

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors

March 12, 2025

The Board of Directors (“Board”) of Harris County Fresh Water Supply District No. 61 (“District”) met on Wednesday, March 12, 2025 in accordance with the duly posted notice of the meeting, with a quorum of Directors present, as follows:

Jon Morgan, President
Ben Solis, Vice President
Darrell Barroso, Secretary
Lary Cangelose, Assistant Secretary
Mike Kelley, 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; Ms. Kim Courte, insurance broker for the District; and Ms. Jennifer B. Seipel, attorney for the District. Also present was Mr. John Turner, a District resident.

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 February 26, 2025. Upon motion made by Director Barroso, seconded by Director Solis, and unanimously carried, the Board approved the minutes as presented.
3. Mr. Anderson presented the engineer’s report, a copy of which is attached hereto. With regard to the N. Eldridge Parkway sanitary sewer and water line relocation, the engineer stated that his office continues to provide information needed to complete a supplemental agreement with the Texas Department of Transportation (“TxDOT”) in order to submit the final reimbursement package. Mr. Anderson stated that his office has scheduled another meeting with TxDOT representatives to discuss why the District’s costs came in several million dollars below TxDOT’s estimate, which is comprised of figures that did not come from the District and appear entirely arbitrary.

With regard to the recoating of water plant no. 2, Mr. Anderson confirmed that the construction is ongoing, and the contractor is currently on schedule.

After discussion, upon motion made by Director Solis, seconded by Director Barroso, and unanimously carried, the Board approved the engineer’s report as presented.

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

5. Ms. Magee, Mr. Breeding, and Mr. Homan presented the management report. Ms. Magee asked whether any of the Board wanted to be registered for the spring seminar. Director Solis requested to be registered, and several directors stated they would let her know.

Mr. Breeding provided an update on the status of development throughout the District, including the 35-home townhome project on Huffmeister at Birdcall. Mr. Homan stated that the developer is having trouble complying with the District's rules and regulations set forth in the utility commitment letter issued to them. Mr. Homan also stated that he is going to request a deposit from the developer to cover costs associated with dealing with their project.

Mr. Homan provided an update on several pieces of pending legislation.

The attorney and Mr. Homan also requested authorization to extend for thirty (30) additional days the emergency water supply agreement with Harris County MUD No. 69, should such extension be necessary. Currently, the agreement is set to expire on March 21, 2025. The Board authorized the attorney and/or general manager to extend the agreement as requested.

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

6. Ms. Courte approached the Board regarding the renewal of the District's property insurance. She reviewed the District's current policy coverages, noting an 15% increase in the District's premium resulting from rising replacement value costs as well as an increase in the cost of payouts in court for covered events in the region. After further discussion, upon motion made by Director Barroso, seconded by Director Cangelose, and unanimously carried, the Board approved renewal of the District's insurance proposal in the amount of \$204,254.00 as presented.

7. The Board then discussed the most recent meeting of the Authority, which several directors and Mr. Homan attended. The Board discussed the events of the meeting, including comments made by directors for the Authority to the Community Impact newspaper. It was recommended that the Authority adopt a media policy to address these kinds of situations in the future. The Board also discussed the Authority's proposal for the Ground Water Reduction participation fee. Mr. Homan stated that the revised proposal would be limited to developments and jurisdictions that have not paid into the Authority's infrastructure for many years as a member of its GRP. It was agreed that the revised proposal is more tailored and appropriate.

8. There was no update as to the Water Users Coalition.

9. There was no executive session.

10. 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