

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

January 26, 2023

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 26th day of January 2023, 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 Marcus Campbell of Time and Season Property Management; Stewart Black of Acclaim Energy Advisors; Renee Butler of McLennan & Associates, LP; Kate Hallaway and Aaron Orozco of BGE, Inc. ("BGE"); Isabelle Mata of Wheeler & Associates, Inc. ("Wheeler"); Charlie Chapline of Municipal District Services, L.L.C. ("MDS"); Doris Vogt and Starr Johnson, District employees; and Katie Carner 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 15, 2022, regular meeting. After discussion, Director Olsen moved to approve the minutes of the December 15, 2022, regular meeting. Director Brown seconded the motion, which passed by unanimous vote.

TAX ASSESSOR/COLLECTOR REPORT

Ms. Mata reviewed the tax assessor/collector's report for the month of December 2022. A copy of the tax assessor report is attached. Ms. Mata stated the report reflects that the District's 2022 taxes were 60.82% collected as of the end of December.

After discussion, Director Brown moved to approve the tax assessor/collector's report and pay the bills from the tax account. Director Cox seconded the motion, which passed by unanimous vote.

REPORT FROM REVENUE MANAGEMENT SERVICES ON BUSINESSES PAYING SALES TAX

There was no discussion on this matter.

ANNUAL REPORT REGARDING POST ISSUANCE COMPLIANCE POLICY

Ms. Carner 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.

REPORT FROM ACCLAIM ENERGY, LTD., INCLUDING REQUEST FOR ACCLAIM ENERGY MANAGEMENT AGREEMENT

Mr. Black presented and reviewed a Consulting Agreement between the District and Acclaim. He requested that the Board consider entering into a Consulting Agreement directly with Acclaim, in addition to the agreements, the District enters into directly with the applicable electricity company, which specifies the services that Acclaim will provide and the fees that Acclaim will charge for those services. He stated that in the past, there was no agreement between Acclaim and the District; rather, when Acclaim helped the District by securing a contract for electricity with a specific electricity provider, that electricity provider would pay Acclaim based on the electricity used by the District under that electricity agreement. Mr. Black reminded the Board that the District did not make any direct payments to Acclaim and during the term of the electricity contracts, Acclaim was available to assist the District in adding additional meters as new facilities came online, transferring ownership of meters, producing annual usage reports, and/or resolving disputes with electricity bills. Mr. Black stated that under the proposed agreement, Acclaim will be paid by the District a flat fee for adding meters, transferring ownership of meters, producing annual usage reports, and resolving disputes with electricity bills, as well as the fees for procuring the electricity contract. Mr. Black confirmed that the agreement can be terminated without cause with at least 30 days' advance written notice.

Mr. Black presented and reviewed a Texas Reliability Coalition proposal from Acclaim, a copy of which is attached, and discussed the District's potential participation in an electricity education aggregation. He stated that there is no cost to the District at this time to join the aggregation and reported on the process for the education program, which could possibly end in a fee-based electricity coalition.

Following review and discussion, the Board concurred to defer action on the Consulting Agreement and on the Texas Reliability Coalition. The Board requested that acclaim provide additional cost information for presentation at the next meeting.

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.

Ms. Butler presented one additional check, check no. 20746 in the amount of \$3,773.00, payable to Boe Creative.

After review and discussion, Director Olsen moved to approve the bookkeeper's report and the checks presented for payment, including the one additional check. Director Goff seconded the motion, which passed by unanimous vote.

ACCEPT ANNUAL DISCLOSURE STATEMENTS FOR INVESTMENT OFFICER AND BOOKKEEPER

Ms. Carner discussed with the Board, the annual disclosure statements for the Investment Officer/bookkeeper. She stated that the disclosures must be filed with the Texas Ethics Commission. After review and discussion, Director Brown moved to approve the disclosure statements and to authorize filing of same with the Texas Ethics Commission. Director Goff seconded the motion, which passed by unanimous vote.

OPERATOR'S REPORT, INCLUDING UPDATE ON WATER PLANT NO. 1 BOOSTER PUMP NO. 3 PUMP AND MOTOR REPAIRS AND WATER WELL NO. 1 INVESTIGATION

Mr. Chapline distributed and reviewed the operator's report, a copy of which is attached. He stated the water accountability for the month is 97.1%.

Mr. Chapline reported there are three accounts totaling \$211.95, deemed to be uncollectible and requested authorization to write off said accounts and turn them over to a collection agency.

Mr. Chapline updated the Board on booster pump no. 3 pump and motor repairs at water plant no. 1 and stated the repairs are ongoing.

RENEWAL OF EMERGENCY WATER INTERCONNECT AGREEMENT WITH NOTTINGHAM MUNICIPAL UTILITY DISTRICT

There was no discussion on this matter.

APPROVE COMPLETION AND SUBMITTAL OF WATER USAGE REPORTING FORM TO THE WEST HARRIS COUNTY REGIONAL WATER AUTHORITY ("WHCRWA")

Mr. Chapline stated the District is required annually to submit certain usage data to the WHCRWA. He requested authorization to submit the annual report on the District's behalf.

After discussion, Director Cox moved to (1) approve the operator's report; (2) authorize MDS to forward the three delinquent accounts totaling \$211.95, which are deemed uncollectible, submit same to a collection agency, and direct that the uncollectible accounts list be filed appropriately and retained in the District's official records; and (3) authorize the submittal of the Water Usage Reporting Form to the WHCRWA. Director Olsen seconded the motion, which passed by unanimous vote.

TERMINATION OF SERVICE

The Board conducted a hearing regarding termination of water and sewer services. Mr. Chapline presented to the Board a list of delinquent customers. Ms. Johnson 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. Ms. Johnson stated that customers Guerero, Vandeventer, Graves, Ruess, Langeveldt, Dodson-Berry, McCaffrey, Alexander, Hunt, Estrada, and Martin requested an extension for payment of their delinquent accounts.

Following review and discussion, Director Brown 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 on February 1, 2023, if their utility bills are not paid in accordance with the District's Rate Order, except for customers Guerero, Vandeventer, Graves, Ruess, Langeveldt, Dodson-Berry, McCaffrey, Alexander, Hunt, Estrada, and Martin and direct that the delinquent customer list be filed appropriately and retained in the District's official records. Director Olsen seconded the motion, which passed by unanimous vote.

ENGINEER'S REPORT

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

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

Ms. Hallaway updated the Board on the cleaning and televising of Memorial Parkway, Sections 3, 4, and 5 sanitary sewer lines and stated the work is ongoing.

PARK YORK FORCE MAIN REPLACEMENT

Ms. Hallaway stated the cost for replacing the force main in its existing location will be approximately \$865,000.00, which includes the surveying and the required bypass pumping. Ms. Hallaway noted the project will take approximately 6-8 months. The Board requested that Ms. Hallaway obtain a schedule from Harris County Flood Control District for their rehabilitation of their adjacent channel to help determine timing for this project.

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.

Ms. Hallaway stated that Harris County has awarded the contract to R. Construction for the Cimarron Sections 2, 3, 4 and 5 drainage improvements project. She stated the Notice to Proceed was issued on January 16, 2023 and construction should commence shortly. The Board requested that Ms. Hallaway obtain a schedule for the project and prepare an exhibit showing the locations and timing for the work for posting on the District's website.

WATER PLANT NOS. 1, 2 AND 4 GROUND STORAGE TANK ALTERNATE FILL LINE INSTALLATION

Ms. Hallaway stated the contractor for the water plant nos. 1, 2 and 4 ground storage tank fill line installation is Blastco Texas, Inc ("Blastco"). She stated the work is ongoing. Ms. Hallaway stated that Blastco has issued an updated schedule, a copy of which is attached to the engineer's report.

WATER PLANT NO. 2 GENERATOR REPLACEMENT

Ms. Hallaway stated CSE W-Industries, Inc. ("CSE") is the contractor for the generator replacement project. She stated the contractor has completed the initial site work and is awaiting the delivery of the generator.

UPDATE ON BOND APPLICATION NO. 9

Ms. Hallaway stated BGE is currently finalizing bond application no. 9.

Following review and discussion, and based on the engineer's recommendation, Director Brown moved to approve the engineer's report. Director Olsen seconded the motion, which passed by unanimous vote.

WEST MEMORIAL MUNICIPAL UTILITY DISTRICT ("WEST MEMORIAL")
SEWAGE TREATMENT PLANT MEETING AND PROPOSED PLANT
IMPROVEMENTS

Director Cox reported on the West Memorial Sewage Treatment Plant.

OPERATION, REPAIR, AND MAINTENANCE OF ADMINISTRATIVE OFFICE AND
DISTRICT WEBSITE, COMMUNICATION, AND EMPLOYMENT MATTERS

Ms. Johnson stated the parking lot pressure washing and restriping have been scheduled.

Mr. Campbell presented and reviewed a quarterly cleaning report, a copy of which is attached. Discussion ensued regarding loitering around the administration building, and the Board requested that Mr. Campbell inspect the outside of the building as part of his cleaning process. The Board then discussed the recent issues with the building rentals, including theft of a table. Ms. Johnson noted after several attempts to contact the renter, the deposit check has been forwarded to MDS for deposit and the table has been replaced by Mr. Campbell.

Ms. Johnson presented a proposal from Johnson Controls for the fire alarm sprinkler system in the amount of \$3,634.00. She stated that Team Wired will monitor the fire alarm system, but Johnson Controls will provide maintenance and repairs, as needed. After discussion, Director Olsen moved to approve the proposal from Johnson Controls in the amount of \$3,634.00 for the fire alarm sprinkler repairs. Director Brown seconded the motion, which carried by unanimous vote.

The Board discussed the current administration building rental policy and the proposed amendment to the policy to include an after-hour fee. After discussion, Director Olsen moved to approve the Amended Administrative Building Rental Policy, as revised. Director Cox seconded the motion, which carried by unanimous vote. The Board confirmed that the new fees would not apply to renters who have already submitted tier applications and paid the required deposits.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

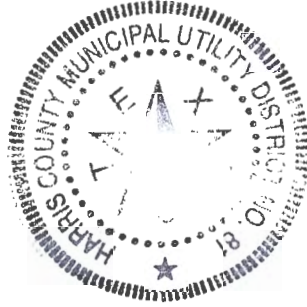
There was no discussion on this matter.

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



Secretary, Board of Directors

(SEAL)



LIST OF ATTACHMENTS TO MINUTES

Minutes
Page

Tax assessor/collector's report	1
Texas Reliability Coalition proposal	2
Bookkeeper's report.....	3
Operator's report	3
Engineer's report.....	4
Quarterly cleaning report	6
Fire Alarm sprinkler repair proposal.....	6