

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors

October 22, 2025

The Board of Directors ("Board") of Harris County Fresh Water Supply District No. 61 ("District") met on Wednesday, October 22, 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; Mr. Adam Anderson, engineer for the District; Ms. Kayla Ray, bookkeeper for the District; Mr. Scott Gray, representative for Champions Hydro-Lawn; and Ms. Jennifer 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 was no public comment.

2. Ms. Catherman then presented the tax assessor-collector's report, a copy of which is attached hereto. The report showed a 97.71% 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 Barroso, seconded by Director Solis, 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. Following the public hearing, the Board considered the Order Setting Tax Rate, Approving Tax Roll, and Levying Debt Service Tax for 2025. The Board asked one member of the public whether he had any comment on the proposed tax rate, and none was provided. Ms. Magee and Ms. Catherman confirmed that they had published the required notice which reflects that the District would consider a tax rate of \$0.26 per \$100 valuation.

4. Following that discussion, upon motion made by Director Kelley, seconded by Director Solis, the Board voted unanimously to approve the Order setting the District's 2025 tax rate at \$0.26 per \$100 valuation.

5. Ms. Seipel then presented an Amendment to Statement of Directors which reflects the newly-adopted tax rate, a copy of which will be recorded in the Real Property Records of Harris County, Texas. Upon motion made by Director Cangelose, seconded by Director

Barroso, and unanimously approved, the Board approved the Amendment to Statement of Directors as presented.

6. The Board considered the minutes for the meeting held on October 8, 2025. Upon motion made by Director Barroso, seconded by Director Cangelose, and unanimously carried, the Board approved the minutes as presented.

7. Mr. Meza presented the operations report, a copy of which is attached hereto. With respect to water production, the District pumped 72,494,000 gallons from its wells, with an average daily flow of 2,416,467 gallons. There was 99% water accountability for the prior month.

At the wastewater treatment plants, the total combined treatment amounted to 67,043,000 gallons with an average daily flow from the plants of 2,234,767 gallons per day. The District received 1.1 inches of rain during the month of September.

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

With respect to out-of-district water use, Emerald Forest Utility District used 225,000 gallons, MUD No. 248 used 15,425,000 gallons, and MUD No.69 used 10,128,000.

As for personnel matters, a safety meeting on proper lifting and preventing back injuries will be held next month.

Mr. Breeding then noted that the Barwood wastewater treatment experienced e-coli exceedances due to intermittent issues with the UV modules at the facilities. The exceedances were reported to the Texas Commission on Environmental Quality as required.

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

8. Mr. Anderson presented the engineer's report, a copy of which is attached hereto. With regard to the N. Eldridge Parkway road expansion project, he noted that the final reimbursement package has been submitted to the Texas Department of Transportation.

With regard to the recoating of water plant no. 1, Mr. Anderson presented the bids received and recommended that the Board award the contract to the low bidder, BRZ Coatings, Inc., in the amount of \$974,000 and 150 contract days. Upon motion made by Director Solis, seconded by Director Kelley, and unanimously approved, the Board agreed to award the contract as recommended.

As for phase 12 of the District's sanitary sewer rehabilitation project, Mr. Anderson stated that video from the televising work is being reviewed.

The engineer reported on the Barwood and Tower Oaks Meadows drainage improvement projects. He stated work on the Tower Oaks Meadows project has commenced, and the Barwood project will begin soon. The Board discussed the timeline for the projects.

After further review and discussion, upon motion made by Director Barroso, seconded by Director Solis, and unanimously carried, the Board approved the engineer's report and the action items listed thereon 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) \$29,792.89, \$2,302.00, and \$6,972.10 to Lockwood, Andrews & Newnam, and (ii) \$281,028.00 to Weisinger, Inc. Subject to that discussion, upon motion made by Director Cangelose, seconded by Director Barroso, 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, although the channels are in desperate need of rain.

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 September financials. The Board also reviewed the budget for the fiscal year ending on December 31, 2025, noting that it will begin the process of setting its budget for the next fiscal year in November.

Mr. Breeding noted that work continues to complete the conversion to surface water received from the North Harris County Regional Water Authority (the "Authority").

Mr. Breeding and Mr. Homan also noted work on the generator transfer switch at the Hastings Green water plant. Specifically, the medium voltage circuit breaker bucket repairs. The repair should be complete soon.

Mr. Homan then discussed the meeting schedule and agenda for the remainder of the year. The remaining items to be covered this year include the operating budget and employee reviews.

Mr. Homan reported on the latest meeting of the Authority, at which they discussed Jun Chang's upcoming meeting with the Harris-Galveston Subsidence District.

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