

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors

December 18, 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, December 18, 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. Samuel Meza, operations manager for the District; Mr. Bob Ideus, fund manager for the District; Mr. Johnny Collins, tax assessor-collector for the District; Mr. Bill Rosenbaum and Ms. Kelly Shipley, engineers for the District; and Ms. Jennifer B. Seipel, attorney for the District. Also present was Mr. John Morgan.

The President called the meeting to order and declared it open for such business as might regularly come before it.

1. Under customer inquiries and input, Ms. Magee stated that today was disconnection day. There were 17 disconnections in the District and 3 disconnections in Harris County Municipal Utility District No. 248 (“MUD No. 248”).

2. Mr. Collins presented the tax assessor-collector’s report, a copy of which is attached hereto. The report showed a 98.01% collection rate for the 2018 tax year, with all other tax years except for 2019 being 99% collected or better. After further review of the report, upon motion made by Director Barroso, seconded by Director Merritt, 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. The Board considered the minutes for the meeting held on December 11, 2019. Upon motion made by Director Merritt, seconded by Director Kelley, and unanimously carried, the Board approved the minutes as presented.

4. Mr. Meza presented the operations report, a copy of which is attached hereto. With respect to water production, the District pumped 50,198,000 gallons from its wells,

with an average daily flow of 1,673,267 gallons. The ratio of water pumped to billed was 97% during the month.

At the wastewater treatment plants, the total combined treatment amounted to 74,823,000 gallons with an average daily flow from the plants of 2,494,100 gallons per day. There were 2.4 inches of rainfall during the month of November.

With respect to the distribution and collection system, 20 bacteriological samples were taken with no coliforms detected. The operator changed out 4 meters in the month of November and made no residential or commercial taps.

As for personnel matters, a safety meeting on SCBA/fire extinguisher operation is scheduled for January.

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

5. Mr. Rosenbaum then presented the engineer's report, a copy of which is attached hereto. He discussed the District's capital improvements plan and schedule of projects for 2020 and subsequent years.

Mr. Rosenbaum also reported that he is working on an assessment of the District and MUD No. 248's water system for purposes of determining the District's ability to sell additional capacity to MUD No. 248.

After further review and discussion, upon motion made by Director Merritt, seconded by Director Cangelose, and unanimously carried, the Board approved the engineer's report as presented.

6. Mr. Ideus then presented the fund manager's report, a copy of which is attached hereto. The report showed a check in the amount of \$88,546.50 for engineering services. Upon motion made by Director Merritt, seconded by Director Barroso, and unanimously carried, the Board approved the fund manager'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 Merritt, seconded by Director Barroso, 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 November financials with the Board.

Mr. Homan then reviewed with the Board the status of all projects planned for 2019 and the proposed schedule of projects to begin in 2020, which include, but are not limited to, (i) phases 7 and 8 of the sanitary sewer rehabilitation work, (ii) the continued installation of AMR meters throughout the District, (iii) contract negotiations, (iv) the acquisition of new easements necessitated by the Texas Department of Transportation's expansion of N. Eldridge Parkway at FM 1960, (v) detention pond improvements, and (vi) lift station rehabilitation

projects. Mr. Homan reviewed the potential sources of payment for these projects, and the Board asked several questions about the projects.

Mr. Homan then reported on the status of the concrete work associated with the main break at N. Eldridge Parkway and Foxburo. He confirmed that the work is scheduled to be completed in January.

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

9. At 7:22 p.m., the Board entered executive session to discuss personnel matters. At 8:22 p.m., the Board exited executive session and reconvened its regular meeting. At the conclusion of the executive session, the Board requested that an additional executive session for the discussion of personnel matters be placed on the first January 2020 agenda.

10. The Board considered items for the next agenda, including discussion of personnel matters.

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

Secretary

Short Term Action Items

1. Personnel Matters

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