

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors

March 10, 2021

The Board of Directors (“Board”) of Harris County Fresh Water Supply District No. 61 (“District”) met on Wednesday, March 10, 2021 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; and Ms. Jennifer B. Seipel, attorney for the District. Also present was Mr. Mickey Litherland, a District resident.

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, the Board recognized Mr. Litherland, who inquired about a leak that he experienced during winter storm Uri that resulted in an unusually high water bill. Mr. Homan invited him to call the District’s office so that they could review his usage charts through use of the District’s new automated meter reading software. Mr. Litherland confirmed that he would do so and thanked the Board for their time.

2. The Board then considered the minutes for the meeting held on February 24, 2021. After some discussion, upon motion made by Director seconded by Director and unanimously carried, the Board approved the minutes as presented.

3. As for the engineer’s report, Mr. Homan and Ms. Seipel provided a brief update on the status of the District’s acquisitions of easements needed to relocate their water and sanitary sewer lines that the Texas Department of Transportation is condemning in order to expand the intersection of N. Eldridge Parkway and F.M. 1960 W. Ms. Seipel requested authorization for the bookkeeper to issue checks to parties with whom the District has settled or to the registry of the court whether the easements are being condemned. As for settlements, Mr. Homan suggested that the Board authorize checks to be issued up to a particular amount over the appraisal. After discussion, upon motion made by Director Kelley, seconded by Director Solis, and unanimously carried, the Board authorized the District’s bookkeeper to issue checks pursuant to the parameters discussed.

4. The Board considered payment of the general fund bills. After review, upon motion made by Director Morgan, seconded by Director Cangelose, and unanimously carried, the Board approved payment of the general fund bills as presented.

5. The Board then considered whether to remove the locks on the District's meter boxes. The Board engaged in a robust debate regarding the pros and cons for both courses of action, with Mr. Homan recommending that the Board remove the locks and reevaluate that decision if the District begins to experience widespread damage to or tampering with its meters. After that discussion, upon motion made by Director Kelley, seconded by Director Morgan, and carried, with Directors Solis and Cangelose voting against the motion, the Board voted to remove the locks from the meter boxes throughout the District. The Board also recommended that the District include educational materials in its upcoming annual newsletter regarding how to locate the house valve to turn off water to a home. Mr. Breeding confirmed that such information presently is on the District's website, and the District will make a note of such materials in the newsletter.

6. Ms. Magee, Mr. Homan, and Mr. Breeding presented the management report. Ms. Magee presented the Board with the District's December SPA check in the amount of \$115,985.17 from the City of Houston.

Mr. Breeding stated that he continues to work on regulatory reporting matters and other usual District business.

In light of Governor Abbott's recent order eliminating the requirement that masks be worn inside of businesses, Mr. Homan inquired as to whether the Board would like to remove the signage requiring that customers and employees of the District wear masks while inside the District administration building and other District facilities. After discussion, and based upon the recommendation of Governor Abbott, upon motion made by Director Kelley, seconded by Director Solis, and unanimously carried, the Board voted to remove the signage and not require masks to be worn by either employees or customers inside of District facilities.

Mr. Homan also raised the issue as to whether the Board would like to suspend disconnections and late fees for the month of March. Upon motion made by Director Kelley, seconded by Director Morgan, and unanimously carried, the Board agreed with such course of action.

Mr. Homan inquired as to whether the Board would like to hold its annual family day and shrimp boil this spring. The Board confirmed that it would like to do so. Mr. Homan stated that he will propose dates for these events in the coming weeks.

Mr. Homan noted that he and Director Barroso are scheduled to meet with Harris County Precinct No. 3 Commissioner Tom Ramsey to discuss the District's experience with working with Harris County on joint projects.

Lastly, Mr. Homan and Ms. Seipel noted that the District is scheduled to mediate its litigation against Magellan Pipeline Company, LP next week. Upon motion made by Director Solis, seconded by Director Cangelose, and unanimously carried, the Board approved payment of the mediator in an amount of \$3,000.

7. Mr. Breeding then presented a demonstration of the WaterSmart software. After the video, Mr. Homan and Mr. Breeding presented a proposal for use of the software, which would provide the District's residents with access to a portal containing information related to their water usage. The software would also allow the District to send communications to their customers regarding outages or other issues, among other benefits. Mr. Homan also noted that Harris County MUD No. 248 would also share in some of the expense for the cost of the software. After some discussion, upon motion made by Director Kelley, seconded by Director Solis, and unanimously carried, the Board approved the proposal as presented.

8. The Board then discussed the latest meeting of the North Harris County Regional Water Authority (the "Authority"), including discussion of the failure of the Authority's generators.

9. Lastly, Mr. Homan noted that he is looking to schedule a meeting of the Water Users Coalition in close proximity to the next meeting of the Authority.

10. The Board considered items for the next Board meeting, including the litigation against Magellan Pipeline Company, L.P. and the Texas Department of Transportation.

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

Secretary

Short Term Action Items

1. Executive Session to Discuss Litigation against Magellan Pipeline Company, L.P. and the Texas Department of Transportation

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