

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

Minutes of Meeting of Board of Directors

November 28, 2018

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, November 28, 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. Samuel Meza, operations manager for the District; Mr. Johnny Collins, tax assessor-collector for the District; Mr. Bob Ideus, fund manager for the District; Mr. Bill Rosenbaum and Ms. Kelly Shipley, engineers for the District; and Ms. Jennifer B. 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. Mr. Collins presented the tax assessor-collector’s report, a copy of which is attached hereto. The report showed a 97.24% collection rate for the 2017 tax year, with all other tax years, excluding 2018, being 99% collected or better. After further review of the report, upon motion made by Director Barroso, seconded by Director Solis, 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 showed checks in the amount of (i) \$54,110.00 to Infrastructure Rehab for their manhole repair work, (ii) \$99,614.25 to King Solution Services, LLC for their work in connection with phases 4 and 5 of the District’s sanitary sewer rehabilitation project, and (iii) \$38,073.40 for engineering associated with various projects. Upon motion made by Director Solis, seconded by Director Barroso, and unanimously carried, the Board approved the fund manager’s report as presented.

4. The Board considered the minutes for the meeting held on November 14, 2018. Upon motion made by Director Solis, seconded by Director Cangelose, 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 56,942,000 gallons from its wells, with an average daily flow of 1,836,839 gallons. The ratio of water pumped to billed was 93% during the month.

At the wastewater treatment plants, the total combined treatment amounted to 79,916,000 gallons with an average daily flow from the plants of 2,577,935 gallons per day. There were 9.1 inches of rainfall during the month of October.

With respect to the distribution and collection system, 20 bacteriological samples were taken with no coliforms detected. The operator changed out 12 meters in the month of October and made no commercial or residential taps.

With respect to out-of-district water use, Emerald Forest Utility District used 289,000 gallons, Harris County MUD No. 248 used 12,718,000 gallons, and Harris County Municipal Utility District No. 222 used 197,000 gallons.

As for personnel matters, a monthly safety meeting on confined space entry was held in November. A monthly safety meeting recapping the 2018 safety meetings will be held in December.

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

6. Mr. Rosenbaum and Ms. Shipley presented the engineer's report, a copy of which is attached hereto. Mr. Rosenbaum stated the inspections of water plant no. 3 and elevated storage tank no. 2 are complete, and he recommends that the District recoat the elevated storage tank in January 2019. Upon motion made by Director Solis, seconded by Director Cangelose, and unanimously carried, the Board authorized the engineer to begin preparation of the paperwork necessary to advertise for the project.

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

8. Mr. Homan, Ms. Magee, and Mr. Breeding presented the management report. Ms. Magee reviewed the District's October financials with the Board.

Mr. Breeding reported that the District continues to work on compliance, budget, and other end of year matters.

Mr. Breeding and Mr. Homan also confirmed that they received the pricing on the automated meters to be installed in the District and plan to order them in the coming weeks.

Mr. Homan and the Board discussed the recent meeting of the North Harris County Regional Water Authority (the "Authority"). The discussion included, among other things, the Authority's upcoming rate increase and the status of the District's receipt of surface water.

Lastly, Mr. Homan and Ms. Seipel discussed the response the District received from the owner of 12403 Aste Lane, to whom the District sent a letter regarding signage outside of his home.

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

9. The Board then discussed director qualifications. The attorney provided the law with respect to the qualifications required to serve on the Board. After some discussion, seeing as all Board members presently are qualified to serve on the Board, the Board decided to take no action at this time.

10. At 7:55 p.m., the Board entered into executive session to discuss personnel matters. At 8:20 p.m. the Board exited executive session and reconvened its regular meeting.

11. The Board considered items for the next agenda, including the District's 2019 budget and personnel matters and/or real estate or threatened or pending litigation.

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

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Secretary

### Short Term Action Items

1. Executive Session to Discuss Personnel Matters and/or Real Estate or Threatened or Pending Litigation
2. Discuss the 2019 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