

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors

June 14, 2023

The Board of Directors (“Board”) of Harris County Fresh Water Supply District No. 61 (“District”) met on Wednesday, June 14, 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 May 24, 2023. One change was suggested to the minutes, and upon motion made by Director Barroso, seconded by Director Solis, and unanimously carried, the Board approved the minutes as amended.

3. Mr. Anderson then presented the engineer’s report, a copy of which is attached hereto. He reported that work on the N. Eldridge Parkway sanitary sewer and water line relocation project continues, as there are still deficiencies with respect to segments of the sanitary sewer line. Mr. Anderson stated that members of his office as well as District personnel have had many conversations with the contractor to discuss the corrective work to be performed. Mr. Anderson and Mr. Homan reported that they are still waiting on a construction schedule from the contractor for completion of the work to be performed. Also, in connection with the N. Eldridge Parkway project, Mr. Anderson reported that the District received the check from the Texas Department of Transportation with respect to the third reimbursement package submitted.

Mr. Anderson reported that the contractor for phase 10 of the District’s sanitary sewer rehabilitation project is scheduled to commence the work authorized by change order no. 1 in short order. The new substantial completion date for the project is July 25, 2023.

The engineer reported that phase 11 of the District's sanitary sewer rehabilitation project is still under design.

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 then discussed the proposed Interlocal Agreement with Harris County for the conveyance of two District detention ponds. Ms. Seipel noted that the District has not received a draft of the agreement, but Mr. Homan provided an update on the status of Harris County's (the "County") drainage improvement project in Barwood and Tower Oaks Meadows. Mr. Homan stated that the County now intends to do the project in two phases, with phase one of the project requiring the District to convey two of its detention ponds, which will be expanded, in exchange for monetary compensation. The District has provided the County with appraisals setting forth the fair market value of those ponds. Mr. Homan then stated that phase two of the County's project will involve upsizing of drainage improvements in the Barwood and Tower Oaks Meadows neighborhoods. Currently, it is the District's intent to put the funds received from the sale of its detention ponds towards the cost of relocating the District's utilities that must be relocated to accommodate the County's project. The Board expressed their satisfaction with the concept of this deal. Mr. Homan stated that he will bring additional information to the Board as it becomes available.

5. The Board considered payment of the general fund bills. After review, upon motion made by Director Cangelose, seconded by Director Barroso, and unanimously carried, the Board approved payment of the general fund bills as presented.

6. Ms. Magee, Mr. Breeding, and Mr. Homan presented the management report. Ms. Magee presented the District's March SPA check from the City of Houston in the amount of \$112,376.07.

Ms. Magee confirmed the directors' reservations for the upcoming conference of the Association of Water Board Directors.

Mr. Breeding reported that he continues to work on development, construction, and administrative matters.

Mr. Breeding also provided updates on the status of various District equipment, including the purchase of the new generator and new District vehicles. The Board discussed in some detail how difficult it has become in recent years to obtain new fleet vehicles. Mr. Homan and Mr. Breeding confirmed that they are continuing to explore all options.

Mr. Breeding also reported on some damage experienced to District facilities as a result of the strong storm that moved through the District on June 8, 2023. Specifically, Mr. Breeding noted that the soft start at water plant no. 4 required replacement, and Mr. Homan stated that the District is looking to purchase an additional soft start to have in its reserves.

Lastly, Mr. Homan noted that the recent sheriff's appreciation day was well-attended and successful.

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

7. Mr. Breeding reviewed with the Board the Consumer Confidence Report, which is required to be published by the end of the month. Upon motion made by Director Barroso, seconded by Director Morgan, and unanimously carried, the Board approved the report and authorized its posting as required by law.

8. Mr. Breeding confirmed that the District's annual emergency operations status and critical load filing is under review and will be submitted by the attorney's office.

9. The Board then discussed the most recent meeting of the North Harris County Regional Water Authority, which several directors and Mr. Homan attended. The Board discussed the events of the meeting and the direction being taken by their board of directors.

10. There was no update on the Water Users Coalition.

11. At 6:53 p.m., the Board entered executive session to discuss pending litigation. At 7:25 p.m., upon motion made by Director Solis, seconded by Director Barroso, and unanimously carried, the Board approved submission of letters to their attorneys as presented.

12. Lastly, the Board considered items for the next agenda.

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