

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

Minutes of Meeting of Board of Directors  
October 21, 2020

The Board of Directors (“Board”) of Harris County Fresh Water Supply District No. 61 (“District”) met on Wednesday, October 21, 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; Mr. David Wood and Ms. Jan Bartholomew, financial advisors 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 74 disconnections in the District and 12 disconnections in Harris County Municipal Utility District No. 248.

2. The Board considered the minutes for the meeting held on October 14, 2020. Upon motion made by Director Kelley, seconded by Director Morgan, and unanimously carried, the Board approved the minutes as presented.

3. Mr. Wood approached the Board and presented the results of the public bidding and plan of financing for the Series 2020 bond issue. Mr. Wood reviewed the bid form and plan of financing with the Board and noted that the low bidder for the bonds was SAMCO Capital Markets at a net effective interest rate of 2.238795%. He also reported that the District received an A-1 rating from Moody’s.

Ms. Seipel then proceeded to review the necessary documents to complete the Series 2020 bond transaction. Ms. Seipel presented a paying agent agreement with Amegy Bank, N.A. and noted that said agreement provides that Amegy Bank, N.A. will act as the paying agent ensuring that the proceeds due to the bondholders are distributed in a timely and accurate manner. The Board reviewed the Official Statement for bonds, which includes information regarding the purchasers, interests rate, and maturity schedules. Ms. Seipel then reviewed the

Bond Order with the Board of Directors and noted that the Bond Order serves as the contract between the District and the bondholders outlining the rights and responsibilities of each party in the transaction. Subject to that discussion, upon motion made by Director Solis, seconded by Director Cangelose, and unanimously carried, the Board approved award of bonds to SAMCO Capital Markets upon the terms presented and the plan of financing as presented by Ms. Bartholomew, as well as the paying agent agreement with Amegy Bank, N.A., the Official Statement, the Bond Order, and further authorized the President, Vice President, Secretary and District consultants to execute all documents necessary for the sale and closing of the bonds, as well as authorize bond counsel to submit the bond transcript to the Attorney General of Texas for review and take all necessary actions to effectuate the close of the Series 2020 bonds as described.

4. Mr. Rosenbaum then presented the engineer's report, a copy of which is attached hereto. He discussed the status of the N. Eldridge Parkway project.

Mr. Rosenbaum reported on the status of repaving the intersection at Foxburo Drive and N. Eldridge Parkway, which had to be cut into in order to repair a water line leak. He noted that his office is working with Mr. Homan, Mr. Breeding, and representatives for Harris County to resolve the matter.

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

5. The Board then considered an amendment to the April 11, 2018 Interlocal Agreement between the District, Harris County, and Harris County Flood Control District. Ms. Seipel noted that she presented several changes to the proposed amendment, all of which Harris County and Harris County Flood Control District agreed to. Ms. Seipel also noted that Harris County has submitted to the District an invoice in the amount of \$330,035.75 due under the Interlocal Agreement. She stated that Mr. Rosenbaum has confirmed that the drainage project constructed by Harris County and Harris County Flood Control District has been completed and that his office recommended that the District should pay the invoice for its portion of the project. Ms. Seipel, Mr. Homan, and Mr. Breeding stated that they agreed with such conclusion. Accordingly, upon motion made by Director Cangelose, seconded by Director Solis, and unanimously carried, the Board approved the amendment and invoice as presented.

6. 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.

7. Ms. Magee, Mr. Homan, and Mr. Breeding presented the management report. Ms. Magee noted that all of the directors are registered for both the fall seminar and the mid-winter conference of the Association of Water Board Directors.

Ms. Magee also presented the July SPA check from the City of Houston in the amount of \$84,634.91.

Mr. Homan and Mr. Breeding provided an update on the status of the District's automated meter program, which they hope to be fully operational in early 2021.

Mr. Breeding and Mr. Homan also provided an update on the status of the repair of the recent clarifier that was pulled at the Barwood wastewater treatment plant. Mr. Homan stated that the repair work, including the valve replacement, has been completed. Mr. Breeding showed the Board several pictures of the valve repair during and following completion.

Mr. Homan then discussed a water leak experienced at N. Eldridge Parkway and Foxburo. As mentioned during the engineer's report, Mr. Homan stated that they continue to work with Harris County regarding repaving the affected area.

Mr. Homan also noted that the District's representative for the Texas County and District Retirement System sent Director Kelley additional information in response to questions had by Director Kelley.

Lastly, Mr. Homan reported that the Community Impact newspaper conducted interviews of the candidates for the board of the North Harris County Regional Water Authority. He stated that he will keep the Board apprised of the publication of such interviews.

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

8. The Board lastly considered items for the next Board meeting.

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

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Secretary

Short Term Action Items

1. Usual Business

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