

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

Minutes of Meeting of Board of Directors  
October 14, 2020

The Board of Directors (“Board”) of Harris County Fresh Water Supply District No. 61 (“District”) met on Wednesday, October 14, 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; Ms. Norma Hernandez, employee for the District; Mr. Bill Rosenbaum, engineer for the District; Mr. Tim Krause, representative for the Texas County and District Retirement System (“TCDRS”); 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 input and inquiries, Director Solis reported that a District resident recently reported to him an issue that she was having with her toilet. Director Solis stated that he encouraged her to call the District office. Mr. Homan confirmed that the District did not receive a call from her regarding her situation.

Mr. Homan also stated that the District has received a few phone calls regarding noise stemming from the metal plates, which were installed in connection with the repair of a water line leak, located at Foxburo Drive and N. Eldridge Parkway. Mr. Homan stated that the District is working diligently to address the issue.

2. The Board then considered the minutes for the meeting held on September 23, 2020. Upon motion made by Director Kelley, seconded by Director Morgan, and unanimously carried, the Board approved the minutes as presented.

3. The Board called the public hearing for public comment on the proposed 2020 tax rate to be set in the District. No comments were received. The Board then closed the public hearing. Upon motion made by Director Solis, seconded by Director Cangelose, and unanimously carried, the Board elected to levy a \$0.29 tax rate per \$100 valuation.

4. The Board considered the Order Setting Tax Rate, Approving Tax Roll, and Levying Debt Service Tax for 2020. Ms. Magee confirmed that she and Ms. Hernandez had published the required notice which reflects that the District will set a tax rate of \$0.29 per \$100 valuation. Ms. Seipel then presented an Amendment to Statement of Directors which reflects the newly-adopted tax rate, a copy of which will be recorded in the Real Property Records of Harris County, Texas. After review, and upon motion made by Director Cangelose, seconded by Director Solis, the Board voted unanimously to approve the Order setting the District's 2020 tax rate at \$0.29 per \$100 valuation and the Amendment to Statement of Directors.

5. Mr. Rosenbaum then presented the engineer's report, a copy of which is attached hereto. He discussed the timeline for construction for the District's water and sanitary sewer lines that must be relocated as a result of the Texas Department of Transportation's expansion of N. Eldridge Parkway at F.M. 1960 W. He stated that construction is slated to begin in early 2021, with advertising and bidding the project to occur later this year.

The engineer then noted that the situation with the subcontractor's lien that was filed in connection with phases 7 and 9 of the District's sanitary sewer rehabilitation project has been resolved.

Mr. Rosenbaum also reviewed with the Board the estimated cost to rehabilitate the water plant that Timber Lake Improvement District has offered to sell to the District. Mr. Homan stated that needed to perform additional investigation into the matter before providing a recommendation to the Board. The Board expressed their satisfaction with this approach.

Lastly, the engineer noted that he has received an inquiry as to whether the District has the capacity to serve a large number of units for an apartment complex that may be constructed on Tract 17K3 at Birdcall and Huffmeister. Mr. Rosenbaum stated that his team is looking into the matter.

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

6. The Board next discussed renewal of the utility commitment for the tract located at 11003 Jones Road. Ms. Seipel noted that a renewed commitment letter has been requested for this property, which was annexed into the earlier this year District, because the developer is ready to begin construction and the previously-issued commitment letter expired. After discussion, upon motion made by Director Cangelose, seconded by Director Solis, and unanimously carried, the Board approved the letter as discussed.

7. Mr. Krause, a representative of the TCDRS, then gave a presentation on the status of the District's participation in the program. He reviewed the terms of the District's participation in the program, including the employer match and contribution rate. He also discussed the status of the market and the effect it may have on the District's rate over the next few years. He stated that the Board has until December 15, 2020 to make any changes to its plan for the next year. After fielding several questions from the directors, Mr. Krause thanked the Board for its time and left the meeting.

8. 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.

9. Ms. Magee, Mr. Homan, and Mr. Breeding presented the management report. Ms. Magee presented a corrected tax report for August.

Ms. Magee also inquired as to whether the Board would like to attend a virtual meeting of the Association of Water Board Directors on October 29, 2020. All of the directors stated that they would like to attend and requested that Ms. Magee register those who had not already done so.

Mr. Homan stated that clarifier no. 1 at the Barwood wastewater treatment plant has been repaired and is working well. He reported that during the repair, it was discovered that a repair was needed to an eight-inch drain valve, which will cost approximately \$15,000. He noted that the District will seek reimbursement from Harris County Municipal Utility District No. 69 for their share of this additional expense.

Mr. Homan then provided additional information regarding the water line leak at Foxburo and N. Eldridge Parkway, noting that it was not a weld but rather a riser that was cracked. Mr. Homan and Mr. Breeding confirmed that they are working diligently with the County on the permits required to make the road repairs necessitated by the water line leak.

Mr. Homan noted that the District had to purchase a replacement pump for the lift station in Ravensway. After receiving two quotes, the District elected to go with the lower bid in the amount of \$11,790.00 from Electrical Field Services.

Lastly, Mr. Homan provided an update on the status of negotiations of a proposed amendment to a 2018 interlocal agreement with Harris County and Harris County Flood Control. The Board agreed to place discussion of this matter on next week's agenda.

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

10. The Board discussed the North Harris County Regional Water Authority, including the upcoming election of board members. Mr. Homan stated that the Water Users Coalition is compiling a list of questions for the candidates.

11. The Board lastly considered items for the next Board meeting, including the Series 2020 bond sale and discussion of the interlocal agreement with Harris County and Harris County Flood Control.

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

---

Secretary

### Short Term Action Items

1. Series 2020 Bond Sale
2. Interlocal Agreement with Harris County and Flood Control

### 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