

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors

March 9, 2022

The Board of Directors (“Board”) of Harris County Fresh Water Supply District No. 61 (“District”) met on Wednesday, March 9, 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; 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. There were no customer input or inquiries.
2. The Board considered the minutes for the meeting held on February 23, 2022. One clarification to the minutes was suggested, and upon motion made by Director Kelley, seconded by Director Cangelose, and unanimously carried, the Board approved the minutes as amended.
3. Mr. Rosenbaum then presented the engineer’s report, a copy of which is attached hereto. He reported that construction continues with regard to the District’s relocation of water and sanitary sewer lines at the intersection of N. Eldridge Parkway and FM 1960. In connection with that project, he reported that the District received its first reimbursement check from the Texas Department of Transportation (“TxDOT”) in the amount of \$1,379,594.43. He also reported that TxDOT issued the permit for the District to use the public right-of-way for certain construction activities. District representatives are scheduled to meet with the contractor on March 14, 2022 to discuss the matter in greater detail.

The engineer then presented correspondence related to a request for annexation of a tract at 14120 Cypress North Houston. Mr. Homan stated that he and the engineer have requested a meeting with the developer to get more information about the project.

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

4. The Board considered a certificate executed by the Secretary of the Board certifying that the candidates in the May 7, 2022 directors election are unopposed. Upon motion made by Director Morgan, seconded by Director Cangelose, and unanimously approved, the Board adopted the attached Order Declaring Unopposed Candidates Elected and Canceling the May 7, 2022 Directors Election.

5. 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.

6. Ms. Magee, Mr. Breeding, and Mr. Homan presented the management report. Ms. Magee inquired as to whether any of the directors would like to attend the spring breakfast of the Association of Water Board Directors ("AWBD").

Mr. Breeding reported that he and Mr. Homan attended Harris County Municipal Utility District No. 248's ("MUD No. 248") meeting today. At that meeting, they presented to the MUD No. 248 Board a proposal for an increase in the labor and equipment rates charged by the District to service MUD No. 248. Such rate increase will be further considered at the April meeting.

Mr. Breeding then stated that the transmission on one of the District's trucks has failed and requires replacement. The truck in question had approximately 68,000 miles on it. Mr. Breeding is obtaining proposals to replace the transmission and will bring them to the Board for further consideration, but he believes that the cost should not exceed \$6,500. The Board discussed the District's policy regarding trading in its vehicles at the 75,000-80,000 mile range, which has worked very well in the past. This particular truck did not have that many miles on it, but the Board agreed to keep its current policy in place, noting that the District has not had to make a vehicle repair of this size in many years. As part of this discussion, Mr. Breeding also reported that the District continues to wait on the arrival of the two new trucks that it ordered earlier in the year. With the ongoing supply chain crisis, the estimated time of arrival for those trucks is unclear.

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

7. The Board discussed the most recent meeting of the North Harris County Regional Water Authority (the "Authority"), which Mr. Homan and several directors attended. The Board discussed the presentation given by an economist for the Authority. The Board also discussed whether to rotate which members would attend the meeting in person.

8. With regard to the Water Users Coalition (the "Coalition"), Mr. Homan stated that AWBD approved of the idea of the Coalition preparing a list of questions for the candidates running to serve on the board of AWBD. Mr. Homan invited the Board to send him questions that they would like answered.

9. The Board considered items for the next Board meeting, including renewal of the District's insurance.

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

M W Kelley 3.23.22
Secretary

Short Term Action Items

1. Renewal of District Insurance

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