

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

Minutes of Meeting of Board of Directors

March 26, 2025

The Board of Directors (“Board”) of Harris County Fresh Water Supply District No. 61 (“District”) met on Wednesday, March 26, 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. Samuel Meza, operations manager for the District; Ms. Norma Catherman, tax assessor-collector for the District; Ms. Kayla Ray, bookkeeper for the District; Mr. Eddie Streich and Mr. Adam Anderson, engineers 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 the Board’s consideration. Ms. Magee stated that disconnection day was last week.

2. Ms. Catherman then presented the tax assessor-collector’s report, a copy of which is attached hereto. The report showed an 92.07% collection rate for the 2024 tax year, with most other tax years being 99% collected or better. Ms. Catherman also presented a revised annual report showing tax collections for the 2024 year. After further review of the report, upon motion made by Director Solis, seconded by Director Cangelose, and unanimously carried, the Board approved the tax assessor-collector’s report and payment of the bills listed thereon with checks and wire transfer(s) drawn from the tax fund.

3. Ms. Ray presented the fund manager’s report on behalf of the bookkeeper, a copy of which is attached hereto. The bookkeeper’s report reflected checks in the amounts of (i) \$20,157.97, \$1,920.00, \$5,385.12, and \$921.71 to Lockwood, Andrews, and Newnam, Inc., (ii) \$384,088.00 to Weisinger, Inc., (iii) \$223,155.00 to Sustanite Support Services, LLC, (iv) \$45,300.00 to the District to in order to transfer funds received from Harris County MUD No. 69 that were erroneously deposited into a District construction account, and (v) \$1,920.00 to Smith, Murdaugh, Little and Bonham, LLP. Subject to that discussion, upon motion made by Director

Kelley, seconded by Director Barroso, and unanimously carried, the Board approved the fund manager's report and the check(s) listed thereon.

4. The Board considered the minutes for the meeting held on March 12, 2025. Upon motion made by Director Barroso, seconded by Director Cangelose, 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 48,689,000 gallons from its wells, with an average daily flow of 1,783,893 gallons. There was 104% water accountability for the prior month.

At the wastewater treatment plants, the total combined treatment amounted to 73,836,000 gallons with an average daily flow from the plants of 2,637,000 gallons per day. The District received 2.6 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 18 meter registers during the prior month.

With respect to out-of-district water use, Emerald Forest Utility District used 215,000 gallons and MUD No. 248 used 10,924,000 gallons.

As for personnel matters, a safety meeting on traffic control in a construction zone will be held next month.

After review, upon motion made by Director Kelley, seconded by Director Solis, and unanimously carried, the Board approved the operations report as presented.

6. Mr. Streich presented the engineer's report, a copy of which is attached hereto. He noted that his office had a meeting with representatives for the Texas Department of Transportation and District personnel regarding the supplemental reimbursement agreement needed to submit a final reimbursement package. It seems that progress has been made, and the engineer is hopeful that the final package will be approved soon.

The contractor for phase 11 of the District's sanitary sewer rehabilitation project is completing a pavement repair, at which point final inspections will be held.

The contractor for the Hastings Green lift station rehabilitation project is addressing punch list items. The project will be closed out upon completion of those items.

With regard to the phase 12 CCTV project of the District's sanitary sewer rehabilitation project, the engineer stated that the District's contract with Specialized Maintenance Services, Inc. has been routed for execution.

As for the water plant no. 2 recoating project, Mr. Streich presented and recommended approval of Pay Application No. 1 in the amount of \$223,155.00 to Sustanite

Support Services, LLC. Accordingly, upon motion made by Director Kelley, seconded by Director Barroso, and unanimously carried, the Board approved the pay application as presented.

Lastly, the engineer reported that the Tower Oaks drainage improvement project is expected to commence this summer, with Harris County's anticipated construction schedule being 540 days.

After further review and discussion, upon motion made by Director Solis, seconded by Director Barroso, and unanimously carried, the Board approved the engineer's report and the action items listed thereon 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. Mr. Homan complimented and thanked Mr. Gray for loading up fence debris that was illegally dumped on the Falls at White Oak Pond A. The Board thanked Mr. Gray as well. Mr. Homan also requested the engineers to request information from Harris County regarding their plans for erosion control on the channel that they are constructing in the District and partially on District-owned property.

8. The Board next considered payment of the general fund bills listed on the report, a copy of which is attached hereto. After review, upon motion made by Director Barroso, seconded by Director Solis and unanimously carried, the Board approved payment of the general fund bills as presented.

9. Mr. Homan, Mr. Breeding, and Ms. Magee then presented the management report. Ms. Magee presented the District's February financials. Mr. Breeding noted that the amounts that Harris County MUD No. 222 will pay month over month will be increasing to approximately \$27,000 pursuant to the new agreement entered into between the parties.

Mr. Breeding provided an update on a variety of matters, including the hiring of a new field technician and some damage sustained to a District water line by a contractor for the North Harris County Regional Water Authority. Mr. Breeding stated that the District will be reimbursed for District time and expense incurred in dealing with the matter.

Mr. Homan stated that District representatives and the attorney continue to work with counsel for Harris County MUD No. 69 regarding negotiation of a new wastewater treatment and emergency water supply agreement. He noted that the emergency water supply agreement has been extended for 45 days.

Mr. Homan also provided an update on his plan to meeting with the Harris Central Appraisal District to discuss the valuation of multi-family apartment complexes whose values were drastically reduced following their achieving tax-exempt status. Mr. Homan is scheduled to meet with representatives for HCAD in the next several weeks.

Mr. Homan also provided a brief legislative update, including a summary of his testimony opposing changes to the current 811 statutes.

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

10. The Board considered items for the next agenda, including approval of its annual audit.

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Secretary

Short Term Action Items

1. Audit Report for F.Y.E. 12/31/24

Long Term Action Items

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