

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors
August 24, 2022

The Board of Directors (“Board”) of Harris County Fresh Water Supply District No. 61 (“District”) met on Wednesday, August 24, 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. Adam R. Anderson, P.E., engineer for the District; Mr. Bill Russell, bookkeeper for the District; Mr. Scott Gray, representative for Champions Hydro-Lawn; Ms. Melissa Rowell, a District resident; and Mr. Douglas McNiel 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. Ms. Melissa Rowell introduced herself and stated that she is running for the board of directors for the North Harris County Regional Water Authority (the “Authority”).

2. Ms. Catherman presented the tax assessor-collector’s report, a copy of which is attached hereto. The report showed an 95.97% collection rate for the 2021 tax year, with most other tax years being 99% collected or better. After further review of the report, upon motion made by Director Solis, seconded by Director Cangelose, 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) \$67,907.37 to CSI Consolidated, LLC, (ii) \$90,450.00 to Persons Services Corp., and (iii) \$38,882.64 to Smith, Murdaugh, Little & Bonham, LLP. Mr. Russell also noted that all of the District’s prior accounts with PNC have 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 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 August 17, 2022. After discussion, upon motion made by Director Cangelose, 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 87,093,000 gallons from its wells, with an average daily flow of 2,809,452 gallons.

At the wastewater treatment plants, the total combined treatment amounted to 84,125,000 gallons with an average daily flow from the plants of 2,713,710 gallons per day. There were 1.0 inches of rainfall during the month of July.

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 176,000 gallons and MUD No. 248 used 17,446,000 gallons.

As for personnel matters, a safety meeting on the principles of using proper body mechanics at work is scheduled for September.

Director Solis inquired about the water main breaks in the District. Mr. Homan responded that these breaks occurred in the District's older subdivisions and were resulted from antiquated piping that lacks the flexibility of today's pipe.

Mr. Homan then provided an update on the District's progress on lead and copper testing in the District's pipes and the creation of a GIS database.

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

6. Mr. Anderson then presented the engineer's report, a copy of which is attached hereto. With regard to the District's ongoing water and sanitary sewer line replacement project at F.M. 1960 and N. Eldridge Parkway, the engineer presented and recommended approval of Pay Application No. 10 in the amount of \$90,450.00 to Person Services Corp. Upon motion made by Director Kelley, seconded by Director Cangelose, and unanimously carried, the Board approved the pay application as presented.

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 the District's facilities have benefited from the recent rainstorms. After that discussion, it was decided that no changes to the District's current detention pond protocols were necessary at this time.

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.

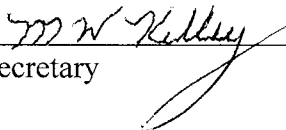
9. The Board then considered renewal of its health insurance plan for the District's employees. It was noted that the proposal provided by the District's current insurance provider included a 4.7% increase in the premium costs. After review, upon motion made by Director Solis, seconded by Director Kelley, and unanimously carried, the Board approved the proposal as presented.

10. Mr. Homan, Mr. Breeding, and Ms. Magee presented the management report. Ms. Magee reviewed the District's July financials with the Board. In connection with that discussion, Director Kelley noted that certain lift station expenses were attributed to an incorrect line item. Ms. Magee stated that she would correct the matter.

Mr. Homan provided an update on the upcoming elections for the Authority, stating that four of the five board positions are contested.

Subject to that discussion, upon motion made by Director Kelley, seconded by Director Morgan, and unanimously carried, the Board approved the management report as presented.

11. The Board considered items for the next agenda.

 9.21.22
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