

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors

March 22, 2023

The Board of Directors (“Board”) of Harris County Fresh Water Supply District No. 61 (“District”) met on Wednesday, March 22, 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; Ms. Norma Catherman, tax assessor-collector for the District; Mr. Samuel Meza, operations manager for the District; Mr. Adam Anderson, engineer for the District; Ms. Kayla Ray, bookkeeper for the District; Mr. Scott Gray, representative for Champions Hydro-Lawn; 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. Ms. Catherman presented the tax assessor-collector’s report, a copy of which is attached hereto. The report showed an 91.02% collection rate for the 2022 tax year, with most other tax years being 99% collected or better. She noted that tax payments for 2022 taxes continue to be received. Ms. Seipel also provided an update on the status of delinquent tax collections, noting that the District continues to receive payment on outstanding balances.

After further review of the report, upon motion made by Director Kelley, seconded by Director Solis, 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. Ms. Ray then presented the fund manager’s report, a copy of which is attached hereto. The report showed a check in the amount of \$42,670.61 for engineering services. Ms. Ray then introduced herself to the Board, stating that she would be taking over for Mr. Russell upon his retirement. The Board thanked Ms. Ray and welcomed her aboard the team. Subject to that discussion, upon motion made by Director Solis, seconded by Director Morgan, and unanimously carried, the Board approved the fund manager’s report and the check listed thereon.

4. The Board then considered the minutes for the meeting held on March 15, 2023. Director Barroso suggested one change, and upon motion made by Director Kelley, seconded by Director Cangelose, and unanimously carried, the Board approved the minutes as amended.

5. Mr. Meza presented the operations report, a copy of which is attached hereto. With respect to water production, the District pumped 48,509,000 gallons from its wells, with an average daily flow of 1,732,464 gallons. There was a 95% water accountability for the prior month.

At the wastewater treatment plants, the total combined treatment amounted to 76,739,0000 gallons with an average daily flow from the plants of 2,740,679 gallons per day. The District received 1.9 inches of rain during the month of February.

With respect to the distribution and collection system, 20 bacteriological samples were taken with no coliforms detected. The District replaced one meter during the prior month.

With respect to out-of-district water use, Emerald Forest Utility District used 137,000 gallons and MUD No. 248 used 10,292,000 gallons.

As for personnel matters, a safety meeting on First Aid, CPR, Defibrillator Training was held March 21, 2023. Traffic control and setting up a work zone is scheduled for April.

After review, upon motion made by Director Solis, seconded by Director Cangelose, 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. He noted that the water and sanitary sewer line project at N. Eldridge Parkway and F.M. 1960 continues. His office is awaiting receipt of the videos showing the flow of the newly installed sanitary sewer lines. Upon review of those videos, the engineer will be able to determine what repairs are required. He also stated that the third reimbursement package associated with this project is being finalized.

Mr. Anderson noted that the preconstruction meeting for the phase 10 sanitary sewer rehabilitation project was held with the contractor last week.

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, but he intends to bring a proposal for the de-silting of the Falls at White Oak pond to next month's meeting.

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. Mr. Homan, Mr. Breeding, and Ms. Magee presented the management report. Ms. Magee presented the District's December SPA check from the City of Houston in the amount of \$132,696.85. Ms. Magee also reviewed the District's February financials with the Board.

Mr. Homan reported that he and Ms. Seipel recently met in-person with the general manager and litigation counsel for the North Harris County Regional Water Authority (the "Authority") with regard to several easements needed from the District. He stated that the meeting went very well, and the attorney will place on the next agenda consideration of an agreement with the Authority for the conveyance of such easements.

Mr. Homan stated that the District's annual family day will be held on April 29, 2023 at the Houston Zoo.

Lastly, Mr. Homan approached the Board regarding the purchase of a new generator for the Barwood wastewater treatment plant. He stated that the existing generator, which is a mobile unit, is undersized for the wastewater treatment plant, as confirmed in a report performed by the District's engineer several years ago. Accordingly, Mr. Homan recommended that the Board (i) purchase a new 500 kW, permanent generator for installation at the Barwood wastewater treatment plant and (ii) relocate the existing 350 kW generator to the Barwood water plant, where it was originally designed and purchased for. The Board agreement with this course of action.

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

10. The Board considered items for the next agenda, including an interlocal agreement with the Authority.

Secretary

Short Term Action Items

1. Interlocal Agreement with the NHCRWA

Long Term Action Items

1. Contract Negotiations with Various Entities Served by the District
2. Plans for use of SPA Funds