

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors
September 10, 2025

The Board of Directors (“Board”) of Harris County Fresh Water Supply District No. 61 (“District”) met on Wednesday, September 10, 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; 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 August 27, 2025. One deletion was suggested, and upon motion made by Director Kelley, 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. Mr. Anderson requested authorization to advertise for the recoating of water plant no. 1. Mr. Homan concurred with the recommendation, noting that the timing is critical in light of surface water considerations. Upon motion made by Director Solis, seconded by Director Cangelose, and unanimously carried, the Board approved the request to advertise the project.

With regard to the Barwood drainage improvement project being undertaken by Harris County (the “County”), Mr. Anderson stated that a pre-construction meeting with the County and its contractor is pending.

As for the utilities relocation project necessitated by the Texas Department of Transportation’s expansion of N. Eldridge Parkway at F.M. 1960, Mr. Anderson stated that the finishing touches are being put on the final reimbursement package.

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

4. The Board then considered a proposal for renewal of the District's health insurance program. Mr. Homan recommended that the District approve the proposal for renewal of its current insurance plan, which will increase the District's costs by approximately 14%. After some discussion, upon motion made by Director Cangelose, seconded by Director Barroso, and unanimously carried, the Board approved the proposal recommended by Mr. Homan.

5. 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.

6. Ms. Magee, Mr. Breeding, and Mr. Homan presented the management report. Ms. Magee stated that she had nothing to report.

Mr. Breeding presented a letter sent to District customers regarding the upcoming conversion to surface water. Mr. Homan stated that a town hall to answer questions regarding the surface water conversion will be held at a nearby church on September 18, 2025.

Mr. Homan then stated that the Board will be presented for signature the checks for the District's portion of the Barwood and Tower Oaks Meadows drainage improvement projects at the next meeting.

The Board discussed the Cruz Tec matter, which involves a District contractor who failed to pay some of their subcontractors on the District's phase 11 sanitary sewer rehabilitation project. Mr. Homan and Ms. Seipel stated that Cruz Tec responded to the District's letter inquiring about how they intend to resolve all claims that have been lodged against it. Ms. Seipel stated that the hope is that the District will issue the final payment owed under the contract into an escrow account or to a neutral third party who can distribute the money to the parties as they all see fit.

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

7. The Board discussed the most recent meeting of the North Harris County Regional Water Authority (the "Authority"), which several directors and Mr. Homan attended. The Board discussed the events of the meeting, including the absence of Director Rowell.

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, including discussion of the District's 2025 tax rate.

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

Secretary

Short Term Action Items

1. 2025 Tax Rate Discussion

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