

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors
November 18, 2020

The Board of Directors (“Board”) of Harris County Fresh Water Supply District No. 61 (“District”) met on Wednesday, November 18, 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 99 disconnections in the District and 14 disconnections in Harris County Municipal Utility District No. 248.

2. Ms. Hernandez presented the tax assessor-collector’s report, a copy of which is attached hereto. The report showed a 94.76% collection rate for the 2019 tax year, with all other tax years being 99% collected or better. The Board asked several questions regarding figures contained in the report.

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) \$180.00 to Barbato & Sons Welding, (ii) \$87,715.80 to King Solutions Services, Inc., (iii) \$112,478.09 for engineering services, (iv) \$44,687.00 to Smith, Murdaugh, Little & Bonham, L.L.P, and (v) \$16,215.11 to Veritext. After discussion, upon motion made by Director Cangelose, seconded by Director Kelley, 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 November 11, 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 57,239,000 gallons from its wells, with an average daily flow of 1,846,419 gallons. The ratio of water pumped to billed was 98% during the month.

At the wastewater treatment plants, the total combined treatment amounted to 80,171,000 gallons with an average daily flow from the plants of 2,586,161 gallons per day. There were 2.0 inches of rainfall during the month of October.

With respect to the distribution and collection system, 20 bacteriological samples were taken with no coliforms detected. The operator changed out 4 meters in the month of October and made 3 commercial taps.

With respect to out-of-district water use, Emerald Forest Utility District used 149,000 gallons and Harris County MUD No. 248 used 10,792,000 gallons.

As for personnel matters, the November safety meeting on slips, trips, and falls is scheduled for later in the month and the 2020 yearly recap of safety meetings is scheduled for December.

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 a pay application from King Solutions Services, Inc. in the amount of \$87,715.80 for their work in connection with phases 7 and 9 of the District's sanitary sewer rehabilitation project. The engineer also discussed with the Board the fact that the contractor appears to be a bit behind in terms of work completed in relation to the number of remaining contract days. Mr. Rosenbaum stated that he will continue to closely monitor the situation.

Mr. Rosenbaum also discussed the development of a potential apartment complex at the corner of Huffmeister and Birdcall. The Board requested that the attorney perform some research into the development's request for capacity.

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

7. The Board then considered a Resolution Adopting Operating Budget for the Fiscal Year Ending December 31, 2021. After review and discussion, upon motion made by Director Solis, seconded by Director Cangelose, and unanimously carried, the Board approved the resolution and budget as presented.

8. 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.

9. Mr. Homan, Mr. Breeding, and Ms. Magee presented the management report. Ms. Magee reviewed the District's October financials with the Board.

Mr. Breeding then reported that the repaving of the intersection at Foxburo Drive and N. Eldridge Parkway is complete.

Mr. Breeding also noted that the District staff is scheduled to be trained to use the Neptune 360 software that services the new automated meter system on November 19, 2020.

Mr. Homan reported that he is working on the District's newsletter.

Mr. Homan recommended that the Board cancel the District's annual Christmas party in light of COVID-19 concerns, instead opting for a small celebration at the office during working hours. The Board agreed.

Lastly, Ms. Seipel stated that the District's Series 2020 bond sale is scheduled to close on November 19, 2020.

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

10. At 6:44 p.m., the Board entered executive session to discuss personnel matters. At 7:30 p.m., the Board exited executive session and reconvened its regular meeting.

11. The Board considered items for the next agenda, including a utility commitment letter for the tract located at Huffmeister and Birdcall.

Secretary

Short Term Action Items

1. Utility Commitment Letter for Tract Located at Huffmeister and Birdcall

Long Term Action Items

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