

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors

August 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, August 19, 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. 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, Ms. Magee stated that today was disconnection day. There were 94 disconnections in the District and 17 disconnections in Harris County Municipal Utility District No. 248.

2. The Board considered the minutes for the meeting held on August 12, 2020. Upon motion made by Director Solis, seconded by Director Cangelose, 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. He discussed submission of the draft reimbursement agreement to the Texas Department of Transportation (“TxDOT”) for the District’s costs incurred in connection with their N. Eldridge Parkway at F.M. 1960 expansion project, which is necessitating relocation of various District water and sanitary sewer lines and the acquisition of new private easements for the placement of same. He confirmed that approximately 80% of the District’s costs should be reimbursed by TxDOT.

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

5. Ms. Magee, Mr. Homan, and Mr. Breeding presented the management report. Ms. Magee stated that the District received its May SPA check from the City of Houston in the amount of \$87,593.11.

Mr. Breeding then showed the Board photographs on the recent clarifier that was pulled at the Barwood wastewater treatment plant. Mr. Breeding and Mr. Homan stated that they still are analyzing the repairs needed and will bring cost estimates to the Board soon.

Mr. Homan discussed a minor waste discharge permit violation resulting from a recent heavy rain in the District. The violation was reported to the Texas Commission on Environmental Quality as required, and the matter has been addressed.

Mr. Homan and Mr. Breeding provided an update on the status of the installation of infrastructure needed for the District's automated meter program. They also told the Board about their efforts to work with a third-party contractor to handle installation of the software for the new meters. The Board discussed use of the software and the benefits that it will offer the District's customers.

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

6. At 6:05 p.m., the Board entered executive session to discuss the pending litigation with Magellan Pipeline Company, L.P., et al. At 6:35 p.m., the Board exited executive session and took no further action.

7. The Board lastly considered items for the next Board meeting, including discussion of the District's pending litigation against Magellan Pipeline Company, L.P.

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

Secretary

Short Term Action Items

1. Executive Session to Discuss the District's pending Litigation against Magellan Pipeline Company, L.P.

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