

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors

July 22, 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, July 22, 2020 in accordance with the duly posted notice of the meeting, with a quorum of Directors present, as follows:

Darrell A. Barroso, President
Lary J. Cangelose, Vice President
Mike Kelley, Secretary
Jon Morgan, Assistant Secretary
Ben A. Solis, 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; Ms. Norma Hernandez, employee for the District; Mr. Bill Rosenbaum and Ms. Kelly Shipley, engineers for the District; Mr. Bob Ideus, bookkeeper 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, Ms. Magee stated that today was disconnection day. There were 83 disconnections in the District and 16 disconnections in Harris County Municipal Utility District No. 248.

2. Ms. Magee presented the tax assessor-collector’s report, a copy of which is attached hereto. The report showed a 96.69% collection rate for the 2019 tax year, with all other tax years being 99% collected or better. Mr. Homan also recognized Ms. Hernandez, who has been assisting with tax assessment and collections. After further review of the report, upon motion made by Director Solis, seconded by Director Cangelose, 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. Mr. Ideus then presented the fund manager’s report, a copy of which is attached hereto. The report showed checks in the amount of (i) \$67,108.50 and \$76,902.15 to Pardalis Industrial Enterprises, Inc., (ii) \$46,458.00 to King Solutions Services, (iii) \$10,581.46 to Smith, Murdaugh, Little & Bonham, L.L.P., and (iv) \$74,159.51 for engineering services. The Board also discussed paying Pardalis Industrial Enterprises, Inc. for the recoating of an aerial that was inadvertently left out of the project out of the District’s operating account, with such check being in the amount of \$8,000.00. The Board agreed with that course of action. After

discussion, upon motion made by Director Cangelose, seconded by Director Morgan, and unanimously carried, the Board approved the fund manager's report and the checks listed thereon.

4. The Board then considered the minutes for the meeting held on July 15, 2020. After discussion, upon motion made by Director Kelley, seconded by Director Solis, and unanimously carried, the Board approved the minutes as presented.

5. Mr. Meza presented the operations report, a copy of which is attached hereto. With respect to water production, the District pumped 64,504,000 gallons from its wells, with an average daily flow of 2,150,133 gallons. The ratio of water pumped to billed was 103% during the month.

At the wastewater treatment plants, the total combined treatment amounted to 77,436,000 gallons with an average daily flow from the plants of 2,581,200 gallons per day. There were 9.3 inches of rainfall during the month of June.

With respect to the distribution and collection system, 20 bacteriological samples were taken with no coliforms detected. The operator changed out 264 meters in the month of June and made no commercial taps.

With respect to out-of-district water use, Emerald Forest Utility District used 62,000 gallons and Harris County MUD No. 248 used 11,848,000 gallons.

As for personnel matters, a safety meeting on backhoe and loader safety is scheduled for August.

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

6. Mr. Rosenbaum then presented the engineer's report, a copy of which is attached hereto. He presented and recommended payment of Pay Application No. 1 and Final from Pardalis Industrial Enterprises, Inc. in the amount of \$8,000.00 for their work in recoating a missing aerial near water plant no. 3. The Board noted that, per its discussion during the bookkeeper's report, this pay application will be paid out of the District's operating account. Upon motion made by Director Kelley, seconded by Director Solis, and unanimously carried, the Board approved the pay application as presented.

The engineer and Mr. Homan then reported that they are scheduled to meet with representatives for the North Harris County Regional Water Authority (the "Authority") regarding connection of their surface water facilities to the District's water plant no. 3, which is not reflected on the Authority's current plans. Mr. Homan and Mr. Rosenbaum stated that they would report back to the Board regarding the outcome of that meeting.

After further review and discussion, upon motion made by Director Kelley, seconded by Director Solis, and unanimously carried, the Board approved the engineer'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 Morgan, seconded by Director Solis, and unanimously carried, the Board approved payment of the general fund bills as presented.

8. Mr. Homan, Mr. Breeding, and Ms. Magee presented the management report. Ms. Magee reviewed the District's June financials with the Board. She also confirmed that the directors are registered for the upcoming summer conference of the Association of Water Board Directors.

In response to an inquiry received from Director Kelley, Mr. Homan read an email from representatives of the Authority regarding its means of financing its projects.

Mr. Homan provided an update on the District's hurricane season preparedness efforts. The Board expressed their satisfaction with the actions being taken.

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

9. The Board considered items for the next agenda.

Secretary

Short Term Action Items

1. Normal Business

Long Term Action Items

1. Contract Negotiations with Various Entities Served by the District
2. Plans for use of SPA Funds