

**HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61**  
Minutes of Meeting of Board of Directors  
June 22, 2022

The Board of Directors (“Board”) of Harris County Fresh Water Supply District No. 61 (“District”) met on Wednesday, June 22, 2022 in accordance with the duly posted notice of the meeting, with a quorum of Directors present, as follows:

Darrell A. Barroso, President  
Mike Kelley, Secretary  
Jon Morgan, Assistant Secretary  
Ben A. Solis, Treasurer

and the following were absent:

Lary J. Cangelose, Vice President

Also present were 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. Bill Russell, 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 a 94.57% collection rate for the 2021 tax year, with all other tax years excluding 2020 and 2021 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. Russell 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) \$5,272.65 to CSI Consolidated, LLC, (ii) \$11,630.04 to Core & Main, (iii) \$32,540.02, \$9,705.38, and \$3,793.67 for engineering services, (iv) \$543,580.56 to Persons Services Corp., and (v) \$29,523.07 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.

Mr. Russell also stated that, during his investigation of the District’s accounts as part of the transfer of management of those accounts from Municipal Business Services to Myrtle Cruz, Inc., he discovered that there are multiple unused accounts with PNC Bank and seven separate accounts with Central Bank. He recommended that the District close all of its accounts with PNC Bank and combine some of the accounts with Central Bank. Upon motion

duly made by Director Morgan, seconded by Director Solis, and unanimously carried, the Board authorized the closing of the accounts with PNC Bank and the consolidation of accounts with Central Bank subject to consultation and approval of such consolidation with Mr. Homan, Mr. Breeding, and Ms. Magee.

4. The Board discussed the ethics letter and update by Investment Officers Jerry Homan, Brian Breeding, Pam Magee, and Mary Jarmon. The attorney noted that annually the District's investment officers are required to disclose whether they have any personal business relationships with any entities seeking to sell an investment to the District. The investment officers indicated that they have no such relationships. The attorney confirmed the disclosures would be filed with the Texas Ethics Commission as required by law.

5. The Board then considered the minutes for the meeting held on June 15, 2022. There was some discussion as to whether certain paragraphs should be amended, but upon motion made by Director Solis, seconded by Director Morgan, 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 65,754,000 gallons from its wells, with an average daily flow of 2,121,097 gallons.

At the wastewater treatment plants, the total combined treatment amounted to 81,892,000 gallons with an average daily flow from the plants of 2,729,733 gallons per day. There were 3.5 inches of rainfall during the month of May.

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 130,000 gallons and MUD No. 248 used 13,897,000 gallons.

As for personnel matters, a safety meeting on heat stress is scheduled for July.

After review, upon motion made by Director Kelley, seconded by Director Morgan, 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 phase 8 of the District's sanitary sewer rehabilitation project, Mr. Rosenbaum presented and recommended approval of Pay Application No. 4 in the amount of \$5,272.65 to CSI Consolidated. Upon motion made by Director Morgan, seconded by Director Solis, and unanimously carried, the Board approved the pay application as presented.

As for the sanitary sewer and water line relocation project at N. Eldridge Parkway and F.M. 1960, Mr. Rosenbaum presented and recommended approval of Pay Application No. 8 in the amount of \$543,580.56 to Persons Services Corp. Subject to that discussion, upon motion made by Director Solis, seconded by Director Morgan, and unanimously carried, the Board approved the pay application as submitted.

After further review and discussion, upon motion made by Director Morgan, seconded by Director Solis, 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 Solis, and unanimously carried, the Board approved payment of the general fund bills as presented.

9. Mr. Breeding, and Ms. Magee presented the management report. Ms. Magee reviewed the District's May financials with the Board.

Ms. Magee also confirmed the Board's reservations for the summer conference of the Association of Water Board Directors.

Mr. Breeding reported on various pending matters. As part of that discussion, Director Kelley asked several questions of Mr. Breeding regarding the timing and amount of overseeding and fertilization performed by Champions Hydro-lawn to the District's drainage facilities. Mr. Breeding stated that these questions would be best answered by Scott Gray, who is scheduled to attend the July 27, 2022 meeting. The Board agreed to raise them at that time.

Director Barroso then stated that he would like to discuss employee compensation matters and requested that the attorney place discussion of personnel matters on the next agenda. She agreed to do so.

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

10. The Board considered items for the next agenda, including approval of this year's consumer confidence reports.

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Secretary

Short Term Action Items

1. Consumer Confidence Reports

Long Term Action Items

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