

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors

February 15, 2023

The Board of Directors (“Board”) of Harris County Fresh Water Supply District No. 61 (“District”) met on Wednesday, February 15, 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. Under customer inquiries and input, Ms. Magee stated that today was water disconnection day, with there being 13 disconnections in Harris County MUD No. 248 and 85 disconnections in the District.

2. The Board considered the minutes for the meeting held on February 8, 2023. Upon motion made by Director Kelley, 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. The engineer reported that the District’s water and sanitary sewer line relocation project at N. Eldridge Parkway and F.M. 1960 continues. He stated that the contractor currently is working to re-install a segment of the line at the appropriate grade. The Board asked several questions with regard to this matter.

With regard to the phase 10 sanitary sewer rehabilitation project, the engineer noted that a preconstruction meeting is being scheduled with the contractor later this month.

Mr. Anderson stated that his office continues to review the 90% drawings from Harris County (the “County”) with respect to the drainage improvement project to be constructed in Tower Oaks Meadows and Barwood. The engineer reported that the latest drawings will require the District to make much more significant changes to its sanitary sewer system. Mr.

Anderson has requested that the County modify its plans to minimize the impact on the District's facilities but has yet to receive a response from the County. Mr. Homan asked whether he needed to assist in getting a response from the County, and Mr. Anderson asked for a few more days to see the matter through.

Lastly, the engineer stated that his office received correspondence related to the installation of a pipeline on District property. Mr. Homan and Ms. Seipel raised concerns as to whether the proposed pipeline location would conflict with the sanitary control easement around a District water well. Mr. Anderson stated that he believed there would be a conflict, but the Texas Commission on Environmental Quality may allow such conflict. Mr. Homan stated that it was his preference that the pipeline and related easement be entirely outside of the District's sanitary control easement, to which the attorney and the Board agreed. Mr. Anderson stated that he would take that information to the pipeline company.

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 tabled consideration of amendment of its Rate Order after Ms. Seipel explained that she and District personnel are still working on a draft.

5. Pursuant to Federal Trade Commission rules, the then Board conducted its annual review of the District's Identity Theft/Red Flag Policy. Ms. Magee, Mr. Breeding, and Mr. Homan confirmed that the existing policy was working well and recommended no changes. Accordingly, upon motion made by Director Solis, seconded by Director Cangelose, and unanimously carried, the Board unanimously adopted the attached Resolution Affirming the District's Identity Theft Prevention Program.

6. 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.

7. Ms. Magee, Mr. Breeding, and Mr. Homan presented the management report. First, Ms. Magee presented the District's November SPA check from the City of Houston in the amount of \$106,165.42.

Ms. Magee then confirmed the Board's registration for the upcoming summer conference of the Association of Water Board Directors ("AWBD"). Mr. Homan asked that the members of the Board let Ms. Magee know whether they plan on attending.

Mr. Breeding stated that he continues to work on first quarter reporting.

Mr. Homan provided an update on a variety of legislative matters, including his recent meetings with (i) staff members for State Representative Judith Zaffirini regarding Senate Bill 40 and (ii) the governmental affairs and legislative planning committee of AWBD regarding other pending or proposed pieces of legislation that will affect municipal utility and similar special purpose districts. Mr. Homan stated that Director Kelley has been involved in these legislative matters as well. The Board discussed several pieces of proposed and forthcoming bills.

8. Ms. Seipel then noted that the District received its annual arbitrage report and no action is needed at this time.

9. The Board lastly considered items for the next Board meeting.

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

Secretary

Short Term Action Items

1. Normal Business

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