

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors

November 8, 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, November 8, 2017 in accordance with the duly posted notice of the meeting, with a quorum of Directors present, as follows:

Mike Kelley, President
Darrell A. Barroso, Assistant Secretary
Lary J. Cangelose, Treasurer

and the following were absent:

Charles W. Merritt, Vice President
Ben A. Solis, Secretary

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, Mr. Homan mentioned that he had a meeting with several residents of Barwood regarding flooding experienced in the neighborhood as well as the washout of White Oak Bayou at 13200 Oak Ledge Drive. Mr. Homan stated that he would be discussing the results of that meeting during the management report.

2. The Board considered the minutes for the meeting held on October 25, 2017. Upon motion made by Director Barroso, seconded by Director Cangelose, 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. With respect to phase 3 of the sanitary sewer rehabilitation project, the engineer presented Pay Application No. 2 from Houston North Pole Line, L.P. in the amount of \$85,653.32 and recommended payment thereof.

The engineer also reported that the stabilization brace for the District’s force main, which was left exposed following the washout at White Oak Bayou and 13200 Oak Ledge Drive, is scheduled to be installed on Monday, November 13, 2017.

Upon motion made by Director Cangelose, seconded by Director Barroso, and unanimously carried, the Board approved the pay application and engineer’s report as presented.

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

5. Ms. Magee, Mr. Homan, and Mr. Breeding presented the management report. Mr. Homan, Mr. Breeding, and the Board continued to discuss issues associated with and solutions to the flooding being experienced in Tower Oaks Meadows and Barwood. As previously mentioned, Mr. Homan reported that he met with several residents of Barwood to discuss possible solutions to the flooding being experienced in the neighborhood as well as the washout of White Oak Bayou at 13200 Oak Ledge Drive.

Mr. Homan then reviewed with the Board the schedule of matters to be covered at the District's remaining 2017 meetings, including, but not limited to, the District's 2018 budget and employee reviews.

Mr. Homan also reported that the District's tax assessor-collector has had to go on short-term disability leave. Mr. Homan proposed that the District hire Ms. Kathy Schyma, the District's former tax assessor-collector, as a part-time employee to assist the District during the next few busy months of tax season. Upon motion made by Director Cangelose, seconded by Director Barroso, and unanimously carried, the Board approved hiring Ms. Schyma pursuant to the terms discussed.

Upon motion made by Director Barroso, seconded by Director Cangelose, 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"). Mr. Homan and Director Barroso attended the latest meeting of the Authority, at which the Authority reported on the status of its projects and spending. The Board for the Authority also discussed having security at their meetings.

7. With respect to the Water Users Coalition (the "Coalition"), Mr. Homan reported that the Coalition is having a meeting to discuss the 15-point plan to address flooding released several weeks ago by Harris County Judge Ed Emmett.

8. Ms. Seipel next presented an Order Designating Additional Office for Conducting Business and Maintaining Records of the District. The lobby of the building that Ms. Seipel's firm offices out of was flooded during Hurricane Harvey. As a result, Ms. Seipel's firm is temporarily using office space at an adjacent building and maintains District records at such location. Accordingly, Ms. Seipel requested that the Board adopt the Order designating the temporary office space as an additional office for the maintenance of District records. Upon motion made by Director Cangelose, seconded by Director Barroso, and unanimously carried, the Board approved the Order as presented.

9. The Board lastly considered items for the next Board meeting, including discussion of the District's 2018 budget.

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

Secretary

Short Term Action Items

1. Review of 2018 Budget

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