

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

April 23, 2020

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 81 (the "District") met in regular session by teleconference, with access by telephone available to the public, pursuant to Texas Government Code Section 551.125 and Governor Greg Abbott's emergency disaster declaration dated March 13, 2020, on the 23rd day of April, 2020, and the roll was called of the members of the Board being present by telephone:

John Savage	President
George Goff	Vice President
Patrick Cathcart	Secretary
Donna Brown	Treasurer
Bruce Cox	Assistant Secretary

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

Also attending the teleconference were Jennifer Hanna of BKD, LLP; Stephen Eustis of Robert W. Baird & Company, Inc. ("Baird"); Ryan Fortner of Wheeler & Associates, Inc.; Charlie Chapline of Municipal District Services, L.L.C. ("MDS"); Mary Lutz of McLennan & Associates, L.P. ("McLennan"); Doug Baker and Kate Hallaway of BGE, Inc. ("BGE"); Starr Johnson and Doris Vogt, District employees; and Katie Carner and Kim Cannon-Griffin of Allen Boone Humphries Robinson LLP ("ABHR").

Ms. Carner reviewed certain recommended protocols for conducting the District's meeting via teleconference. She announced that the meeting was being recorded and that consultant reports presented at the meeting were posted online and available to the public in the form of an "agenda packet" prior to the start of the meeting at www.districtdirectory.org/agendapackets/hcmud81.

PUBLIC COMMENT

Director Savage offered any members of the public attending the meeting by telephone the opportunity to make public comment. There being no members of the public requesting to make public comment, Director Savage moved to the next agenda item.

MINUTES

The Board considered approving the minutes of the March 26, 2020, regular meeting. After discussion, Director Cathcart moved to approve the minutes of the March 26, 2020, regular meeting. Director Cox seconded the motion. A roll call of the

Board was taken and the motion passed by a vote of 4-0, with Director Goff absent from the meeting.

TAX ASSESSOR/COLLECTOR REPORT

Director Goff entered the meeting.

Mr. Fortner reviewed the tax assessor/collector's report for the month of March, a copy of which is attached. He stated the report reflects that the District's 2019 taxes were 93.22% collected as of the end of March. 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. A roll call of the Board was taken and the motion passed unanimously, with all directors voting "yea."

Mr. Fortner stated that once all businesses are allowed to re-open, an audit will be performed to identify any businesses who have closed indefinitely.

Mr. Fortner reviewed the delinquent tax report, a copy of which is attached to the tax assessor's report.

BOOKKEEPER'S REPORT

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

Ms. Lutz presented one additional check, check no. 16111 in the amount of \$14,080.00, payable to Chief Solutions for the sewer line inspections.

Mr. Eustis stated the Texas Commission on Environmental Quality has approved the bond application for \$4,000,000.00. He discussed the current market and recommended the District move forward with the bond issuance. He presented a proposed schedule for same.

After discussion, Director Cox moved to (1) approve the bookkeeper's report and the checks presented for payment, including the additional check; and (2) authorize proceeding with the bond issuance pursuant to the schedule presented. Director Cathcart seconded the motion. A roll call of the Board was taken and the motion passed unanimously, with all directors voting "yea."

APPROVE AUDIT FOR FISCAL YEAR END DECEMBER 31, 2019

Ms. Hanna reviewed the audit for the District's fiscal year ending December 31, 2019. After discussion, Director Cathcart moved to approve the audit, subject to final review. Director Cox seconded the motion. A roll call of the Board was taken and the motion passed unanimously, with all directors voting "yea."

DISCUSS RENEWAL OF DISTRICT'S INSURANCE POLICIES

There was no discussion on this matter.

OPERATOR'S REPORT

Mr. Chapline reviewed a written operations report, a copy of which is attached. He reported that the District's water accountability was 98.7% for March 2020.

Mr. Chapline reviewed additional repair and maintenance items performed during the month.

CUSTOMER REQUESTS

Mr. Chapline request authorization for MDS to enter into reasonable payment arrangements with customers for delinquent utility bills. Discussion ensued regarding procedures for and tracking of the payment arrangements. After discussion, Director Cathcart moved to authorize MDS to enter into reasonable payment arrangements with customers regarding their delinquent utility bills, if requested by customers. Director Cox seconded the motion. A roll call of the Board was taken and the motion passed unanimously, with all directors voting "yea."

Director Brown inquired about a commercial account located at 910 South Mason, which had a substantial outstanding balance. Discussion ensued, and Mr. Chapline stated that MDS would look into the account.

REPORT ON REVIEW AND PROPOSED ABANDONMENT OF INTERCONNECTS

There was no discussion on this matter.

APPROVE CONSUMER CONFIDENCE REPORT ("CCR") AND AUTHORIZE AUDITOR TO MAIL THE CCR AND FILE CERTIFICATE OF MAILING WITH THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Mr. Chapline distributed and reviewed the 2019 CCR, a copy of which is attached to the operator's report.

After review and discussion, Director Cathcart moved to (1) approve the operator's report; and (2) approve and authorize MDS to distribute the CCR. Director Cox seconded the motion. A roll call of the Board was taken and the motion passed unanimously, with all directors voting "yea."

DISCUSS DELINQUENT FEES AND PENALTIES AND TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS

Mr. Chapline presented to the Board a list of delinquent customers and reported the residents on the termination list were delinquent in payment of their water and sewer bills and were given written notification, in accordance with the District's Rate Order, prior to the meeting of the opportunity to appear before the Board to explain, contest, or correct their bills and to show why utility services should not be terminated for reason of non-payment. Following review and discussion, Director Cathcart moved to suspend termination of water and sewer service to delinquent customers and waive late fees and penalties due to the COVID-19 pandemic, and direct that the delinquent customer list be filed appropriately and retained in the District's official records. The motion was seconded by Director Cox. A roll call of the Board was taken and the motion passed unanimously, with all directors voting "yea."

ENGINEER'S REPORT

Mr. Baker presented the engineer's report, a copy of which is attached.

WATER PLANT NO. 4 NATURAL GAS GENERATOR AND MOTOR CONTROL CENTER ("MCC") REPLACEMENT

Mr. Baker stated the contractor for the natural gas generator and MCC replacement at water plant no. 4 is McDonald. He stated the total project amount is \$778,469.00.

DRINKING WATER QUALITY, INCLUDING WATER PLANT NO. 4 WATER WELL NO. 4 PROFILING AND PROPOSALS FOR REPAIR

Mr. Baker stated that C & C Water Services, LLC. ("C & C") is the contractor for the water plant water well no. 4 televising and profiling. He stated the total project amount is \$204,359.00.

Mr. Baker updated the Board and stated the three screens have been cleaned and a test pump will be utilized next week for additional water sampling.

TELEVISIONING OF MEMORIAL PARKWAY, SECTIONS 1 AND 2, SANITARY SEWER

Mr. Baker stated Chief Solutions, Inc. ("CS") is the contractor for this project. He stated the total project amount is \$69,174.80 and the project is 90 percent complete.

WEST MEMORIAL MANHOLE SURVEY

Mr. Baker stated CS is the contractor for this project. He stated the total project amount is \$21,680.00 and CS has mobilized to begin the work. Mr. Baker stated that 176 of the 278 manholes have been surveyed and no significant issues have been identified thus far.

OTHER ENGINEERING MATTERS

There were no additional engineering matters.

CAPITAL IMPROVEMENT PLAN

Mr. Baker reviewed an updated capital improvement plan ("CIP"), a copy of which is attached to the engineer's report.

Following review and discussion, Director Brown moved to approve the engineer's report. Director Cox seconded the motion. A roll call of the Board was taken and the motion passed unanimously, with all directors voting "yea."

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

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

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

UPDATE ON SITE DRAINAGE IMPROVEMENTS

There was no discussion on this matter.

SECURITY CAMERA EQUIPMENT MAINTENANCE, INCLUDING PROPOSALS

Ms. Johnson stated that Comcast has not yet completed the internet connection needed at the Plant site.

APPROVAL FOR HIKE AND BIKE TRAIL SIGNS

There was no discussion on this matter.

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.

1st Patricia Barnett @
Secretary, Board of Directors

(SEAL)



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