

## **HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61**

Minutes of Meeting of Board of Directors

May 24, 2023

The Board of Directors (“Board”) of Harris County Fresh Water Supply District No. 61 (“District”) met on Wednesday, May 24, 2023 in accordance with the duly posted notice of the meeting, with a quorum of Directors present, as follows:

Mike Kelley, President  
Jon Morgan, Vice President  
Ben Solis, Secretary  
Darrell A. Barroso, Assistant Secretary  
Lary Cangelose, 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. Samuel Meza, operations manager for the District; Ms. Norma Catherman, tax assessor-collector for the District; Ms. Jessica Espinoza, District employee; 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 then presented the tax assessor-collector’s report, a copy of which is attached hereto. The report showed an 93.33% collection rate for the 2022 tax year, with most other tax years being 99% collected or better. Ms. Catherman also noted that the statutorily-required May delinquent notices were sent to all accounts with 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 presented the fund manager’s report, a copy of which is attached hereto. The report showed checks in the amount of (i) \$25,382.72 and \$10,744.13 to Lockwood, Andrews, and Newnam for engineering services and (ii) \$7,572.00 to Smith, Murdaugh, Little and Bonham, LLP. In light of the District’s former bookkeeper’s retirement, Ms. Ray also presented paperwork for signature that will allow other parties in her office to be signatories on the District’s Texpool accounts. Subject to that discussion, upon motion made by Director Barroso, seconded by Director Solis, and unanimously carried, the Board approved the fund manager’s report and the checks listed thereon.

4. The Board then considered the minutes for the meeting held on May 17, 2023. Upon motion made by Director Solis, seconded by Director Morgan, and unanimously carried, the Board approved the minutes as presented.

5. Mr. Meza presented the operations report, a copy of which is attached hereto. With respect to water production, the District pumped 57,109,000 gallons from its wells, with an average daily flow of 1,903,633 gallons. There was 88% water accountability for the prior month.

At the wastewater treatment plants, the total combined treatment amounted to 80,800,000 gallons with an average daily flow from the plants of 2,693,333 gallons per day. The District received 6.5 inches of rain during the month of April.

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

With respect to out-of-district water use, Emerald Forest Utility District used 140,000 gallons and MUD No. 248 used 11,099,000 gallons.

As for personnel matters, a safety meeting on rigging and lifting was held during the prior month. A safety meeting on hurricane preparedness is scheduled for June.

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. He reported that another meeting will be held with the contractor on May 25, 2023, the purpose of which is to discuss completion of the project. Mr. Anderson also noted that the District is still waiting on receipt of the reimbursement check from the Texas Department of Transportation with regard to the third reimbursement package.

Mr. Anderson then noted that the contractor for the phase 10 sanitary sewer rehabilitation project has mobilized. In connection with that discussion, the engineer presented and recommended payment of Change Order No. 1 from Texas Pride Utilities LLC in the amount of \$81,160.00 for an additional segment of sanitary sewer rehabilitation work to be completed inside the Hastings Green wastewater treatment plant. Upon motion made by Director Cangelose, seconded by Director Solis, and unanimously carried, the Board approved the change order as presented.

Lastly, the engineer presented a request for annexation and service to a residential lot located at 13303 Cypress Park Spur. After some discussion, the Board took no action with respect to the request

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

7. The Board then considered the purchase of a new 500-kW generator for the Barwood wastewater treatment plant in the amount of \$168,864.40. Mr. Breeding reminded the Board 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, District personnel recommended that the Board (i) purchase the new generator for permanent installation at the Barwood wastewater treatment plant and (ii) relocate the existing 350 kW generator to the Barwood water plant, the location for which it originally was designed and purchased. Mr. Homan also noted that Harris County MUD No. 69 will be sharing in the cost of the new generator to be installed at the wastewater treatment plant. Mr. Breeding also requested that the Board authorize the expenditure of \$47,909.00 for the permanent installation of the existing generator at the Barwood water plant. Subject to that discussion, upon motion made by Director Solis, seconded by Director Barroso, and unanimously carried, the Board approved the expenditures as requested.

8. 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. In connection with that discussion, he presented photographs demonstrating the de-silting of the Falls at White Oak pond. The Board expressed satisfaction with the work and the report.

9. 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 Cangelose, seconded by Director Solis, and unanimously carried, the Board approved payment of the general fund bills as presented.

10. Mr. Homan, Mr. Breeding, and Ms. Magee presented the management report. Ms. Magee reported that the District received a check from the North Harris County Regional Water Authority in the amount of \$175,670.00 for the easements recently conveyed by the District.

Mr. Homan reminded everyone of the upcoming sheriff's appreciation day to be held on June 8, 2023.

Lastly, Mr. Homan extended an invitation to the Board from Quiddity for a party they are hosting at the upcoming conference of the Association of Water Board Directors.

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

11. The Board considered items for the next agenda, including the District's annual consumer confidence reports.

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Secretary

Short Term Action Items

1. Consumer Confidence Reports

Long Term Action Items

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