). Mr. Homan and several directors attended the latest meeting of the Authority, at which the Authority discussed the publication of certain informational materials.

9. With respect to the Water Users Coalition (the "Coalition"), Mr. Homan stated that the advisory council held a meeting on May 4, 2017. Mr. Homan reported that several municipal utility districts have recently joined the Coalition. He also discussed the events that transpired at that meeting.

10. The Board considered items for the next Board meeting.

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

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Secretary

Short Term Action Items

1. Usual Business

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