

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors

August 8, 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, August 8, 2018 in accordance with the duly posted notice of the meeting, with a quorum of Directors present, as follows:

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

and the following were absent:

Ben A. Solis, Vice President.

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 and Mr. Paul S. Radich, attorneys 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 provided an update on the sidewalk situation at 12403 Aste Lane.

2. The Board considered the minutes for the meeting held on July 25, 2018. Upon motion made by Director Cangelose, seconded by Director Kelley, 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. Mr. Rosenbaum and Mr. Homan stated that they are scheduled to meet with representatives for Harris County (the “County”) to discuss any conflicts that District facilities may have with the drainage improvements to be constructed by the County in Tower Oaks Meadows and Barwood.

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

5. The Board then considered a Resolution Authorizing the Use of Surplus Funds for the payment of sanitary sewer manhole repairs and the relocation of a water line at Tuckerton and Huffmeister Road. Upon motion made by Director Kelley, seconded by Director Barroso and unanimously carried, the Board approved the resolution as presented.

6. Ms. Magee, Mr. Homan, and Mr. Breeding presented the management report. Mr. Breeding stated the demonstration of the fiberglass manhole liner utilized by the District in recent months is scheduled for September. Mr. Breeding also discussed the repair of a fourth District manhole using the fiberglass liner, which would bring the total cost of the fiberglass manhole repairs to \$58,610.00. Upon motion made by Director Barroso, seconded by Director Cangelose, and unanimously carried, the Board approved the additional manhole repair.

Mr. Homan then discussed the performance of a survey of certain drainage areas within the District.

Lastly, Mr. Breeding showed the Board pictures of the televisions which were previously installed in the conference room of the administration building and are now being utilized in other District buildings.

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

7. The Board 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 status of their projects and the upcoming bond election.

8. With respect to the Water Users Coalition (the "Coalition"), Mr. Homan reported that the Coalition continues to attend meetings and monitor the activities of the AWBD and the Authority.

9. At 7:15 p.m., the Board entered into executive session to discuss real estate matters and threatened litigation associated with Magellan Pipeline ("Magellan") and the Texas Department of Transportation's ("TxDOT") acquisition of District property and facilities. At 8:20 p.m., the District left executive session and resumed its public meeting. After reconvening its public meeting, upon motion made by Director Kelley, seconded by Director Barroso, and unanimously carried, the Board authorized (i) the engagement of Whitney & Associates to perform appraisal services in connection with the Magellan acquisition and (ii) the performance of additional engineering analysis in connection with that taking. Upon motion made by Director Barroso, seconded by Director Kelley, and unanimously carried, the Board (i) hired the attorney's firm to handle the TxDOT acquisition on a contingency basis and (ii) authorized the engineer to begin performance of certain engineering analysis in connection with that taking.

10. The Board lastly considered items for the next Board meeting, including an executive session to discuss real estate matters and threatened litigation.

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

Secretary

Short Term Action Items

1. Executive Session to Discuss Real Estate Matters and Threatened Litigation

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