

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors

February 19, 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 19, 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; 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 customer inquiries and input, Mr. Homan stated that today was disconnection day. There were 82 disconnections in the District and 1 disconnection in Harris County Municipal Utility District No. 248.

2. The Board then considered the minutes for the meeting held on February 12, 2020. One change was suggested, and upon motion made by Director Cangelose, seconded by Director Barroso, and unanimously carried, the Board approved the minutes as amended.

3. Mr. Rosenbaum then presented the engineer’s report, a copy of which is attached hereto. He reviewed with the Board the results of the lift station evaluations recently performed on all of the District’s lift stations. The Board discussed the proposed course of action and timeline for undertaking the necessary rehabilitation work.

Mr. Rosenbaum then reviewed with the Board the 10-year capital improvements plan that his office prepared with the assistance of Mr. Homan and Mr. Breeding. The document sets forth the plans for performing work on all of the District’s facilities for the next 10-year period. The Board discussed selling bonds to pay for these improvements, considering that interest rates are at historic lows. Mr. Homan stated that the District’s consultants likely will be approaching the Board with a plan to finance these improvements later this year.

Lastly, the engineer presented a request for utility commitment for a retail center to be constructed at 11811 Fallbrook Drive. This tract is within the District, and the District has sufficient capacity to serve it. Ms. Seipel stated that approval of the utility commitment will be placed on next week's agenda.

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

4. The Board considered an appraisal proposal from Whitney & Associates for the appraisal of easements to be acquired by the District in connection with the N. Eldridge Parkway utilities relocation project. After some discussion, upon motion made by Director Kelley, seconded by Director Cangelose, and unanimously carried, the Board approved the proposal as presented.

5. As for renewal of the District's general insurance, Mr. Homan suggested that the Board table the matter until Kim Courte, the District's insurance agent, is available to attend a meeting. He stated that there are some changes in the policy, which would be best answered by Ms. Courte. The Board agreed.

6. 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.

7. Ms. Magee, Mr. Homan, and Mr. Breeding presented the management report. Mr. Breeding reported that the District purchased the two new trucks it had budgeted for this year, adding that the purchases came in approximately \$10,000 under budget. The Board expressed their satisfaction with the purchases.

Mr. Homan then confirmed that repair of the concrete at Foxburo Drive and N. Eldridge Parkway has been completed.

Mr. Homan and Mr. Breeding provided an update on the installation of automated meters throughout the District. The Board was impressed with the pace at which the District's employees are installing the meters.

Mr. Homan reported that the recoating of water plant no. 3 is about to begin.

Mr. Homan also discussed the upcoming plan to advertise for phases 7 and 9 of the District's ongoing sanitary sewer rehabilitation project.

Lastly, Ms. Magee that the District's auditors will commence their audit for the December 31, 2019 fiscal year end beginning on Monday, February 24, 2020.

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

8. The Board considered items for the next Board meeting, including the order cancelling the directors' election and the utility commitment for 11811 Fallbrook Drive.

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

Secretary

Short Term Action Items

1. Order Cancelling Election
2. Utility Commitment Letter for 11811 Fallbrook Drive

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