

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors

October 12, 2022

The Board of Directors (“Board”) of Harris County Fresh Water Supply District No. 61 (“District”) met on Wednesday, October 12, 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

and the following were absent:

Ben A. Solis, Treasurer

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. Adam R. Anderson, P.E, engineer for the District; and Mr. Douglas C. McNiel, on behalf of 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. Mr. Homan did inform the Board of a compliment he received from resident Scott Edwards regarding the prior evening’s town hall meeting discussing the conversion from groundwater to surface water.

2. The Board then considered the minutes for the meeting held on September 28, 2022. Director Cangelose noted that the minutes should reflect the Board’s work to lower the District’s tax rate and suggested that the last sentence of item number three on the minutes be changed to “with the noticed rate being lowered to \$0.28.” After discussion, upon motion made by Director Kelley, seconded by Director Cangelose, and unanimously carried, the Board approved the minutes subject to the change in item number three.

3. Mr. Anderson then presented the engineer’s report, a copy of which is attached hereto. He first updated the Board on the water and sanitary relocations: North Eldridge Parkway at FM 1960 (12094) project. He informed the Board that in October 2022, the contractor is set to finish all remaining site work and the final inspection and pay application are expected. As it relates to the TxDOT reimbursement agreements with the District the third reimbursement package is expected in December 2022 and the fourth reimbursement package is expected in January 2023.

Mr. Anderson then informed the Board that the work is now complete and the engineer’s office is processing the final pay application for the Sanitary Sewer Phase 8 TV Inspections of Trunklines (12270) BI 18.

Finally, Mr. Anderson informed the Board of an upcoming repair project, which will need to move along quickly, on the Eldridge pipeline off of White Oak Bayou.

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

4. The Board considered payment of the general fund bills. After review, upon motion made by Director Kelley, seconded by Director Cangelose, and unanimously carried, the Board approved payment of the general fund bills as presented.

5. Ms. Magee, Mr. Breeding, and Mr. Homan presented the management report. Mr. Breeding updated the Board on the costs associated with the new billing software platform and process. He informed the Board that phase 2 of the new platform and processes require the following capital with rough costs of: one new server for \$8,450.00, a second server for \$9,845.00, a printer and copier machine for \$16,400.00, and folder and insert materials for \$7,760.66. Mr. Homan reminded the Board that Harris County MUD 248 will be participating in the new platform and process are agreeing to pay their pro-rata share of these costs. Mr. Breeding and Mr. Homan then asked the Board to approve between \$42,000.00 and \$50,000.00 for the phase 2 costs of the new billing platform and processes.

In response to the Board's questions regarding the servers, Mr. Homan and Mr. Breeding informed the Board that there will be one new server and one replacement server, and that a replacement server is necessary because the current server will not support the necessary software. In response to Director Kelley's question regarding the cost of the mailing service, Mr. Homan and Mr. Breeding informed him that they had looked into this suggested permit mail service, and that they will do further research on this. After review, upon motion made by Director Cangelose, seconded by Director Morgan, and unanimously carried, the Board authorized Mr. Breeding and Mr. Homan to spend between \$42,000.00 and \$50,000.00 for the phase 2 costs of the new billing platform and processes.

Mr. Homan then informed the Board that, despite the September rain, the District is still in a drought and should expect additional main breaks in the coming months. Mr. Homan noted that the District is still selling a good amount of water and retains capacity for the development in the District.

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

6. Mr. Homan presented an update on the North Harris County Regional Water Authority. He remarked that the Authority's town hall regarding the conversion from groundwater to surface water was a success and thanked the Board members for attending. He also let the Board know that he expects more townhall forums before the conversion takes place. Lastly, Mr. Homan and Director Kelley discussed the provision of questions to the North Harris County Regional Water Authority candidates in the Community Impact.

7. There were no water user coalition updates.

8. The Board entered an executive session at 6:22 p.m. The Board exited the executive session at 6:31 p.m.

9. After review, upon motion made by Director Kelley, seconded by Director Cangelose, and unanimously carried, the Board authorized Mr. Homan to negotiate settlements of the easements with the North Harris County Regional Water Authority.

10. The Board considered items for the next agenda.

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

W W Kelley 10.19.22
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