

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

February 26, 2026

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 February 2026, 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: Patricia Dover and Jonathan Hart, members of the public; Taylor Lobb of Champion Cleaning Specialists, Inc. (“CCSI”); Renee Butler of McLennan & Associates, LP; Kate Hallaway of BGE, Inc. (“BGE”); Isabel Mata of Wheeler & Associates, Inc. (“Wheeler”); Kyle Chapline of Municipal District Services, LLC (“MDS”); Doris Vogt, District employee; and Teshia Judkins and Kim Cannon of Allen Boone Humphries Robinson LLP (“ABHR”).

PUBLIC COMMENTS

Ms. Dover addressed the Board and inquired about the higher than usual water usage on the account for the month of December and provided related information. The Board discussed the possible reasons for the spike in use and put Ms. Dover in contact with MDS to investigate the high usage. Ms. Dover noted the bill was paid in full.

Mr. Hart introduced himself to the Board and stated he was interested in attending a meeting. He also reported on a sewer leak and sewage smell issues at the sanitary sewer pump station at Park York, which MDS was aware of and working on.

MINUTES

The Board considered approving the minutes of the January 15, 2025, regular meeting. After discussion, Director Brown moved to approve the minutes of the January 15, 2026, regular meeting. Director Olsen 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 January 2026. A copy of the tax assessor report is attached. She stated the report reflects that the District's 2025 taxes were 88.76% collected as of the end of January.

Ms. Mata distributed 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.

At the request of Ms. Mata, the Board discussed having printed copies of the delinquent collections listing that is included in the tax assessor/collector's report each month in addition to the digital copy provided for the meeting and stated having printed copies of this report at the meeting on a quarterly basis would suffice.

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

ADOPT RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

The Board discussed optional exemptions for the 2026 tax year and reviewed an analysis provided by the tax assessor regarding same. After discussion, Director Olsen moved to adopt the Resolution Concerning Exemptions from Taxation for 2026, reflecting that the Board grants a general residential homestead exemption of 20% of the appraised value of property (but not less than \$5,000) and grants a \$10,000.00 exemption for residence homesteads of persons 65 years of age and older and for disabled persons, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Brown seconded the motion, and the motion passed unanimously.

ADOPT RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2026 TAX YEAR

Discussion ensued regarding the District's development status. Ms. Judkins reminded the Board of the "truth-in-taxation" property tax calculations and tax levy process for water districts in Chapter 49 of the Texas Water Code, including the three main categories based on a district's development status and/or tax rate. After fully considering relevant data, information, and statutory definitions, the Board determined that the District is a Developed District for the 2026 tax year. Following review and discussion, Director Olsen moved to adopt a Resolution Regarding Development Status for 2026 Tax Year establishing the District as a Developed District for the 2026 tax year, pursuant to Section 49.23602, Texas Water Code, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Cox seconded the motion, which passed unanimously.

REPORT FROM REVENUE MANAGEMENT SERVICES ON BUSINESSES PAYING SALES TAX

The Board reviewed the sales tax revenue report, a copy of which is attached. After discussion the Board requested that Mr. Ryan Fortner attend a future meeting to discuss the report.

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. She also requested approval of check no. 4409 to Custom Cutters in the amount of \$1,924.43 for mowing and maintenance services and check no. 4410 to Phelps Dunbar in the amount of \$3,074.72 for legal services related to the Park York Force Main Replacement project easement acquisition.

Ms. Butler notified the Board that she is retiring, and this is her last District meeting. The Board wished her well and thanked her for her many years of service to the District.

DISCUSS ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") WINTER CONFERENCE, APPROVE REIMBURSEMENT OF ELIGIBLE EXPENSES AND AUTHORIZE ATTENDANCE AT SUMMER CONFERENCE

The Board discussed the AWBD winter conference sessions. Ms. Judkins stated the AWBD summer conference will be in Grapevine, Texas, on June 18-20, 2026.

After review and discussion, Director Olsen moved to: (1) approve the bookkeeper's report and the checks presented for payment, including check nos. 4409 and 4410; and (2) authorize attendance of the directors and office staff at the summer conference. Director Brown seconded the motion, which passed by unanimous vote.

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 92.2%.

Mr. Chapline requested authorization to forward two delinquent accounts to collections, totaling \$307.55.

Mr. Chapline distributed a proposal for mowing maintenance of the District's facilities, a copy of which is attached to the operator's report. Ms. Judkins stated ABHR has requested two additional proposals that will be presented at next month's meeting.

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

There was no discussion on this matter.

EVALUATION OF DISTRICT'S INTERCONNECTS AND RELATED RECOMMENDATIONS

There was no discussion on this matter.

ODOR CONTROL OPTIONS FOR LIFT STATION(S), INCLUDING RELATED AGREEMENT(S) OR PROPOSAL(S) AND LIFT STATION FENCE PROPOSAL

The Board continued discussions regarding odor treatment options and asked the District's engineer and operator to further investigate same in response to recent reports from nearby residents of additional odors from the lift station.

After discussion, and as recommended by the operator, Director Olsen moved to: (1) approve the operator's report; and (2) authorize MDS to write off the two delinquent accounts totaling \$307.55 and forward the accounts to collections. Director Brown 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.

The Board further requested the list of delinquent customers indicate which accounts are participating in authorized payment plans.

ENGINEER'S REPORT

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

CAPITAL IMPROVEMENT PLAN ("CIP")

Ms. Hallaway discussed the list of CIP projects, including the estimated timing of the rehabilitation projects.

PARK YORK FORCE MAIN REPLACEMENT, INCLUDING EASEMENT ACQUISITIONS AND RELATED APPROVALS

Ms. Hallaway stated that the plans for final approval of the design plans for the Park York Force Main Replacement project have been approved by Harris County and Harris County Flood Control District. She noted BGE is finalizing the plans and will advertise once the required easements have been obtained.

Ms. Judkins updated the Board on the status of the easement acquisitions for the Park York Force Main Replacement project.

WATER PLANT NO. 3 ELEVATED STORAGE TANK REHABILITATION

Ms. Hallaway discussed the Water Plant No. 3 elevated storage tank rehabilitation project and stated the contractor is MK Painting, Inc. ("MK"). She stated the pre-construction meeting will be scheduled in mid-March.

HARRIS COUNTY MEMORIAL PARKWAY STORM SEWER AND DRAINAGE FACILITY IMPROVEMENTS

Ms. Hallaway stated the Harris County Memorial Parkway storm sewer and drainage facility improvements project is moving forward and that BGE currently is under contract with Harris County for the design of the project. She stated that the design plans are 90% complete.

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

Ms. Hallaway updated the Board on the work being performed by CCSI for the sanitary sewer rehabilitation for Memorial Parkway, Sections 3-5. She presented and reviewed Pay Estimate No. 8 and Final in the amount of \$231,104.06. Discussion ensued, including discussion regarding the pending claim between CCSI and a homeowner for damages caused during the project. Mr. Lobb discussed details of the claim with the Board. Ms. Judkins stated the District received an Intent to File Suit letter from from an attorney representing the homeowner.

Following discussion, the Board requested an executive session at the end of the meeting to discuss with its attorney regarding related legal matters and concurred to defer action on the requested approval of Pay Estimate No. 8 and Final.

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

Ms. Hallaway stated plans for the sanitary sewer line rehabilitation project for Cimarron subdivision, Sections 1-3 and Memorial Parkway, Sections 6-8 were submitted to all agencies and comments have been addressed. She stated BGE has sent a letter of no objection from Harris County Traffic Operations to the Harris County Engineering department as requested, for the ongoing work near Westgreen Boulevard and Park York Drive.

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 updated the Board on the work being performed by AIMS Companies ("AIMS") 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 project. She stated that the contractor has mobilized and work is near completion. She presented and recommended payment of Pay Estimate Nos. 1 and 2 in the amounts of \$15,461.81 and \$56,085.12, respectively.

SANITARY SEWER REHABILITATION ALONG KENLAKE DRIVE

Ms. Hallaway stated AIMS is the contractor for the sanitary sewer rehabilitation along Kenlake Drive project. She stated the contractor has not yet mobilized but stated they are scheduled to begin work on March 4, 2026. Ms. Hallaway then reviewed and discussed Pay Estimate No. 1 in the amount of \$6,500.00, which was received but is not currently recommended for payment. Discussion ensued, including discussion regarding project delays by the contractor to date and prior lack of communication from the contractor. After discussion, the Board concurred to defer action on Pay Estimate No. 1 at this time, as recommended.

UPDATE ON BOND APPLICATION NO. 9

Ms. Hallaway stated BGE submitted the bond application to the Texas Commission on Environmental Quality for review.

RISK AND RESILIENCE ASSESSMENT AND EMERGENCY RESPONSE PLAN
PURSUANT TO AMERICA'S WATER INFRASTRUCTURE ACT OF 2018,
INCLUDING RELATED PROPOSALS

Ms. Hallaway reported on the District's obligations under the America's Water Infrastructure Act of 2018 (the "AWIA"). She stated that, pursuant to the AWIA, the District must certify to the Environmental Protection Agency that its community water system has completed a Risk and Resilience Assessment ("RRA") and an Emergency Response Plan ("ERP"). Ms. Hallaway stated BGE completed the RRA and ERP in 2021 and an update is required. She added that the deadline to update and certify the RRA is June 30, 2026, and the deadline to update and certify the ERP is six months later. Ms. Hallaway then presented a proposal in the amount of \$20,000.00 for BGE to prepare and certify submission of the RRA and ERP as required. Discussion ensued, and the Board requested additional information regarding the previous preparation and certification of the RRA and ERP in 2021, including BGE's costs for same. Following discussion, the Board deferred consideration of the proposals pending receipt of the additional requested information.

OTHER ENGINEERING MATTERS

Ms. Hallaway updated the Board on the status of her investigation into a resource that could advise on the requirements related to railings outside of the administration building.

Ms. Hallaway stated BGE received and replied to a utility capacity request for two proposed warehouses located at 21811 Park York Drive. Discussion ensued.

Following review and discussion, and based on the engineer's recommendation, Director Olsen moved to: (1) approve the engineer's report; and (2) approve Pay Estimate Nos. 1 and 2 in the amounts of \$15,461.81 and \$56,085.12. Director Brown seconded the motion, which passed by unanimous vote.

HARRIS COUNTY PRECINCT 4 SIDEWALK PROJECTS

Ms. Hallaway updated the Board on the Harris County sidewalk improvement project along Westgreen Boulevard and Westgreen Boulevard, North. Ms. Hallaway stated the Harris County sidewalk improvement project along Mason Road has been delayed. Ms. Hallaway stated any required relocation of District facilities will be at the District's expense to accommodate the improvements.

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

Director Cox updated the Board on the West Memorial Plant site and reported on the West Memorial Sewage Treatment Plant meeting.

Ms. Judkins updated the Board on the proposed amendment to the West Memorial STP agreement from the attorney for West Memorial Municipal Utility District, noting the proposed amendment is a complete redrafting of the current agreement, and stated the District's consultants are currently reviewing the proposed amendment.

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

Ms. Vogt discussed routine maintenance and reservation activity at the administration building. She stated that TrueFix performed their inspection and stated the two-air outdoor conditioning ("AC") units under the trees have a lot of debris and recommended they be cleaned. After discussion, the Board authorized Ms. Vogt to request a proposal for the AC units to be cleaned.

The Board discussed MDS's pickup of check payments from the dropbox at the administration building and access to the administration building when a District employee is not present. Ms. Vogt stated that TeamWired gave three options to give access to MDS to the administration building—moving the keypad, installing a new keypad, or creating a login for an application. She reviewed the estimated costs for each option as well as the other alarm related services needed at this time, including training on the alarm system. After discussion, Director Olsen moved to approve proceeding with the third option of creating a login as recommended along with performing other required services during the minimum two-hour services window for an amount of \$270 (which equals \$135 per hour) plus a \$65 trip/fuel fee. Director Brown seconded the motion, which carried by unanimous vote.

Ms. Vogt stated the Sam's Club District credit card needs to be updated to remove the District's previous employee. Director Golf stated he would contact Sam's club to make the change.

AUTHORIZE PREPARATION OF QUARTERLY DISTRICT NEWSLETTER

The Board discussed the preparation of the quarterly District newsletter and the content of the articles. After discussion, Director Olsen moved to authorize preparation of the District newsletter. Director Brown seconded the motion, which carried by unanimous vote.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY(" AUTHORITY")

There was no discussion on this matter.

DISTRICT CORRESPONDENCE, INCLUDING DISTRICT WEBSITE,
CORRESPONDENCE BY DISTRICT, AND CORRESPONDENCE RECEIVED BY
DISTRICT, INCLUDING ITS DIRECTORS, EMPLOYEES, OR CONSULTANTS

There was no discussion on this matter.

2026 DIRECTORS ELECTION

ACCEPT CERTIFICATE DECLARING UNOPPOSED STATUS OF
CANDIDATES FOR ELECTION TO THE BOARD OF DIRECTORS

Ms. Judkins presented a Certificate Declaring Unopposed Status of Candidates for Election to the Board of Directors executed by the Board Secretary stating that the District received three candidate applications for the three director positions for the May 2, 2026, Directors Election. Following review and discussion, Director Cox moved to accept the Certificate Declaring Unopposed Status of Candidates for Election to the Board of Directors. Director Olsen seconded the motion, which passed unanimously.

ADOPT ORDER CANCELLING ELECTION AND DECLARING UNOPPOSED
CANDIDATES ELECTED TO OFFICE

Ms. Judkins presented an Order Cancelling Election and Declaring Unopposed Candidates Elected to Office stating that the May 2, 2026, Directors Election is cancelled and that the unopposed candidates, Patrick Cathcart, Bruce Cox, and Donna Brown are declared elected to office to serve from the May 2, 2026, election until the May 4, 2030, Directors Election. Following review and discussion, Director Cox moved to adopt the Order Cancelling Election and Declaring Unopposed Candidates Elected to Office and direct that the Order be filed appropriately and retained in the District's official records. The motion was seconded by Director Olsen and passed unanimously.

CONVENE IN EXECUTIVE SESSION

The Board convened in executive session at 7:18 p.m. pursuant to Section 551.071 of the Texas Government Code to consult with its attorney concerning legal matters pertaining to the sanitary sewer rehabilitation for Memorial Parkway, Sections 3-5 project and related CCSI claims. Ms. Judkins stated that the presence of Ms. Hallaway in this executive session was necessary for the rendition of legal advice from its attorney, and the Board concurred to have her present. Present at the closed meeting

were Directors Cathcart, Cox, Olsen, Goff, and Brown, Ms. Hallaway, Ms. Judkins, and Ms. Cannon.

RECONVENE IN OPEN SESSION

The Board reconvened in open session at 7:35 p.m. After discussion, Director Olsen moved to authorize drafting and sending a letter agreement to CCSI as discussed confirming CCSI's obligations under the contract between the parties, including without limitation the obligation of CCSI to defend, indemnify, and hold harmless the District, and offering to release \$121,104.06 of retainage to CCSI for work completed on the project subject to CCSI's signature of the letter agreement, as discussed. Director Brown seconded the motion, which carried by unanimous vote.

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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