

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors

July 27, 2022

The Board of Directors (“Board”) of Harris County Fresh Water Supply District No. 61 (“District”) met on Wednesday, July 27, 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. Jake Kocurek, engineer for the District; Mr. Bill Russell, bookkeeper for the District; Mr. Scott Gray, representative for Champions Hydro-Lawn; and Mr. Douglas McNiel and Ms. Jennifer B. Seipel, attorneys for the District. Also present for a portion of the meeting was Ms. Amber Homan.

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 95.76% 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 Kelley, 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 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) \$3,820.95 to CSI Consolidated, LLC, (ii) \$40,549.19 for engineering services, (iii) \$378,687.57 to Persons Services Corp., i(v) \$38,671.67 to Smith, Murdaugh, Little & Bonham, LLP, and (v) \$3,641.00 to Alexander, Dubose and Jefferson LLP. Mr. Russell also noted that all of the District’s prior accounts with PNC, noting that they have all been closed. The Board further discussed the consolidation of other District accounts, with Mr. Homan noting that such matter was under review. After discussion, upon motion made by Director Solis, seconded by Director Kelley, 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 July 20, 2022. After discussion, upon motion made by Director Kelley, seconded by Director Solis, 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 81,718,000 gallons from its wells, with an average daily flow of 2,723,933 gallons.

At the wastewater treatment plants, the total combined treatment amounted to 77,149,000 gallons with an average daily flow from the plants of 2,571,633 gallons per day. There were 1.0 inches of rainfall during the month of June.

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 183,000 gallons and MUD No. 248 used 19,811,000 gallons.

As for personnel matters, a safety meeting on trenching and shoring is scheduled for August.

Mr. Homan also noted that the District remains under phase 1 of its drought contingency plan.

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

6. Mr. Kocurek 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. Kocurek presented and recommended approval of Pay Application No. 5 in the amount of \$3,820.95 to CSI Consolidated. Upon motion made by Director Solis, seconded by Director Cangelose, 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. Kocurek presented and recommended approval of Pay Application No. 9 in the amount of \$378,687.57 to Persons Services Corp ("Persons"). Subject to that discussion, upon motion made by Director Kelley, the Board unanimously approved the pay application submitted by Persons.

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. Mr. Gray presented a report on behalf of Champions Hydro-Lawn, copy attached. He noted that all of the District's facilities are in good shape. He also reported that Harris County Flood Control District has agreed to de-silt a channel within the District that is badly in need, noting that they have mobilized and begun to clear the area. Director Kelley asked several questions regarding the need to fertilize the bottom portions of certain District

ponds. After that discussion, it was decided that no changes to the District's current detention pond protocols were necessary at this time.

Ms. Homan entered the meeting.

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

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

Mr. Breeding reported that the District continues to work towards completion of the District's sanitary sewer line and water line project at N. Eldridge Parkway and F.M. 1960. To that end, Mr. Homan reported that his team, along with representatives from LAN, met with the contractor on July 25, 2022. The meeting went well, and the contractor is hoping to finish the project in the next two weeks.

Mr. Homan noted that he is working with representatives from the North Harris County Regional Water Authority to schedule a town hall meeting to discuss the conversion to surface water with constituents who will be experiencing the change in the next year or so. The town hall is tentatively scheduled for September 27, 2022.

Lastly, Mr. Homan and Mr. Breeding stated that the District experienced two main breaks, which were promptly repaired.

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

10. The Board considered items for the next agenda.

 8.10.22
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