

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

Minutes of Meeting of Board of Directors

April 10, 2019

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, April 10, 2019 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; Ms. Pam Magee, office manager 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 March 27, 2019. Upon motion made by Director Solis, seconded by Director Barroso, and unanimously carried, the Board approved the minutes as presented.

3. Mr. Rosenbaum then presented the engineer’s report, a copy of which is attached hereto. The engineer presented and recommended approval of Pay Application No. 8 to King Solution Services in the amount of \$133,491.60 for their work in connection with phases 4 and 5 of the District’s sanitary sewer rehabilitation project. Upon motion made by Director Kelley, seconded by Director Cangelose, and unanimously carried, the Board approved the pay application as presented.

Mr. Rosenbaum then presented and recommended approval of Pay Application No. 1 to MK Painting, Inc. in the amount of \$117,450.00 for their work in connection with the recoating of elevated storage tank no. 2. Upon motion made by Director Kelley, seconded by Director Barroso, and unanimously carried, the Board approved the pay application as presented.

Lastly, the engineer presented for execution contracts from All Points Inspection Services, Inc. for the television inspections needed for Phase 6 of the District’s sanitary sewer

rehabilitation project. Upon motion made by Director Barroso, seconded by Director Barroso, and unanimously carried, the Board approved the contracts as presented.

After further review, upon motion made by Director Solis, 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. Ms. Magee, Mr. Homan, and Mr. Breeding presented the management report. Ms. Magee presented the District's January SPA check from the City of Houston in the amount of \$77,953.27.

Ms. Magee also confirmed that the District's 2019 family day would be held on May 18, 2019 at the Museum of Natural Science in Sugar Land, followed by the Sugar Land Skeeters ballpark.

Mr. Breeding reported that he continues to work on the District's automated meter project. Mr. Homan, Mr. Breeding, and the Board then discussed at length whether the District could and should perform installation of the automated meters in-house, rather than subcontract that work out as originally contemplated. Mr. Homan confirmed that some of the work, such as installation of the receivers, would require an outside contractor, but that much of the work could be performed by District employees. He and Mr. Breeding noted that it would extend the project timeline but would likely result in a significant cost savings to the District. After taking several questions from the Board, upon motion made by Director Solis, seconded by Director Cangelose, and unanimously carried, the Board authorized Mr. Homan and Mr. Breeding to continue to pursue their efforts to accomplish installation of the automated meters through use of District employees.

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

6. Ms. Seipel presented an Order Adopting Water Conservation Plan and Providing for Implementation and Enforcement Thereof. She noted that the District currently has in place a water conservation plan, which the Texas Water Code requires be reviewed every five years. Mr. Breeding described in detail the changes made to the prior plan. Upon motion made by Director Barroso, seconded by Director Solis, and unanimously presented, the Board approved the Order as presented.

7. Ms. Seipel presented an Order Establishing Wholesale Customers Drought Contingency Plan and an Order Establishing Retail Customers Drought Contingency Plan. She noted that the District currently has in place drought contingency plans, which the Texas Water Code requires be reviewed every five years. Mr. Breeding also described in detail the changes made to the prior plans. Upon motion made by Director Barroso, seconded by Director Solis, and unanimously presented, the Board approved the Order as presented.

8. The Board discussed the North Harris County Regional Water Authority (the "Authority"). Several Directors attended the latest meeting of the Authority, at which the Authority discussed the widening of Telge Road and status of their projects.

9. With respect to the Water Users Coalition, Mr. Homan provided a brief update. Director Solis also mentioned that he and Director Kelley recently attend a meeting held by the Environmental Protection Agency regarding a superfund site several miles away from the boundaries of the District. Director Solis reported on the events that transpired at that meeting.

10. The Board lastly considered items for the next Board meeting, including the Series 2019 Refunding and presentation of the District's audit for the fiscal year ending on December 31, 2018.

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

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Secretary

Short Term Action Items

1. Series 2019 Refunding
2. Presentation of the Audit for the Fiscal Year Ending on December 31, 2018

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