

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors

January 18, 2023

The Board of Directors (“Board”) of Harris County Fresh Water Supply District No. 61 (“District”) met on Wednesday, January 18, 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; 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. Under customer inquiries and input, Ms. Magee stated that today was water disconnection day, with there being 9 disconnections in Harris County MUD No. 248 and 90 disconnections in the District.

2. The Board considered the minutes for the meeting held on January 11, 2023. Upon motion made by Director Solis, seconded by Director Morgan, 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. With regard to the phase 10 sanitary sewer rehabilitation project, the engineer presented the bids received and recommended that the District award the contract to Texas Pride Utilities, LLC pursuant to its alternate bid no. 3 in the amount of \$407,620.00 with a 90-day construction timeline. This bid includes use of cure-in-place methodology and bypass pumping. The Board asked several questions about Texas Pride Utilities, LLC, including whether the engineer’s firm has used them for other projects. Mr. Anderson confirmed that his firm has experience with Texas Pride Utilities, LLC and it has been positive. The engineer also noted that use of the cure-in-place methodology will expedite completion of the project. In connection with this discussion of District sanitary sewer projects, Mr. Homan reminded the Board that occasionally his company, E.S. Enviro Services, LLC, performs work for a sanitary sewer subcontractor that, in the past, has been hired by contractors for the District, but he never does work in the District nor does he work on District projects that may involve the subcontractor for whom he does work. The Board acknowledged the disclosure. Subject to that discussion, upon

motion made by Director Solis, seconded by Director Cangelose, and carried, with Director Kelley voting nay, the Board decided to award the contract to Texas Pride Utilities, LLC as recommended by the District's engineer. Director Kelley stated that the reason for his nay vote is because he would prefer that slip lining methodology by utilized for this project.

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

4. The Board discussed a request for a utility commitment and annexation letter from the developer of the tract located at 14140 Cypress N. Houston Road. The engineer confirmed that the District has the capacity to serve this development, which is not within the boundaries of the District and will require annexation. The Board discussed the fact that the letter will include requirements that (i) the developer make a capital contribution on a per connection basis to account for their utilization of existing District water and sanitary sewer facilities and (ii) the commitment letter is only for this tract and not any future adjacent or nearby tracts that the developer may acquire. The development also would require the extension of District water and sanitary sewer lines, the cost of which the developer would be required to pay. Subject to that discussion, upon motion made by Director Kelley, seconded by Director Solis, and unanimously carried, the Board approved issuance of the letter.

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 and Mr. Homan presented the management report. Ms. Magee confirmed the Board's hotel and rental car reservations for the upcoming mid-winter conference of the Association of Water Board Directors.

Mr. Homan provided an update on a variety of pending matters, including review of the District's interconnect agreements and completion of the District's water and sanitary sewer line replacement project at N. Eldridge Parkway and F.M. 1960. Mr. Homan reported that the contractor for such project is replacing a portion of the sanitary sewer line that was installed at an incorrect grade.

Ms. Seipel then presented a letter to Bank of Texas specifying that the District's bookkeeper, Myrtle Cruz, Inc., is authorized to transact business on the District's behalf and is allowed access to the District's accounts with Bank of Texas. She recommended that the Board sign the letter so that the District's bookkeeper can access District funds held by Bank of Texas, and the Board agreed.

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

7. The Board lastly considered items for the next Board meeting, including consideration of the 2023 tax exemptions.

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

M W Kelley 2-8-23
Secretary

Short Term Action Items

1. Consider 2023 Tax Exemptions

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