

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors

August 15, 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 15, 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; 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. There were no customer inquiries or input for consideration.

2. The Board considered the minutes for the meeting held on August 8, 2018. Upon motion made by Director Barroso, seconded by Director Cangelose, 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 briefly presented the alignment sheets received in connection the proposed acquisition of District property by Magellan Pipeline Company, LP. The engineer agreed to meet with the attorney and District representatives next week to discuss the impact of the proposed acquisition on the District’s property and operations.

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 Solis, and unanimously carried, the Board approved payment of the general fund bills as presented.

5. Mr. Homan, Mr. Breeding, and Ms. Magee presented the management report. Ms. Magee confirmed that she registered the Board for the upcoming winter conference of the Association of Water Board Directors.

Mr. Breeding stated that the individual who backed into and damaged the wall outside the District's administration building made the fifth of six scheduled payments to cover the damage.

Mr. Breeding presented a draft of the District's policy with respect to the repair of sidewalks located within the District. The Board provided several comments to the policy and decided to give it some additional thought.

Mr. Breeding presented the final estimates from several sources to rebuild the blower and motor at the Hastings Green wastewater treatment plant. After discussion, upon motion made by Director Kelley, seconded by Director Solis, and unanimously carried, the Board authorized NTS to rebuild the blower and motor for a cost of \$14,200.

Lastly, Mr. Homan stated that he, Mr. Breeding, and the District engineer met with Ross Hosket, a representative for Harris County (the "County"), regarding any conflicts that District facilities may have with the drainage improvements to be constructed by the County in Tower Oaks Meadows and Barwood. Mr. Homan also stated that Mr. Hosket mentioned the possible construction of two new detention ponds in the area with the proceeds of the flood bond, should it pass.

Upon motion made by Director Kelley, 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 7:18 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 approved (i) the granting of a drainage easement to Randal A. Hendricks, Trustee and (ii) the acceptance of an assignment of easement rights from Randal A. Hendricks, Trustee in connection with the 2.74-acre detention pond located on property owned in fee by Spooltech Resources, LLC.

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