

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors

July 23, 2025

The Board of Directors ("Board") of Harris County Fresh Water Supply District No. 61 ("District") met on Wednesday, July 23, 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. Adam Anderson, engineer for the District; Mr. Scott Gray, representative for Champions Hydro-Lawn; and Ms. Jennifer 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.
2. Ms. Catherman then presented the tax assessor-collector's report, a copy of which is attached hereto. The report showed a 95.58% collection rate for the 2024 tax year, with most other tax years being 99% collected or better. After further review of the report, upon motion made by Director Kelley, 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. The Board considered the minutes for the meeting held on July 9, 2025. Upon motion made by Director Barroso, seconded by Director Cangelose, and unanimously carried, the Board approved the minutes as presented.
4. Mr. Meza presented the operations report, a copy of which is attached hereto. With respect to water production, the District pumped 64,982,000 gallons from its wells, with an average daily flow of 2,166,067 gallons. There was 95% water accountability for the prior month.

At the wastewater treatment plants, the total combined treatment amounted to 88,812,000 gallons with an average daily flow from the plants of 2,960,400 gallons per day. The District received 6.4 inches of rain during the month of May.

With respect to the distribution and collection system, 20 bacteriological samples were taken with no coliforms detected. The District replaced 4 meter registers during the prior month.

With respect to out-of-district water use, Emerald Forest Utility District used 148,000 gallons and MUD No. 248 used 14,441,000 gallons.

As for personnel matters, a safety meeting on lockout/tagout procedures will be held next month.

Mr. Breeding also noted that one of the District's employees recently obtained his Class C operators license.

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

5. Mr. Anderson presented the engineer's report, a copy of which is attached hereto. With regard to the N. Eldridge Parkway expansion project, he noted that the supplemental reimbursement agreement needed to submit the District's final reimbursement package with the Texas Department of Transportation was executed by the department.

As for the water plant no. 2 recoating project, Mr. Anderson presented and recommended approval of Pay Application No. 5 in the amount of \$39,420.00 to Sustanite Support Services, LLC. Accordingly, upon motion made by Director Kelley, seconded by Director Solis, and unanimously carried, the Board approved the pay application as presented.

Lastly, the engineer reported that the pre-bid meeting for the Barwood drainage improvement project was held this week, and the Tower Oaks Meadows project is expected to be awarded in August.

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

6. The Board discussed a Resolution Authorizing Emergency Repairs pursuant to Section 49.274 of the Texas Water Code. As previously discussed, the District experienced the failure of water wells at water plant nos. 1 and 3, requiring the emergency pulling of pumps at both facilities. Mr. Breeding presented the photographs and reports for water plant no. 3, well no. 5, as well as the proposal for the necessary repair work which totaled \$327,599.00. The report and proposal for water plant no. 1, well no. 1 is still pending. Subject to that discussion, upon motion made by Director Kelley, seconded by Director Solis, and unanimously carried, the Board approved the necessary repairs to water plant no. 3, well no. 5. Mr. Breeding also noted that it was necessary to have CenterPoint isolate a certain line for water well at plant no. 1 to be pulled, which cost approximately \$8,400.00. Upon motion made by Director Kelley, seconded by

Director Solis, and unanimously carried, the Board approved the necessary repairs to water well no. 1.

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

7. The Board discussed a request for a utility commitment letter from the developer of the tract located at 13715 Wimbledon Oaks Drive as an automotive parts store. The engineer confirmed that the District has the capacity to serve this development, which is within the boundaries of the District. Subject to that discussion, upon motion made by Director Kelley, seconded by Director Barroso, and unanimously carried, the Board approved issuance of the letter as presented.

8. The Board discussed a request for a utility commitment letter from the developer of the tract located at 13739 Cypress N. Houston as an automotive parts store. The engineer confirmed that the District has the capacity to serve this development, which is within the boundaries of the District. Subject to that discussion, upon motion made by Director Kelley, seconded by Director Solis, and unanimously carried, the Board approved issuance of the letter as presented.

9. 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) \$29,939.50, \$1,346.74, and \$2,657.03 to Lockwood, Andrews and Newnam, Inc., (ii) \$2,200.00 to Smith, Murdaugh, Little and Bonham, LLP, and (iii) \$67,185.00 to Sustanite Support Services, LLC. Subject to that discussion, upon motion made by Director Kelley, seconded by Director Solis, and unanimously carried, the Board approved the fund manager's report and the check(s) listed thereon.

10. Mr. Gray presented a report on behalf of Champions Hydro-Lawn, copy attached. He noted that the District's facilities are in good shape, with a few areas being in need of seeding and grading. Most of the areas in need of seeding were damaged by the North Harris County Regional Water Authority (the "Authority") in connection with the installation of their underground water lines. The District's engineer has contacted the Authority to let them know of the issue, and both Mr. Anderson and Mr. Gray will continue to monitor the situation.

11. 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 Cangelose and unanimously carried, the Board approved payment of the general fund bills as presented.

12. Mr. Homan, Mr. Breeding, and Ms. Magee then presented the management report. Ms. Magee presented the District's June financials.

Mr. Breeding gave a brief update on a variety of pending matters.

Mr. Homan reminded the Board of the town hall with Harris County Commissioner Tom Ramsey.

Mr. Homan stated that sheriff's appreciation day will be held on July 31, 2025 at the District's administration building.

Mr. Homan then provided an update on the status of Harris County's (the "County") drainage improvement and utility relocation projects in Tower Oaks Meadows and Barwood, of which the District contractually agreed a portion. The projects require the relocation of District water and sanitary sewer lines. Mr. Homan stated that the County will be invoicing the District in the coming months, and the recommendation is that the District utilize surplus bond funds, funds from its drainage and easements account, and funds from its SPA account to pay these invoices.

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

13. There was no executive session.

14. The Board considered items for the next agenda, including a resolution authorizing the use of surplus funds.

There being no further business to come before the Board, the meeting was adjourned.


Secretary

Short Term Action Items

1. Resolution Authorizing Use of Surplus Funds

Long Term Action Items

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