

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 81
OF HARRIS COUNTY, TEXAS

January 23, 2025

The Board of Directors ("Board") of Harris County Municipal Utility District No. 81 of Harris County, Texas (the "District"), met in regular session, open to the public, at 805 Hidden Canyon Drive, Katy, Texas 77450, inside the boundaries of the District, on the 23rd day of January 2025, and the roll was called of the members of the Board:

Patrick Cathcart	President
Bruce Cox	Vice President
Michael Olsen	Secretary
George Goff	Treasurer
Donna Brown	Assistant Secretary

and all of said persons were present, thus constituting a quorum.

Also attending the meeting were: Ryan Fortner of Revenue Management Services ("RMS"); Renee Butler of McLennan & Associates, LP; Katherine Hallaway of BGE, Inc. ("BGE"); Isabel Mata of Wheeler & Associates, Inc. ("Wheeler"); Charlie Chapline of Municipal District Services, LLC ("MDS"); Stacy Lightsey, District employee; and Teshia Judkins and Kim Cannon of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

There were no public comments.

MINUTES

The Board considered approving the minutes of the December 12, 2024, regular meeting. After discussion, Director Brown moved to approve the minutes of the December 12, 2024, regular meeting. Director Cox seconded the motion, which passed by unanimous vote with Director Olsen being absent for the vote.

TAX ASSESSOR/COLLECTOR REPORT

Ms. Mata reviewed the tax assessor/collector's report for the month of December 2024. A copy of the tax assessor report is attached. Ms. Mata stated the report reflects that the District's 2024 taxes were 61.19% collected as of the end of December.

Ms. Mata next reviewed a report from the District's delinquent tax attorney, Perdue, Brandon, Fielder, Collins & Mott, LLP ("Perdue"), a copy of which is attached to the tax report.

After discussion, Director Cox moved to approve the tax assessor/collector's report and pay the bills from the tax account, including the additional check, as presented. Director Brown seconded the motion, which passed by a unanimous vote with Director Olsen being absent for the vote.

REPORT FROM REVENUE MANAGEMENT SERVICES ON BUSINESSES PAYING SALES TAX

Mr. Fortner distributed and reviewed the business sales tax report prepared by RMS, a copy of which is attached. Mr. Fortner also discussed the City of Houston's procedures for reviewing a list of businesses in the District that is provided by the City. He stated that RMS has reviewed the City's list and made corrections as necessary, and he requested authorization to submit the revised list to the City of Houston. After discussion, Director Cox moved to authorize RMS to submit the revised list of businesses to the City of Houston as requested by the City. Director Brown second the motion, which carried by unanimous vote with Director Olsen being absent for the vote.

BOOKKEEPER'S REPORT

The Board reviewed the bookkeeper's report, a copy of which is attached. Ms. Butler reviewed each District account and the bills to be paid, as well as a budget to actual comparison.

After review and discussion, Director Brown moved to approve the bookkeeper's report, and the check presented for payment. Director Cox seconded the motion, which passed by unanimous vote with Director Olsen being absent for the vote.

ACCEPT ANNUAL DISCLOSURE STATEMENTS FOR INVESTMENT OFFICER AND BOOKKEEPER

Ms. Judkins discussed with the Board the annual disclosure statements for the Investment Officer/bookkeeper. Ms. Cannon noted that the disclosure statements have not yet been received, and the Board deferred consideration pending receipt of the disclosure statements.

ADOPT RESOLUTION EXPRESSING INTENT TO REIMBURSE

There was no discussion on this matter.

Director Olsen entered the Board meeting.

OPERATOR'S REPORT

Mr. Chapline distributed and reviewed the operator's report, a copy of which is attached. He stated the water accountability for the month is 85.5%. Mr. Chapline discussed the lower than usual accountability and noted that MDS would investigate

several interconnects to ensure they are all closed. Discussion ensued regarding potentially unnecessary interconnects to the District's water system and the Board requested MDS evaluate whether any interconnects could be permanently closed and the estimated costs for doing so.

Mr. Chapline requested authorization to forward three delinquent accounts to collections, totaling \$610.34.

Mr. Chapline reported that the District did not experience any issues during the severe winter weather storm earlier in the week. The Board thanked MDS and Mr. Chapline for their efforts preparing for and during the storm.

LIFT STATION GENERATOR PROPOSALS

There was no discussion on this matter.

SANITARY SEWER LINE(S) NEAR KENLAKE DRIVE AND DRAFT AGREEMENT WITH CORNERSTONES MUNICIPAL UTILITY DISTRICT ("CORNERSTONES") REGARDING SAME

Ms. Judkins updated the Board on the preparation of the draft agreement between the District and Cornerstones regarding the sanitary sewer line on Kenlake Drive, noting a draft of the agreement has been provided to the District's operator and engineer and comments are being addressed.

After discussion, and as recommended by the operator, Director Brown moved to: (1) approve the operator's report; and (2) authorize MDS to forward the three delinquent accounts totaling \$610.34 to collections. Director Cox seconded the motion, which passed by unanimous vote.

TERMINATION OF SERVICE

The Board conducted a hearing regarding the termination of water and sewer services. Mr. Chapline presented to the Board a list of delinquent customers. He informed the Board that all of the residents on the termination list were delinquent in payment of utility bills and were given written notification prior to the meeting of the opportunity to appear before the Board of Directors to explain, contest, or correct their utility service bills and show reason why utility services should not be terminated for reasons of nonpayment.

Following review and discussion, Director Olsen moved to authorize that because none of the residents on the list were present at the meeting nor had presented any written statement on the matter, the utility service for the customers on the list should be terminated, if their utility bills are not paid in accordance with the District's Rate Order, and direct that the delinquent customer list be filed appropriately and

retained in the District's official records. Director Cox seconded the motion, which passed by unanimous vote.

ENGINEER'S REPORT

Ms. Hallaway presented the engineer's report, a copy of which is attached.

CAPITAL IMPROVEMENT PLAN ("CIP")

Ms. Hallaway discussed the CIP projects for 2025 and presented a revised draft, showing for each of the projects the estimated total cost and the estimated cost to be paid during the current year.

PARK YORK FORCE MAIN REPLACEMENT, INCLUDING ON EASEMENT ACQUISITION

Ms. Hallaway stated that the design plans for the Park York Force Main Replacement project have been submitted to Harry County for review.

WATER PLANT NO. 3 ELEVATED STORAGE TANK REHABILITATION

Ms. Hallaway discussed the Water Plant No. 3 elevated storage tank rehabilitation project and stated BGE has completed the survey for the project and plan production is at about 50% complete.

HARRIS COUNTY STORM SEWER AND DRAINAGE FACILITY IMPROVEMENTS, INCLUDING ADDITIONAL DETENTION/MITIGATION

Ms. Hallaway stated that BGE currently is under contract with Harris County for the design of the drainage improvements for Memorial Parkway. She stated that Harris County is coordinating with the US Army Corps of Engineers for their acceptance of the proposed design.

SANITARY SEWER REHABILITATION FOR MEMORIAL PARKWAY, SECTIONS 3, 4, AND 5

Ms. Hallaway updated the Board on the work being performed by the contractor, Champion Cleaning Specialists ("CCS"), for the sanitary sewer rehabilitation for Memorial Parkway, Sections 3-5. She then requested approval of Pay Estimate No. 1 in the amount of \$190,234.40.

SANITARY SEWER REHABILITATION FOR CIMARRON SUBDIVISION, SECTIONS 1, 2, AND 3 AND MEMORIAL PARKWAY, SECTIONS 6, 7, AND 8

Ms. Hallaway stated design for the sanitary sewer line rehabilitation project for Cimarron subdivision, Sections 1-3 and Memorial Parkway, Sections 6-8 has begun.

SANITARY SEWER TELEVISIONING AND CLEANING FOR CIMARRON SUBDIVISION, SECTIONS 4, 5 AND 6, MEMORIAL PARKWAY, SECTIONS 9, 11, AND 13, AND SILVERSTONE, SECTION 1

Ms. Hallaway stated that the preparation of plans for the cleaning and televising of the sanitary sewer lines for Cimarron subdivision, Sections 4-6, Memorial Parkway, Sections 9-11, and 13, and Silverstone Section 1 have begun.

SANITARY SEWER REHABILITATION ALONG KENLAKE DRIVE

Ms. Hallaway presented and reviewed a proposal for surveying services recommended for the sanitary sewer line rehabilitation project along Kenlake Drive in the amount of \$7,000.00.

Ms. Hallaway discussed the Kenlake sanitary sewer rehabilitation project to reline the pipe and stated the estimated cost of the re-lining is \$120,000.00. She stated design for the project has begun.

UPDATE ON BOND APPLICATION NO. 9

Ms. Hallaway updated the Board on the status of bond application no. 9 and stated BGE is revising the draft bond application based upon comments provided by District consultants.

Following review and discussion, and based on the engineer's recommendation, Director Olsen moved to: (1) approve the engineer's report; (2) approve Pay Estimate No. 1 in the amount of \$190,234.40, payable to CCS; and (3) approve the proposal for surveying services in the amount of \$7,000.00 for the sanitary sewer Rehabilitation project along Kenlake Drive. Director Cox seconded the motion, which passed by unanimous vote.

REPORT ON WEST MEMORIAL MUNICIPAL UTILITY DISTRICT SEWAGE TREATMENT PLANT (THE "WEST MEMORIAL STP") MEETING

The Board reviewed the West Memorial STP meeting report, a copy of which is attached.

OPERATION, REPAIR, MAINTENANCE AND RENTAL OF ADMINISTRATIVE OFFICE AND DISTRICT WEBSITE, COMMUNICATION, AND EMPLOYMENT MATTERS, AND RELATED AGREEMENTS AND PROPOSALS

The Board reviewed a written request from Time and Season to increase their rates and the markup charged for materials purchased, a copy of which is attached. Discussion ensued regarding the request and the impact on fees charged by the District for use of the administration building which reflect costs to the District for cleaning and other services by Time and Season. Ms. Lightsey stated the current fee charged for use of the administration building is \$305.00 and recommended increasing that fee to \$325.00.

Ms. Lightsey stated the awning on the administration building leaks when it rains and needs to be repaired. She distributed and reviewed a proposal from City Maintenance in the amount of \$1,836.00 for the repair. A copy of the proposal is attached.

UPDATE ON ADMINISTRATION BUILDING UPGRADES AND REPAIRS, INCLUDING GREAT ROOM REPAIRS

Ms. Lightsey updated the Board on the schedule for the great room repairs and stated the repairs are scheduled to begin next week.

FENCE REPAIRS

Director Cathcart updated the Board on the fence repairs and stated the repairs are complete.

After discussion, Director Olsen moved to: (1) approve amending the agreement between the District and Time and Season to increase the rates and markup for materials purchased, as requested by Time and Season; (2) approve amending the District's Policies and Procedures for Reservation and Use of District Meeting Facilities to change the fee for use of the Facilities from \$305.00 to \$325.00 effective today and authorizing revising the reservation application form to reflect said fee change for reservations booked after today; and (3) approve the proposal from City Maintenance for the awning repair in the amount of \$1,836.00. Director Cox seconded the motion, which carried by unanimous vote.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

There was no discussion on this matter.

ANNUAL REPORT REGARDING POST-ISSUANCE COMPLIANCE POLICY

Ms. Judkins reported on the District's compliance activities during the prior calendar year related to bond financings. She stated that no corrective action is required at this time.

RESOLUTION ADOPTING COVERED APPLICATIONS POLICY

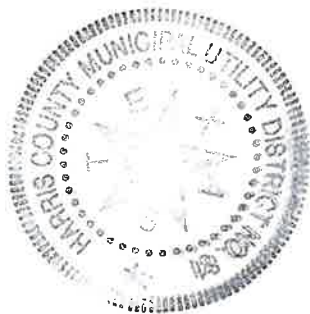
Ms. Judkins discussed the legislation enacted by the Texas Legislature that requires all governmental entities to adopt a policy prohibiting the use of certain social media applications and services on government-owned or -leased devices. She stated that a model policy was developed by the Texas Departments of Public Safety and Information Resources for use by governmental entities. Ms. Judkins reviewed the proposed Covered Applications Policy with the Board. After review and discussion, Director Olsen moved to adopt a Resolution Adopting Covered Applications Policy and direct that the Resolution be filed appropriately and retained in the District's official records. Director Brown seconded the motion, which passed unanimously.

There being no further business to come before the Board, the Board concurred to adjourn the meeting.



Secretary, Board of Directors

(SEAL)



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