

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors

November 6, 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, November 6, 2019 in accordance with the duly posted notice of the meeting, with a quorum of Directors present, as follows:

Ben A. Solis, President
Darrell A. Barroso, Vice President
Lary J. Cangelose, Secretary
Mike Kelley, Assistant Secretary
Charles W. Merritt, 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 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. The Board then considered the minutes for the meeting held on October 23, 2019. Upon motion made by Director Kelley, 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 discussed the status of the Texas Department of Transportation’s project to expand N. Eldridge Parkway. He stated that the survey work should be complete in the next two weeks, at which point the District’s plans to relocate its facilities affected by the expansion will be resubmitted to the City of Houston.

Mr. Rosenbaum then provided an update on the letters received from the Harris County Engineering Department (the “County Engineer”) regarding proposed drainage improvement projects in the Tower Oaks Meadows and Barwood neighborhoods. He reported that he received a response from the County Engineer to his letter requesting more information. The County Engineer was able to provide some of the additional information but not all of it. Mr. Homan discussed scheduling a meeting with Commissioner Radack to discuss the District’s participation in the drainage improvement project. The Board expressed their satisfaction with that idea.

After review, upon motion made by Director Kelley, seconded by Director Merritt, 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 the District's policies and procedures for 2020. The Board discussed a proposed change to the District's employee vacation policy, whereby employees who have been with the District for fifteen or more years will receive an additional five days of vacation per year beginning in 2020. Upon motion made by Director Kelley, seconded by Director Barroso, and unanimously carried, the Board approved the additional vacation days.

Mr. Homan then reviewed the 2020 holiday schedule and safety meeting topics with the Board. Upon motion made by Director Merritt, seconded by Director Kelley, and unanimously carried the Board approved the 2020 schedule as presented.

6. The Board then discussed the District's participation in the Texas County and District Retirement System ("TCDRS"). Mr. Homan reviewed the District's plan and the amount of employee and District contribution made into the plan to date. At Director Kelley's request, the Board then watched a video on the TCDRS' website regarding the status of their investments as of early 2019. After the video concluded, the Board discussed their feelings about the TCDRS, expressing general satisfaction with it. At the conclusion of the discussion, the Board requested that Mr. Homan and Mr. Breeding continue to monitor the District's plan, as they have been.

7. The Board discussed the District's budget for F.Y.E. December 31, 2020. The Board agreed to review the proposed numbers for a more detailed discussion at next week's meeting.

8. Ms. Magee, Mr. Homan, and Mr. Breeding presented the management report. Ms. Magee reported that the beneficiary of the District employee who recently passed away received his life insurance proceeds.

Mr. Homan approached the Board regarding an issue with the bearings on a motor at water plant no. 3. He stated that the District had a contractor assess the problem, and the proposed solution is to recondition the motor and install new bearings at a cost of approximately \$36,000. He confirmed that the repair is an emergency and must be made immediately. Accordingly, upon motion made by Director Barroso, seconded by Director Cangelose, and duly carried, the Board approved the repair as presented.

Mr. Homan also stated that the retention pond at Ravensway Lake has seen an increase in nutria and other pests. He obtained a quote from Champions Hydro-Lawn for the removal of the nutria, which was in the amount of \$1,500. The Board expressed approval of the nutria removal.

Lastly, Mr. Homan provided an update on the status of the water line repair at Foxburo and N. Eldridge Parkway. Mr. Homan stated that he would report back with any new information, including the plan to repair the holes in the road necessitated by the repair.

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

9. The Board discussed the North Harris County Regional Water Authority (the "Authority"). Several directors attended the last meeting of the Authority, at which the usual business was discussed.

10. There was no update on the Water Users Coalition.

11. Ms. Seipel then provided an update on the status of the lawsuit between the District and Magellan Pipeline Company.

12. The Board lastly considered items for the next Board meeting, including further discussion of the District's budget for F.Y.E. December 31, 2020.

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

Secretary

Short Term Action Items

1. Discuss Budget for F.Y.E. December 31, 2020

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