

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors

March 25, 2026

The Board of Directors ("Board") of Harris County Fresh Water Supply District No. 61 ("District") met on Wednesday, March 25, 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; Ms. Pam Magee, office manager for the District; Mr. Samuel Meza, operations manager for the District; Ms. Norma Catherman, the District's tax assessor-collector; Mr. Adam Anderson and Mr. Eddie Streich, engineers for the District; Ms. Kayla Ray, bookkeeper for the District; Mr. Scott Gray with Champions Hydrolawn; 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 was no public comment. Under customer inquiries, one customer call regarding the water affecting the taste of his tea was noted.

2. Ms. Catherman then presented the tax assessor-collector's report, a copy of which is attached hereto. The report showed a 91.63% collection rate for the 2025 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. The Board considered the minutes for the meeting held on March 11, 2026. Upon motion made by Director Solis, seconded by Director Barroso, 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 54,511,000 gallons from its wells, with an average daily flow of 1,946,821 gallons. There was 99% water accountability for the prior month.

At the wastewater treatment plants, the total combined treatment amounted to 70,455,000 gallons with an average daily flow from the plants being 2,516,250 gallons per day. The District received 1.7 inches of rain during the month of February.

With respect to the distribution and collection system, 20 bacteriological samples were taken with no coliforms detected.

With respect to out-of-district water use, Emerald Forest Utility District used 221,000 and MUD No. 248 used 12,636,000 gallons. Harris County MUD No. 69 used 9,000 gallons through its emergency interconnect with the District.

As for personnel matters, a safety meeting on CPR/AED/first aid will be held next month.

Mr. Homan also discussed the District's conversion to surface water, stating that customers have begun to receive surface water through the District's distribution lines. Mr. Meza noted that the operations report is being revised to reflect water received from the North Harris County Regional Water Authority, in addition to amounts pumped.

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

5. Mr. Streich presented the engineer's report, a copy of which is attached hereto. The final inspection with the Texas Commission on Environmental Quality with regard to phase 12 of the District's ongoing wastewater rehabilitation project was held yesterday.

As for the recoating of water plant no. 1, Mr. Streich stated that work is nearing completion, and the contractor is performing well.

The engineer and Mr. Homan provided updates on the Barwood and Tower Oaks Meadows drainage improvement 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.

6. 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) \$18,174.90 and \$37,875.62 to Lockwood, Andrews & Newnam, (ii) \$539,405.38 to the United States Department of Treasury, (iii) \$399,285.00 to BRZ Coatings, Inc., and (iv) \$14,750.00 to Arbitrage Compliance Services. The Board discussed the check to the Department of Treasury, with the attorney noting that such payment is an arbitrage yield restriction payment being made with regard to the District's Series 2020 bond sale. She noted that such payment will be accompanied by the requisite forms from the Internal Revenue Service. Mr. Homan thanked the attorney, the bookkeeper, and the engineers for their assistance in compiling the documentation needed for the tax consultant to complete their analysis and reports. Subject to that discussion, upon motion made by Director Barroso, seconded by Director Solis, and unanimously carried, the Board approved the fund manager's report and the check(s) listed thereon, except as set forth above.

7. Mr. Gray presented a report from Champions Hydro-Lawn, copy attached. He noted that the District's facilities are in good shape.

8. 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.

9. Mr. Homan and Ms. Magee then presented the management report. Ms. Magee presented the District's February financials.

Mr. Homan noted that the true-up meeting with Harris County MUD No. 222 was held recently and went well.

Mr. Homan reported that the District's annual shrimp boil is scheduled for April 16, 2026, and the annual family day is scheduled for May 2, 2026. Mr. Homan proposed holding the annual family day at the Washington-on-the-Brazos Museum and facilities, and the Board agreed.

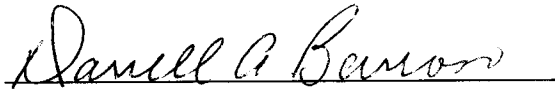
Lastly, Mr. Homan presented a letter to be sent to all District customers outlining accomplishments of the District and noting a water rate adjustment. After a robust discussion of the contents of the letter, upon motion made by Director Barroso, seconded by Director Kelley, and approved, with Director Solis abstaining, the Board approved the letter as presented subject to the inclusion of additional language directing customers with questions about their rate to contact the District office.

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

10. The Board then considered the annual arbitrage reports, with the attorney stating that no action is required to be taken on any reports other than the Series 2020 report previously discussed. Ms. Seipel also recommended that the Board authorize the performance of annual analysis and rebate calculations on all outstanding bond series. The Board agreed.

11. The Board then considered items for the next agenda, including approval of its audit for the fiscal year ending on December 31, 2025 and the first amendment to the District's emergency water supply agreement with Harris County MUD No. 69.

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


Secretary

Short Term Action Items

1. Audit for FYE 12/21/25
2. Amendment to Water Supply Agreement

Long Term Action Items

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