

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors

March 11, 2026

The Board of Directors (“Board”) of Harris County Fresh Water Supply District No. 61 (“District”) met on Wednesday, March 11, 2026 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; Ms. Kim Courte, the District’s insurance agent; 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. Ms. Courte approached the Board regarding the renewal of the District’s property insurance. She reviewed the District’s current policy coverages, noting an 8% increase in the District’s premium resulting from rising replacement value costs as well as increases in the value of the District’s facilities. After further discussion, upon motion made by Director Solis, seconded by Director Barroso, and unanimously carried, the Board approved renewal of the District’s insurance proposal in the amount of \$220,910.00 as presented.

2. There were no customer inquiries or input.

3. The Board considered the minutes for the meeting held on February 25, 2026. Upon motion made by Director Barroso, seconded by Director Cangelose, and unanimously carried, the Board approved the minutes as presented.

4. Mr. Anderson presented the engineer’s report, a copy of which is attached hereto. As for the recoating of water plant no. 1, the engineer presented and recommended approval of Pay Application No. 2 in the amount of \$399,285.00 to BRZ Coatings, Inc. Upon motion made by Director Kelley, seconded by Director Solis, and unanimously carried, the Board approved the pay application as presented. The engineer also presented and recommended approval of Change Order No. 1 in the amount of \$1,100.00 on this same project for the installation of a stainless-steel safety climb for the ground storage tank interior. Upon motion made by

Director Kelley, seconded by Director Solis, and unanimously carried, the Board approved the change order as presented.

The engineer and Mr. Homan provided updates on the status of construction with regard to the Barwood and Tower Oaks Meadows drainage improvement projects.

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

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 provided no additional information.

Mr. Breeding noted that District personnel as well as the District's attorney recently had the annual true-up meeting with counsel for Harris County MUD No. 69. The meeting went well, and it appears that the methodology and resulting dollar figure owed to the District by Harris County MUD No. 69 is agreed upon. Mr. Breeding and Mr. Homan are planning to have the annual true-up discussion with Harris County MUD No. 222 next week.

Mr. Breeding discussed the replacement of the bar screens at both the Barwood and Hastings Green wastewater treatment plants. The bar screen at Hastings Green was approved for replacement earlier this year. The bar screen at Barwood needed extensive repairs, but given the competitive pricing received on the unit, Mr. Homan and Mr. Breeding recommended replacing the screen at the Barwood plant. Such unit was scheduled to be replaced in 2027. Upon motion made by Director Barroso, seconded by Director Solis, and unanimously carried, the Board approved the purchase of both bar screens as recommended.

Mr. Breeding stated that the conversion to surface water remains pending.

Mr. Homan discussed communications to the District's constituents regarding the recent rate increase.

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

7. The Board tabled the annual report from Arbitrage Compliance Services pending completion by the tax analysts.


8. The Board then considered an Interlocal Agreement for Law Enforcement Services with the Harris County Sheriff's Department and the District. Under such agreement, the County will provide a deputy who devotes seventy percent (70%) of his working time to patrolling the boundaries of the District. Following some discussion, upon motion made by Director Kelley seconded by Director Solis, and unanimously carried, the Board approved the agreement as presented.

9. 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. The attorney presented a draft letter commenting on and expressing disdain for the Authority's recent proposal to increase the groundwater rate by \$0.90 for surface water recipients that utilize their wells even for legitimate purposes. The Board authorized the attorney to submit such comment to the Authority's board of directors, as well as its general manager.

10. Mr. Homan provided no updates as to the Water Users Coalition.

11. Lastly, the Board considered items for the next agenda, including Arbitrage Compliance Services' report.

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


Secretary

Short Term Action Items

1. Arbitrage Compliance Services Report

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