

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors

March 23, 2022

The Board of Directors (“Board”) of Harris County Fresh Water Supply District No. 61 (“District”) met on Wednesday, March 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 93.31% collection rate for the 2021 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 Kelley, seconded by Director Solis, 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) \$13,942.35 to CSI Consolidated, LLC, (ii) \$500.00 to Amegy Bank, (iii) \$39,839.15 for engineering services, (iv) \$80,183.90 to Persons Services Corp., and (v) \$28,230.29 to Alexander Dubose Jefferson, LLP. After discussion, upon motion made by Director Solis, 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 March 16, 2022. One change was suggested, and after discussion, upon motion made by Director Kelley,

seconded by Director Cangelose, and unanimously carried, the Board approved the minutes as amended.

5. Mr. Meza presented the operations report, a copy of which is attached hereto. With respect to water production, the District pumped 45,762,000 gallons from its wells, with an average daily flow of 1,634,357 gallons.

At the wastewater treatment plants, the total combined treatment amounted to 73,080,000 gallons with an average daily flow from the plants of 2,610,000 gallons per day. There were 2.2 inches of rainfall during the month of February.

With respect to the distribution and collection system, 20 bacteriological samples were taken with no coliforms detected.

With respect to out-of-district water use, Emerald Forest Utility District used 188,000 gallons and MUD No. 248 used 9,786,000 gallons.

As for personnel matters, a safety meeting on hand, power tool, and outdoor equipment safety is scheduled for April.

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. 5 in the amount of \$80,183.90 to Persons Services Corp. Upon motion made by Director Kelley, seconded by Director Cangelose, and unanimously carried, the Board approved the pay application as presented.

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 stated that he and District representatives are scheduled to meet with the Authority to discuss possible changes to the proposed route.

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 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.

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

Ms. Magee reported on the form to recoup sales tax paid on certain fuel purchased by the District. She stated that if the District completed the application, it would yield a return of \$71.08.

Mr. Breeding then provided an update on the conversion from use of landlines at District facilities to the use of digital telephone service. He noted that such conversion will result in a substantial savings to the District.

Mr. Breeding also provided an update on all of the security measures the District has in place to protect its servers and digital information from being accessed by unauthorized third parties.

Mr. Breeding stated that the transmission repair to a District truck has been completed.

Mr. Homan reported that the District's engineer is evaluating the availability of capacity of District facilities needed to serve new development in the area.

Mr. Homan also reported on an air header leak at the Hastings Green wastewater treatment plant. He reviewed the proposed methodology to perform the repair, with Mr. Breeding showing the Board pictures of the damaged facilities.

Lastly, Mr. Homan noted that, in light of the recent redistricting that has resulted in many areas in the community having been transferred from Harris County Precinct No. 4 to Harris County Precinct No. 3, the Water Users Coalition is attempting to hold a meeting at which Precinct No. 3 Commissioner Tom Ramsey would speak. The Board expressed their satisfaction with that idea.

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

9. The Board considered items for the next agenda.

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