

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

Minutes of Meeting of Board of Directors

July 18, 2018

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, July 18, 2018 in accordance with the duly posted notice of the meeting, with a quorum of Directors present, as follows:

Charles W. Merritt, President  
Ben A. Solis, Vice President  
Darrell A. Barroso, Secretary  
Lary J. Cangelose, Assistant Secretary  
Mike Kelley, 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; 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. Breeding reported that today was water disconnection day. There were 88 disconnections in the District and 5 disconnections in Harris County Municipal Utility District No. 248.

2. The Board considered the minutes for the meeting held on July 11, 2018. Upon motion made by Director Barroso, seconded by Director Solis, 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. The engineer stated that he had information on the proposed acquisition of District property by Magellan Pipeline Company, LP (“Magellan”) but would cover such topic in executive session.

Upon motion made by Director Kelley, seconded by Director Solis, and unanimously carried, the Board approved the 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 Solis, and unanimously carried, the Board approved payment of the general fund bills as presented.

5. Mr. Homan and Mr. Breeding presented the management report. At the outset of the discussion, Director Merritt requested that Mr. Homan and Mr. Breeding investigate a possible water leak near the intersection of N. Eldridge Parkway and Dakar.

Mr. Breeding stated that he contacted Harris County (the "County") regarding the sidewalk and driveway situation at 12403 Aste Lane. The County stated that the owner of 12403 Aste Lane did not obtain a permit from the County, and the County has been in communication with the owner regarding remedial action that must be performed.

Mr. Breeding stated that the District intends to conduct a follow-up interview with a candidate for the field position to be filled.

Lastly, Mr. Homan stated that he met with and gave an interview to the reporter for the Community Impact newspaper. Mr. Homan discussed the topics covered during the interview and reported that it went well. The Board asked several questions and discussed the matter in some detail.

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

6. At 7:05 p.m., the Board entered into executive session to discuss real estate matters and threatened litigation associated with Magellan's acquisition of District property. At 7:30 p.m., the District left executive session and resumed its public meeting. Upon motion made by Director Barroso, seconded by Director Kelley, and unanimously approved, the Board hired the attorney's firm to handle the Magellan acquisition on a contingency basis.

7. The Board lastly considered items for the next Board meeting, including discussion of certain real estate matters.

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

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Secretary

Short Term Action Items

1. Discussion of Real Estate Matters

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