

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 61
Minutes of Meeting of Board of Directors
July 27, 2021

The Board of Directors of Harris County Municipal Utility District No. 61 met at 1825 N. Mason Road, Katy, Harris County, Texas 77449 and via teleconference, on July 27, 2021, in accordance with the duly posted notice of meeting, and the roll was called of the duly constituted officers and members of said Board of Directors, as follows:

Wheeler BeMent, President
Billy Lowery, Vice-President
W.R. Lusby, Secretary
Floyd J. Ball, Assistant Secretary
William Evans, Director

Directors Lowery, Lusby, Ball and Evans participated in person at the Office of the District, and Director BeMent participated via teleconference.

The following people participated in person at the meeting: Lonnie Wright and Claudia Garza of Municipal Operations & Consulting, Inc. ("MO&C"); Andrew Johnson of A&S Engineers, Inc. ("A&S"); Richard Martin of First Environment Erosion Controls ("FEEC"); Caryn Adams of Wheeler & Associates, Inc. ("W&A"); Kelly Gard of KGA DeForest Design, LLC ("KGA"); Rick Lawler, resident; Greg Nady, member of the public; and David Marks and Blake Ellis of Marks Richardson PC ("MRPC"). The following people participated in the meeting via teleconference: Jim Ainsworth and Anna Hunter of A&S Engineers, Inc. ("A&S") and Tina Kelsey of Myrtle Cruz, Inc. ("MC").

The President called the meeting to order.

As the first order of business, the Board considered comments from members of the public. Mr. Nady introduced himself to the Board and advised that he is working on a Barker Cypress trail connection grant project. He stated that the proposed trail will not be within the District's boundaries but will be accessible and beneficial for residents of the District. Mr. Nady reported that Harris County is interested in proceeding with the trail connection. He asked the Board whether it would be interested in participating in the project. The Board concurred to add an item to the agenda to review and approve a letter of support for the Barker Cypress trail connection grant project.

The Board next considered approval of the minutes of the Board of Directors meeting held on June 22, 2021. After discussion, Director Lowery made a motion to approve the minutes of the meeting held on June 22, 2021, as presented. Director Lusby seconded the motion, which unanimously carried.

The Board next considered a report relative to security patrol services provided by the Harris County Sheriff's Office ("HCSO"). Director Ball reported that the Board did not receive the security patrol report in advance of the meeting. Director Lowery then reviewed the attached patrol report for June from the HCSO and discussed recent activity in the District. He stated that the HCSO is encountering serious personnel issues and are very shorthanded. Director Lowery

suggested that the District notify HCSO that it will not be making the contract payment for September and request a refund for the night shift deputy contract which has not been staffed. He also recommended that the bookkeeper hold the checks for payment to the HCSO until the staffing issues are resolved. Director Lowery then reviewed the POV Contract Patrol Report for June and discussed the night shift activities in the District. After discussion, Director Ball made a motion to hold check no. 8106 issued for payment to HCSO for the September payment until staffing issues are resolved and Director Lowery authorizes its release, and to authorize MRPC to review the HCSO contract and if allowing under the contract, to send correspondence to HCSO requesting a refund for the hours not worked, at 100% coverage, for July and August evening shift, and advising that future payments will be withheld to recover July and one (1) week of June, pending contract review. Director Lowery seconded the motion, which unanimously carried.

The Board next considered a report on mowing activity within the District. Mr. Martin reviewed the attached report with the Board and reported on the status of mowing within the District.

The Board next considered the status of surface water issues and the West Harris County Regional Water Authority (“WHCRWA”). Director Evans reported that steel prices are affecting construction progress. He also noted that the WHCRWA recently changed bookkeepers.

The Board next considered the financial and investment reports and invoices presented for payment. Ms. Kelsey reviewed the attached bookkeeping reports, investment inventory reports and bills for payment with the Board. After review and discussion, Director Lowery made a motion to approve the reports and authorize the disbursements identified therein, including holding check no. 1298 and check no. 8106. Director Evans seconded the motion, which unanimously carried.

Ms. Kelsey next discussed the need for MC to move the District’s accounts from BBVA since they merged with PNC and no longer want to monitor the accounts requiring pledged collateral. She stated that MC recommends moving the District’s accounts to Central Bank. After discussion, Director Lowery made a motion to approve Central Bank as a new depository bank and to authorize preparation of all documents necessary to complete the transfer. Director Evans seconded the motion, which unanimously carried.

The Board next considered the status of collection of taxes. Ms. Adams reviewed the attached tax assessor’s report and the delinquent tax roll for the month of June. She noted that 99.46% of the District’s 2020 taxes had been collected through June 30, 2021. After review and discussion of the reports, Director Evans made a motion to approve the reports and authorize the disbursements identified therein. Director Lowery seconded the motion, which unanimously carried.

There was next a discussion regarding the status of the District’s delinquent tax accounts. The Board reviewed the attached Delinquent Collections Listing as of June 30, 2021. The Board next reviewed the attached written report dated July 27, 2021, which had been prepared by the District’s delinquent tax attorney, Perdue, Brandon, Fielder, Collins & Mott, L.L.P. No action was necessary with respect to the delinquent tax report.

Ms. Adams discussed new posting requirements and requested that an item be added to the agenda for next month's meeting to consider approval of an amendment to the contract with Wheeler.

The Board next considered authorizing the design, advertisement for bids and/or award of construction contracts, status of construction contracts previously awarded and acceptance of sites and easements. Mr. Ainsworth reviewed the attached report.

The Board next considered approval of plans for the modifications of the Franz Road Sheet Flow Road Adjustments. Mr. Ainsworth stated that A&S is awaiting additional topographic survey information which was requested in the conversations with Harris County Precinct Three.

The Board next considered the status of the construction contract with Aranda Industries, LLC ("Aranda") for Waterline Replacement, Phase II. Mr. Ainsworth stated that construction activities are ongoing. He then presented Pay Application No. 5, in the amount of \$109,807.78, and recommended that the Board approve payment of same. After discussion, Director Ball made a motion to approve Pay Application No. 5, subject to holding payment until a construction schedule is received. Director Lowery seconded the motion, which unanimously carried.

The Board next considered the status of the construction contract with Environmental Allies ("EA") for the weir elevation modification. Mr. Ainsworth stated that the contractor has received control staking survey and construction activities continue. He stated that A&S prepared Change Order No. 2 that includes irrigation sleeves to support the proposed walking trail/park project. Mr. Ainsworth then presented Pay Application No. 1, in the amount of \$35,244.00, and Change Order No. 2, in the amount of \$1,071.25, and recommended that the Board approve payment of same. Mr. Ainsworth presented an executed TEC Form 1295 from EA relative to the change order. After discussion, Director Ball made a motion to approve Pay Application No. 1, and Change Order No. 2, with the finding that such change order is necessary and beneficial for the District. Director Evans seconded the motion, which unanimously carried.

The Board next considered the acceptance of site and/or easement conveyances for facilities constructed or to be constructed for the District. Mr. Ainsworth stated that he had nothing new to report.

The Board next considered the status of storm water quality permits. Mr. Ainsworth stated that the storm water quality permits for Mason/Franz Storm Trooper and Mason Seniors Detention Pond are up to date. Mr. Ainsworth also stated that the storm water quality permits for Mason Ranch Detention Pond and Westside Office Park Detention Pond are up to date.

Mr. Ainsworth reported on the status of the Mason & Franz development. He stated that the four-inch (4") force main to the existing lift station remains an outstanding punch list item. Mr. Ainsworth reported that A&S is handling execution of three (3) easements relative to the David Holle tract of land.

Mr. Ainsworth reported on the status of Harris County Precinct 3 sidewalk project. He stated that Harris County has started construction and provided contractor contact information for coordination of relocating utilities.

The Board next considered the status of the proposed annexation of HEB, LP (7.972 acres). Mr. Marks reported that MRPC will be submitting the annexation documents to the City of Houston following today's meeting. He next reported that A&S continues work on the elevated storage tank variance request to the Texas Commission on Environmental Quality ("TCEQ") and anticipates submitting same by the end of the month.

The Board next discussed the purchase of a water line from Harris County Municipal Utility District No. 71 ("HCMUD 71"). After discussion, Director Lowery made a motion to authorize MRPC and A&S to approach HCMUD 71 regarding the matter. Director Evans seconded the motion, which unanimously carried.

The Board next considered the issuance of utility commitments. Mr. Ainsworth reported that A&S received an application for service for a commercial development located at 21826 Franz Road that will include a C-Store with fuel station and a future 1,500 square foot retail space. He stated that A&S analyzed installation of a gravity line to serve the C-Store. Mr. Ainsworth stated that the existing Mason Ranch Lift Station has a depth of fifteen (15') feet below natural ground. He stated that for the proposed gravity line along Mason Road to adequately serve the C-Store tract and future development, a deeper lift station will need to be constructed with additional capacity. Mr. Ainsworth stated the owner of the tract can install an on-site grinder pump and connect to the existing three-inch (3") force main on a temporary interim basis until future development is underway and a new lift station can be constructed. After discussion, Director Ball made a motion to authorize A&S to provide a will-serve letter for three (3) equivalent single-family connections for the C-Store with gas and diesel tanks and future development and provided that the developer installs sidewalks on site. Director Evans seconded the motion, which unanimously carried.

Mr. Ainsworth reported on the Golbow tract. He stated that A&S has had conversations with the broker representing the approximate 18-acre Golbow tract who has preliminary plans for a multi-family development. The Board concurred that it would not authorize any multi-family development.

The Board next considered a report on the District's water, sanitary sewer and storm sewer systems for the month of June. Mr. Wright reported that 92% of the water pumped during the month of June had been accounted for, and that the District's facilities had been operated in compliance with their respective permits.

Mr. Wright reported that MOC will begin the fire hydrant repair work on Monday.

Mr. Wright reported that MOC purchased a small gas generator for the lift station.

The Board next considered the report on the regional sewage treatment plant, including compliance with the wastewater discharge permit. Mr. Wright stated that the facilities were operated in compliance with the permit and operated at 52% of capacity for the month of June.

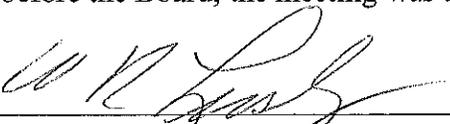
The Board next considered a discussion regarding the District's parks. Mr. Gard presented the attached landscape architect report and reviewed the existing amenities at Dunmore Park and possible site furnishings such as, alternate lighting, light bollards, bike racks and signage.

Mr. Marks next discussed certain statutory requirements which set limitations on the amount by which certain municipal utility districts can increase property taxes without triggering mandatory elections to approve such increases. In connection therewith, Mr. Marks presented the attached Resolution designating the District as a Developing District pursuant to Section 49.23602 of the Texas Water Code and noted that the District's engineer had certified such designation. After discussion, Director Lusby made a motion to approve the Resolution and authorize the President and Secretary to execute same on behalf of the Board and the District. Director Lowery seconded the motion, which unanimously carried

The Board next considered an update of the 87th Texas Legislature. Mr. Marks presented the attached Memorandum from MRPC and reviewed same with the Board.

The Board next considered matters for possible placement on future agendas. Mr. Lawler reported that Skybox will be building an additional building. The Board concurred that an item be added to the agenda to discuss same at next month's meeting.

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



Secretary, Board of Directors

ATTACHMENTS TO MINUTES OF BOARD OF DIRECTORS
July 27, 2021

1. Patrol Report from HCSO/Off-Duty Report
2. FEEC Report
3. Bookkeeper's Report
4. Tax Assessor Collector's Report
5. Delinquent Tax Report
6. Engineer's Report with related correspondence
7. Operations Report and related correspondence
8. Landscape Architect Report
9. Resolution Declaring Development Status of District
10. Legislation Memorandum from MRPC