

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

Minutes of Meeting of Board of Directors  
February 23, 2022

The Board of Directors (“Board”) of Harris County Fresh Water Supply District No. 61 (“District”) met on Wednesday, February 23, 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  
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 Catherman, tax assessor-collector for the District; Mr. Samuel Meza, operations manager for the District; Mr. Bill Rosenbaum and Mr. Adam Anderson, 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. There were no customer inquiries or input for consideration.
2. Ms. Catherman presented the tax assessor-collector’s report, a copy of which is attached hereto. The report showed an 89.11% collection rate for the 2021 tax year, with all other tax years excluding 2020 being 99% collected or better. Ms. Catherman also presented a request for waiver of penalties and interest from a District taxpayer who failed to pay her 2021 taxes on time as a result of a death in the family. Subject to that discussion, the Board elected to grant the request. After further review of the report, upon motion made by Director Kelley, 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. The Board then considered the attached Order Levying Additional Penalty for Delinquent Taxes. The Order levies a 20% penalty on 2021 delinquent taxes for real property on July 1, 2022. The attorney noted that the penalty goes to pay the District’s delinquent tax attorneys for their collection efforts. After review, upon motion made by Director Solis, seconded by Director Cangelose, and unanimously carried, the Board adopted the Order as presented.

4. Mr. Ideus then presented the fund manager's report, a copy of which is attached hereto. The report showed checks and/or wire transfers in the amounts of (i) \$143,987.50 and \$158,031.25 to Amegy Bank, (ii) \$30,104.14 for engineering services, (iii) \$87,786.60 to Persons Services Corp., (iv) \$500.00 to Bank of New York, and (v) \$7,130.00 to Computershare Corp. Trust. After discussion, upon motion made by Director Solis, seconded by Director Cangelose, and unanimously carried, the Board approved the fund manager's report and the checks listed thereon.

5. The Board then considered the minutes for the meeting held on February 16, 2022. After discussion, upon motion made by Director Solis, seconded by Director Cangelose, and unanimously carried, the Board approved the minutes as presented.

6. Mr. Meza presented the operations report, a copy of which is attached hereto. With respect to water production, the District pumped 50,635,000 gallons from its wells, with an average daily flow of 1,633,387 gallons.

At the wastewater treatment plants, the total combined treatment amounted to 79,282,000 gallons with an average daily flow from the plants of 2,557,484 gallons per day. There were 3.9 inches of rainfall during the month of January.

With respect to the distribution and collection system, 20 bacteriological samples were taken with no coliforms detected. The District made zero commercial taps and changed out zero residential and commercial meters.

With respect to out-of-district water use, Emerald Forest Utility District used 104,000 gallons and MUD No. 248 used 9,313,000 gallons.

As for personnel matters, a safety meeting on difficult customers is scheduled for March.

After review, upon motion made by Director Cangelose, seconded by Director Solis, and unanimously carried, the Board approved the operations report as presented.

7. Mr. Rosenbaum then presented the engineer's report, a copy of which is attached hereto. With regard to the District's project to relocate its water and sanitary sewer lines at N. Eldridge Parkway and F.M. 1960, Mr. Rosenbaum noted that the Texas Department of Transportation is expected to issue payment on the District's initial reimbursement package in the coming days.

The engineer provided an update on the status discussions with the North Harris County Regional Water Authority (the "Authority") regarding easements needed from the District. He also showed the Board new routes for proposed water lines by the Authority through District property.

Mr. Rosenbaum also provided an update on a proposed Harris County drainage project in Tower Oaks Meadows.

After further review and discussion, upon motion made by Director Solis, seconded by Director Cangelose, and unanimously carried, the Board approved the engineer's report 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 Kelley, 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 January financials with the Board.

Mr. Homan further discussed some of the proposed drainage projects to be performed by Harris County within the District. The Board discussed the logistics of those projects.

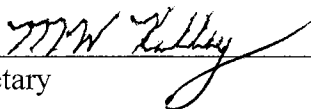
Mr. Breeding noted that he continues to work on usual District business.

The attorney also noted that, having received no applications other than those of the incumbent directors, the District's directors' election could be cancelled, with such an order to be presented at the next meeting.

Lastly, Mr. Homan introduced Adam Anderson, an engineer with LAN, to the Board. He noted that Mr. Anderson has been working on District matters for the last several months and has been doing a good job.

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

10. The Board considered items for the next agenda, including cancellation of the District's directors' election.

 2-23-22  
Secretary

Short Term Action Items

1. Order Cancelling Directors' Election

Long Term Action Items

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