

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors

January 19, 2022

The Board of Directors (“Board”) of Harris County Fresh Water Supply District No. 61 (“District”) met on Wednesday, January 19, 2022 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

and the following were absent:

Ben A. Solis, Treasurer

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 the District had disconnection day. There were 93 disconnections in the District and 19 disconnections in Harris County Municipal Utility District No. 248 (“MUD No. 248”).

2. The Board considered the minutes for the meetings held on December 15, 2021 and January 12, 2022. After discussion, upon motion made by Director Cangelose, seconded by Director Morgan, and unanimously carried, the Board approved the minutes of the January 12, 2022 meeting as presented and the minutes of the December 15, 2021 meeting as amended.

3. Mr. Rosenbaum then presented the engineer’s report, a copy of which is attached hereto. In connection with the N. Eldridge Parkway utilities relocation project, Mr. Rosenbaum noted that the Texas Department of Transportation (“TxDOT”) finally approved the District’s permit to perform certain work in the right-of-way. He also noted that District representatives met with the contractor for the project this morning to coordinate a few pending construction issues, including the placement of meters and backflow preventers.

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

4. Ms. Seipel presented a contract with Arbitrage Compliance Specialists for work associated with the District’s Series 2012 Bonds, noting that the contract authorizes

them to perform a review of those bonds for purposes of compliance with Internal Revenue Service regulations and other legal requirements. Upon motion made by Director Cangelose, seconded by Director Kelley, and unanimously carried, the Board authorized engagement of Arbitrage Compliance Specialists to provide arbitrage rebate services for the bonds as discussed.

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

6. Ms. Magee, Mr. Homan, and Mr. Breeding presented the management report. Ms. Magee presented the District's October SPA check from the City of Houston in the amount of \$93,522.27.

Ms. Magee also provided the Board with paperwork associated with the upcoming conference of the Association of Water Board Directors.

Mr. Homan and Mr. Breeding reported that they met with Mr. Rosenbaum and Ms. Seipel regarding all of the pending matters in the District, including new developments, the N. Eldridge Parkway water and sanitary sewer utilities relocation project, renegotiation of certain contracts with neighboring districts, and drainage projects, among other items.

Mr. Homan provided an update on the District's dealings with TxDOT. He noted that District representatives met with the new representative for TxDOT who will be handling the District's reimbursement package submissions. He stated that the meeting went well.

Mr. Homan reported that, pursuant to the District's new water and sanitary sewer agreements with MUD No. 248, a 7.0% Consumer Price Index adjustment will be applied in 2022 to the amounts paid by MUD No. 248 in connection with the service provided by the District.

After discussion, upon motion made by Director Kelley, seconded by Director Morgan, and unanimously carried, the Board approved the management report as presented.

7. The Board considered items for the next Board meeting, including the order calling election, 2022 tax exemptions, and a report from Champions Hydrolawn.

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

Secretary

Short Term Action Items

1. Order Calling Directors' Election
2. Tax Exemptions for 2022 Tax Year
3. Champions Hydrolawn

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