

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

Minutes of Meeting of Board of Directors

February 12, 2020

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, February 12, 2020 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  
Jon Morgan, 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; Mr. Les Griffith and Mr. William Harris from Champions Hydro-lawn; 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. Under the management report, Mr. Griffith and Mr. Williams provided a brief update on the condition of the District’s detention ponds and related facilities. The gentlemen also presented a proposal in the amount of \$11,201.25 to repair a sinkhole located at the Eldridge Crossroads pond. Upon motion made by Director Cangelose, seconded by Director Barroso, and unanimously carried the Board approved the proposal as presented. Ms. Seipel accepted the Form 1295 with the proposal.

2. There were no customer inquiries and input for consideration.

3. The Board then considered the minutes for the meeting held on January 22, 2020. Upon motion made by Director Kelley, seconded by Director Morgan, and unanimously carried, the Board approved the minutes as presented.

4. Mr. Rosenbaum then presented the engineer’s report, a copy of which is attached hereto. He presented a report regarding the condition of lift station no. 2 at the Hastings Green wastewater treatment plant. Mr. Rosenbaum indicated that the lift station is over 30 years old and requires replacement of certain protective coatings. This project will require bypass pumping. He stated that the project is not urgent but is something the District should consider undertaking in the next few years. The Board agreed.

The engineer also confirmed that he intends to review with the Board in detail the District's capital improvements plan at the next meeting.

Ms. Seipel also reported that appraisal of the easements needed by the District in connection with the expansion of N. Eldridge Parkway has begun, and the appraiser would like to talk with the engineers about their methodology for installing the new facilities in these easements, being that such fact affects appraisal values. Mr. Homan suggested that the engineers and appraisers meet and work directly on the matter. The Board agreed.

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

5. The Board considered payment of the general fund bills. After review, upon motion made by Director Morgan, seconded by Director Cangelose, and unanimously carried, the Board approved payment of the general fund bills as presented.

6. The Board then considered a water supply agreement with Harris County Municipal Utility District No. 248 ("MUD No. 248"). Ms. Seipel provided some background on the current water supply arrangement between the parties, stating that the District and MUD No. 248 currently are operating under an old agreement that has seven amendments thereto. When MUD No. 248 approached the Board last year with a request for additional connections, Mr. Homan and Mr. Breeding thought it was the right time to draft a new agreement that more accurately reflects the intended arrangement between the parties and addresses anticipated issues, such as the need to expand the District's water supply facilities to support additional development in MUD No. 248. Mr. Homan then reviewed in some detail the specific provisions of the proposed agreement, including changes to rate structures and other material terms. The Board asked a few questions that Mr. Homan and Ms. Seipel then answered. After some discussion, upon motion made by Director Barroso, seconded by Director Cangelose, and unanimously carried, the Board approved the agreement as presented and expressed their satisfaction regarding the handling of the matter.

7. The Board then discussed security measures at their meetings. After some discussion, the Board agreed with the implementation of certain new measures.

8. Ms. Magee, Mr. Homan, and Mr. Breeding presented the management report. Ms. Magee presented the November SPA check from the City of Houston in the amount of \$91,154.89. The Board then briefly discussed the history of the SPA arrangement.

Ms. Magee also presented an updated write-off list of delinquent accounts, with the Board approving that the list be sent to collections.

Lastly, Ms. Magee informed the Board of an inquiry received from Harris County regarding use of the District's administration building as a polling location during the March 3, 2020 primary. After expressing concerns regarding the size of the conference room and the parking lot, the Board denied the request.

Mr. Breeding stated he continues to work on various development, reporting, and other matters.

Lastly, Mr. Homan reported that a safety class on confined space entry, being held with the assistance of the District's engineers, is scheduled for February 13, 2020. He and Mr. Rosenbaum described in some detail what the class would involve. After that description, the Board was silent as to whether they would like to attend.

Upon motion made by Director Kelley, seconded by Director Cangelose, 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 they discussed the status of several projects.

10. With regard to the Water Users Coalition, Mr. Homan stated that there was no meeting this month.

11. The Board lastly considered items for the next Board meeting, including renewal of the District's general insurance and discussion of an appraisal proposal for the N. Eldridge Parkway project.

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

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Secretary

Short Term Action Items

1. Renew District Insurance
2. Appraiser's Proposal for N. Eldridge Parkway Project

Long Term Action Items

1. 222 Rate Analysis for Wastewater Usage
2. Trunk Line Repair - Complete; Discussion of Costs with MUD 222 and MUD 248