

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors

January 11, 2023

The Board of Directors (“Board”) of Harris County Fresh Water Supply District No. 61 (“District”) met on Wednesday, January 11, 2023 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. Adam Anderson, engineer 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. The Board considered the minutes for the meeting held on December 21, 2022. Upon motion made by Director Kelley, seconded by Director Solis, and unanimously carried, the Board approved the minutes as presented.
3. Mr. Anderson then presented the engineer’s report, a copy of which is attached hereto. He reported that bids for phase 10 of the District’s sanitary sewer rehabilitation work were received on January 10, 2023, and his office currently is reviewing those bids. He stated that a recommendation will be brought to the next meeting. The Board also discussed the differing methodologies that may be utilized to repair the pipe in question, which include cure-in-place and slip lining.

The engineer reported that members of his office, along with District personnel, met with the contractor for the N. Eldridge Parkway sanitary sewer and water line relocation project regarding action items that must be completed to finish out the project.

Mr. Anderson reported that the developer of 14140 Cypress N. Houston would like to proceed with annexation of such tract into the District. Ms. Seipel noted that a feasibility study was conducted with respect to the tract several months ago, but the Board will need to

formally approve the annexation and issuance of a utility commitment letter. It was agreed that the annexation would be placed on the next agenda.

After discussion, upon motion made by Director Solis, seconded by Director Cangelose, 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 Morgan, seconded by Director Kelley, 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. Ms. Magee presented the District's October SPA check from the City of Houston in the amount of \$96,906.79.

Ms. Magee inquired as to which directors would like rental cars for the upcoming mid-winter conference of the Association of Water Board Directors.

Mr. Breeding reported that he is working on first quarter reporting matters.

Mr. Breeding also noted that the District hired a new employee to serve as a field worker. The new employee is in the process of undergoing the requisite physical exam and drug testing.

Mr. Breeding also noted that he continues to work extensively with the engineer's office on the N. Eldridge Parkway sanitary sewer and water line relocation project.

Mr. Homan stated that Harris County MUD No. 248 ("MUD No. 248") held its meeting at the District's administration building. In connection with that topic, Mr. Homan provided an update on MUD No. 248's sale of one of its detention ponds to Harris County.

Mr. Homan noted that the required one-time notice to customers under Senate Bill 3, which changed the law with regard to water terminations and the assessment of penalties and late fees during "extreme weather emergencies," will be sent in the coming days.

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

6. The Board discussed the most recent meeting of the North Harris County Regional Water Authority (the "Authority"), which several directors and Mr. Homan attended. The Board discussed the Authority's decision to decrease its water rates \$.50, with an effective date for the new rates being February 1, 2023. The Board expressed its appreciation for the speech that Mr. Homan gave with respect to the Authority changing its rates. Mr. Homan stated that, in the interest of the District and its constituents, he would like to keep in touch with the new members of the board of directors for the Authority, and he asked whether the Board agreed with such approach. The Board expressed its approval of such tact.

7. With regard to the Water Users Coalition (the “Coalition”), Mr. Homan noted that the Coalition promptly sent out a press release regarding the rate decrease approved by the Authority.

8. The Board lastly considered items for the next Board meeting, including annexation of 14140 Cypress N. Houston.

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

Secretary

Short Term Action Items

1. Annexation and Issuance of Utility Commitment Letter for Tract Located at 14140 Cypress N. Houston Road

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