

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors

July 26, 2017

The Board of Directors (“Board”) of Harris County Fresh Water Supply District No. 61 (the “District”) met at the Board’s regular meeting place on Wednesday, July 26, 2017 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. Samuel Meza, 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. Also in attendance was Ms. Shannon Paige, a resident of 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. Paige addressed the Board and asked several questions regarding the demolition of the community pool in Oak Cliff Place, the presence of Harris County sheriffs in that neighborhood, and the construction of walking trails along White Oak Bayou. After answering her questions, the Board thanked Ms. Paige and moved on to the next agenda item.

2. Ms. Magee presented the tax assessor-collector’s report, a copy of which is attached hereto. The report showed a 96.58% collection rate for the 2016 tax year, with all other tax years being 99% collected or better. After further review of the report, upon motion made by Director Barroso, 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. The report shows a check in the amount of \$37,989.70 for engineering associated with various capital projects. Upon motion made by Director Solis, seconded by Director Cangelose, and unanimously carried, the Board approved the fund manager’s report as presented.

4. The Board next considered the minutes for the meeting held on July 19, 2017. Upon motion made by Director Cangelose, seconded by Director Solis, and unanimously carried, the Board approved the minutes as presented.

5. Mr. Meza presented the operations report, a copy of which is attached hereto. With respect to water production, the District pumped 65,757,000 gallons from its wells, with an average daily flow of 2,191,900 gallons. The ratio of water pumped to billed was 89% during the month.

At the wastewater treatment plants, the total combined treatment amounted to 83,934,000 gallons with an average daily flow from the plants of 2,797,800 gallons per day. There were 5.2 inches of rainfall during the month of June.

With respect to the distribution and collection system, 20 bacteriological samples were taken with no coliforms detected. The operator changed out 10 meters in the month of June and made one commercial tap.

With respect to out-of-district water use, Emerald Forest Utility District used 222,000 gallons of water and Harris County Municipal Utility District No. 248 used 13,926,000 gallons of water.

As for personnel matters, a safety training class on backhoe and mower safety was held on July 13, 2017. A safety training class on vehicle safety and maintenance is scheduled for August.

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

6. Mr. Rosenbaum then presented the engineer's report, a copy of which is attached hereto. The engineer reported that the pre-construction meeting with North Houston Pole Line for Phase 3 of the District's sanitary sewer rehabilitation project was held on July 26, 2017. Mr. Rosenbaum stated that one focus of the meeting was coordination and communication between the contractor and District residents affected by the project.

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

7. 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. 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.

8. Ms. Magee, Mr. Homan, and Mr. Breeding presented the management report. Ms. Magee reviewed the District's current financial statement and budget comparison.

Mr. Homan then discussed the transfer of certain funds from the Series 2017 bond sale to reimburse the District for projects previously completed, as set forth in the order and staff memorandum of the Texas Commission on Environmental Quality.

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

9. The Board considered items for the next agenda, including further discussion of the retirement plans offered by the Texas County and District Retirement System.

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

Secretary

Short Term Action Items

1. Discuss Retirement Plans Offered by the Texas County and District Retirement System

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