

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors

December 10, 2025

The Board of Directors ("Board") of Harris County Fresh Water Supply District No. 61 ("District") met on Wednesday, December 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; 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. Under customer inquiries and input, Mr. Homan noted a water main break on Foxburo Drive caused by a contractor that caused a brief cessation in service today. Mr. Breeding also noted an email from a customer thanking the District for the WaterSmart software that allowed her to determine a leak at her house while she was out of town. Director Kelley also noted a customer complaint regarding the font size on the District's website.

2. The Board considered the minutes for the meeting held on December 3, 2025. After a lengthy discussion regarding the wording of minutes related to the executive session held and the action stemming therefrom, upon motion made by Director Barroso, seconded by Director Cangelose, and unanimously carried, the Board approved the minutes as presented.

3. 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.

4. Ms. Magee, Mr. Breeding, and Mr. Homan presented the management report.

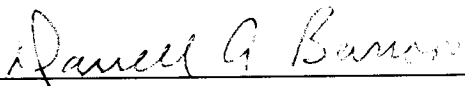
Mr. Homan and Mr. Breeding then presented information regarding recommended changes to the District's water rates. Mr. Homan stated that the District has not increased its water and sewer rates in several decades, using sales tax revenue generated under its strategic partnership agreement with the City of Houston to subsidize District expenses. Mr. Homan discussed the

timing of imposition of the new rates. The Board noted that notice of consideration of the rate increase will be done in accordance with all legal requirements and in the spirit of full transparency. Mr. Homan presented a detailed analysis of the proposed new rates, which includes minimal or no increase in charges for low water users and a more robust increase in charges for high usage. Mr. Homan stated that the rates paid are on an escalating scale, with high water users paying higher rates. Mr. Homan also presented recommended changes in sewer rates, with the methodology being largely the same as that of the proposed water rates. The Board discussed the overall increase in revenue that would be generated by these water and sewer rate increases, with the analysis including a breakout of the various increases in revenue for the different classes of District customers. The Board expressed their general agreement with the rates as proposed and agreed to formally consider such rates in 2026.

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

5. 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