

## HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors

December 15, 2021

The Board of Directors (“Board”) of Harris County Fresh Water Supply District No. 61 (“District”) met on Wednesday, December 15, 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; Ms. Norma Catherman, tax assessor-collector for the District; Mr. Samuel Meza, operations manager for the District; Mr. Bill Rosenbaum, engineer 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 would have been disconnection day, but disconnections were not performed due to the holidays.

2. Ms. Catherman presented the tax assessor-collector’s report, a copy of which is attached hereto. The report showed an 96.17% collection rate for the 2020 tax year, with all other tax years excluding 2020 being 99% collected or better. After further review of the report, upon motion made by Director Solis, seconded by Director Morgan, 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 and/or wire transfers in the amounts of (i) \$136,493.44 to King Solutions Services, (ii) \$17,336.16 to Core & Main, (iii) \$415.00 to Wells Fargo, (iv) \$45,296.87 for engineering services, (v) \$400,480.54 to Persons Services Corp., and (vi) \$73,131.95 to Smith, Murdaugh, Little & Bonham, LLP. After discussion, upon motion made by Director Kelley, seconded by Director Morgan, 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 December 8, 2021. After discussion, upon motion made by Director Kelley, seconded by Director Cangelose, 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 52,795,000 gallons from its wells, with an average daily flow of 1,759,833 gallons. The ratio of water pumped to billed was 97% during the month.

At the wastewater treatment plants, the total combined treatment amounted to 76,126,000 gallons with an average daily flow from the plants of 2,537,533 gallons per day. There were 3.2 inches of rainfall during the month of November.

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 172,000 gallons and MUD No. 248 used 10,689,000 gallons.

As for personnel matters, a safety meeting on the proper use, cleaning, and inspections of self-contained breathing apparatuses is scheduled for January.

After review, upon motion made by Director Kelley, seconded by Director Cangelose, 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. 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 presented and recommended approval of Pay Application No. 2 in the amount of \$400,480.54 to Persons Services Corp. Upon motion made by Director Solis, seconded by Director Kelley, and unanimously carried, the Board approved the pay application as presented.

The engineer also presented and recommended approval of Pay Application No. 10 and Final in the corrected amount of \$136,493.44 to King Solutions Services for their work in connection with the District's phases 7 and 9 sanitary sewer rehabilitation project. Upon motion made by Director Solis, seconded by Director Kelley, and unanimously carried, the Board approved the pay application as presented.

Mr. Rosenbaum then presented the bids received for the phase 8 television work needed in connection with the District's ongoing sanitary sewer rehabilitation project. He noted that the low bidder was CSI Consolidated LLC d/b/a AIMS Companies in the amount of \$114,597.00 and recommended that the District award the contract to such entity. Upon motion made by Director Kelley, seconded by Director Cangelose, and unanimously carried, the Board awarded the contract to CSI Consolidated LLC d/b/a AIMS Companies as recommended by the engineer.

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.

7. The Board then reviewed a Resolution Authorizing Emergency Repairs under Section 49.274 of the Texas Water Code for an emergency cleaning of the Barwood wastewater treatment plant digester. After review and discussion, upon motion made by Director Solis, seconded by Director Cangelose, and unanimously carried, the Board approved the resolution as presented.

8. The attorney then noted that the District is required by law to submit an annual report to the Texas Comptroller of Public Accounts with regard to the District's use of its eminent domain authority during the prior year. Upon motion made by Director Cangelose, seconded by Director Solis, and unanimously carried, the Board authorized the attorney to make such filing on behalf of the District.

9. The Board then discussed a rate increase for its attorney. After discussion, upon motion made by Director Kelley, seconded by Director Solis, and unanimously carried, the Board approved rate increase as set forth in the engagement letter presented.

10. 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 Cangelose, and unanimously carried, the Board approved payment of the general fund bills as presented.

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

Ms. Magee also presented the September SPA check from the City of Houston in the amount of \$106,479.54.

Mr. Breeding confirmed that the sinkhole repair authorized at the prior meeting has been completed.

Mr. Homan provided additional details about the District's N. Eldridge Parkway utilities relocation project and the drainage improvement project proposed by the County. He noted that District representatives held a call with the Texas Department of Transportation on December 14, 2021 and were scheduled to meet with representatives for the County on December 16, 2021.

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

12. At 6:16 p.m., the Board entered into executive session to discuss personnel matters. At 7:10 p.m., the Board exited executive session. Based upon the decision of a majority of the Board members, the Board notified the general manager that (i) all salaried employees, with the exception of Sam Meza, shall be provided with a 4% raise and (ii)

designated bonuses shall be provided to Pam Magee, Brian Breeding, and Jerry Homan, with such bonuses to be paid prior to the conclusion of the 2021 calendar year.

13. The Board considered items for the next agenda.

W. W. Kelley / 2-9-22  
Secretary

Short Term Action Items

1. Normal Business

Long Term Action Items

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