

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

Minutes of Meeting of Board of Directors

June 15, 2022

The Board of Directors (“Board”) of Harris County Fresh Water Supply District No. 61 (“District”) met on Wednesday, June 15, 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 Mr. Douglas McNiell and Ms. Jennifer B. Seipel, attorneys 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 input and inquiries, Ms. Magee reported that today was disconnection day. There were 15 disconnections in MUD No. 248 and 78 disconnections in the District.

2. The Board considered the minutes for the meeting held on June 8, 2022. One change was suggested by Director Kelley, and upon motion made by Director Solis, 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. The engineer noted that the contractor continues to experience issues in procuring cement stabilized sand needed to complete the project. As such, the project is now expected to be completed in July. Mr. Homan also reported that the contractor likely will be presenting the Board with a change order to account for costs associated with some unexpected bypass pumping. Mr. Homan and Mr. Rosenbaum recommended that the Board approve the change order subject to the review and discretion of both gentlemen. Upon motion made by Director Solis, seconded by Director Kelley, and unanimously carried, the Board approved such proposed course of action.

Mr. Rosenbaum also reported that the second reimbursement package submitted to the Texas Department of Transportation in connection with the above-mentioned project was rejected, but his office addressed the comments received and will be resubmitting the package.

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

4. The Board then considered the issuance of a utility commitment letter for a coffee shop located at 11006 F.M. 1960 W. The engineer confirmed that the District has the water and wastewater treatment capacity to serve the coffee shop, and the tract is located within the boundaries of the District. Subject to that discussion, upon motion made by Director Cangelose, seconded by Director Solis, and unanimously carried, the Board approved issuance of the letter as presented.

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 reminded the Board of the upcoming conference of the Association of Water Board Directors. The Board also discussed the logistics of attending such conference, including hotel rooms and rental car reservations.

Ms. Magee presented the District's March SPA check from the City of Houston in the amount of \$115,643.93.

Mr. Breeding reported that he continues to work on a variety of development and other District matters, including the installation of numerous taps and preparation for the upcoming compliance inspection to be performed by the Texas Commission on Environmental Quality.

Mr. Homan then reported on a recent repair to a District water line that resulted in planned outages for some District customers. Mr. Homan discussed in detail the District's process for notifying customers of an outage in advance so as to minimize and avoid, if possible, the inconvenience to the District's users. Mr. Homan noted that the repair went very well, and the Board expressed its satisfaction with such matter.

In light of current conditions with the economy, Director Barroso raised the issue as to whether the Board should consider giving all District employees a mid-year raise. Mr. Homan stated that he did not believe that such a raise was necessary at this time, as employee retention currently does not appear to be a problem. However, Mr. Homan noted that the current inflation rates exceed 8% and continue to rise, a point with which the Board agreed. Mr. Homan stated that, during the end-of-the-year discussion about employee raises, he anticipates that he will recommend that the Board award raises consistent with the CPI rate present at the time. Mr. Homan also thanked the Board for bringing up the issue and always treating District staff so well. After that discussion, the Board expressed agreement with the proposed course of action to forego raises at this time and revisit the matter during the annual salary reviews.

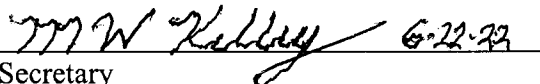
Mr. Homan confirmed that that District's annual sheriff's appreciation day is scheduled for 11:00 a.m. on July 7, 2022, subject to finalization of a few minor details.

Lastly, Mr. Homan recognized Mr. McNiel, who introduced himself to the Board. Mr. McNiel stated that he just joined the law firm that represents the District, and Ms. Seipel noted that Mr. McNiel will be helping her from time to time with the District's work.

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

7. The Board lastly considered items for the next Board meeting.

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

  
Secretary

Short Term Action Items

1. Normal Business

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