

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 61

Minutes of Meeting of Board of Directors

August 26, 2026

The Board of Directors ("Board") of Harris County Fresh Water Supply District No. 61 ("District") met on Wednesday, August 26, 2026 in accordance with the duly posted notice of the meeting, with a quorum of Directors present, as follows:

Ben Solis, President
Darrell A. Barroso, Vice President
Jon Morgan, Secretary
Lary Cangelose, Assistant Secretary
John Turner, 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. Jessica Espinoza, assistant tax assessor-collector; Mr. Eddie Streich, engineer for the District; Ms. Norma Catherman, tax assessor-collector for the District; Ms. Kayla Ray, bookkeeper for the District; Mr. Scott Gray with Ethoscapes; and Ms. Jennifer Seipel, attorney for the District. Also present were Ms. Melissa Rowell, Mr. Steve Ranier, and Ms. Lana Cangelose.

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. Ms. Catherman then presented the tax assessor-collector's report, a copy of which is attached hereto. The report showed a 94.46% 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 Morgan, 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 August 12, 2026. Upon motion made by Director Turner, 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 produced 74,440,000 gallons from its wells, with an average daily flow of 2,401,290 gallons. There was 78% water accountability for the prior month. Mr. Meza stated that the water accountability figure is related to the billing cycle for the month.

At the wastewater treatment plants, the total combined treatment amounted to 75,677,000 gallons with an average daily flow from the plants being 2,441,194 gallons per day. The District received 9.4 inches of rain during the month of July.

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 219,000 and MUD No. 248 used 15,265,000 gallons. Harris County MUD No. 69 used 139,000 gallons and Timberlake Utility District used 320,000 gallons through their respective emergency interconnects.

As for personnel matters, a safety meeting on problematic customers and review of office security protocols will be held next month.

After review, upon motion made by Director Morgan, seconded by Director Barroso, 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. Mr. Streich noted that construction of the drainage improvements in Barwood and Tower Oaks Meadows continues. Mr. Homan noted several recent car accidents in the area near the construction.

Mr. Streich then noted that bids for the water plant no. 4 recoating project will be presented at the last meeting in September.

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

6. 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 insurance increase was 16 % reduced to 11% after a reduction in the current employment roster. After some discussion, upon motion made by Director Barroso, seconded by Director Cangelose, and unanimously carried, the Board approved the proposal recommended by Mr. Homan.

7. Ms. Ray presented the fund manager's report, a copy of which is attached hereto. The bookkeeper's report reflected checks in the amounts of \$21,894.83 and \$16,250.35 to Lockwood, Andrews & Newnam. Subject to that discussion, upon motion made by Director Barroso, seconded by Director Cangelose, and unanimously carried, the Board approved the fund manager's report and the check(s) listed thereon, except as set forth above.

8. Mr. Gray presented a report from Ethoscapes, copy attached. He noted that the District's facilities are in good shape, although the heat and dry conditions have made the grass temporarily brown. The Board also reviewed the history related to the Ravensway pond repairs.

9. 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 Morgan, seconded by Director Barroso and unanimously carried, the Board approved payment of the general fund bills as presented.

10. Mr. Homan, Mr. Breeding, and Ms. Magee then presented the management report. Ms. Magee presented the District's July financials. She noted that the reimbursement check recently received from the Texas Department of Transportation with regard to the N. Eldridge Parkway project was deposited into the District's SPA account.

Ms. Breeding stated that the District continues to seek two new field employees.

Mr. Breeding noted an effort by the District's personnel to have customers sign up for paperless billing. Ms. Magee stated that 59% of the District's customers receive electronic bills. The Board agreed with the idea of moving all customers to paperless billing unless customers opt-out of paperless billing and request a paper bill.

Mr. Breeding reported that the bar screen at the Hastings Green wastewater treatment plant is slated for receipt in a few weeks, which is several months ahead of schedule.

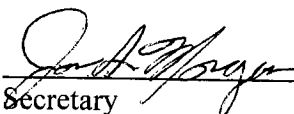
Mr. Homan confirmed that water plant no. 4 will be partially taken offline to allow for the recoating project scheduled for later this year.

Lastly, the Board discussed the letter previously approved by the Board to be sent to the Texas Attorney General's Office regarding recent policies and decisions of the North Harris County Regional Water Authority. Director Solis stated that he thinks the District should refrain from sending the letter at this time. Director Barroso disagreed, stating that he thinks we should send the letter from the Board, as a whole, now. The Board had a spirited discussion about whether to send the letter. Mr. Homan reviewed the contents of the letter in detail and explained some of the rationale behind the points made in the letter. Following this discussion, upon motion made by Director Barroso, seconded by Director Morgan, and carried, with Director Solis voting nay and Director Turner abstaining, the Board approved sending the letter as drafted to the various politicians and agencies discussed.

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

11. The Board then 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