

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

April 25, 2024

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 25th day of April, 2024, 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; Jennifer Hanna of Forvis, LLP; Renee Butler of McLennan & Associates, LP; Kate Hallaway of BGE, Inc. (“BGE”); Emma Highberger of Wheeler & Associates, Inc. (“Wheeler”); Charlie Chapline of Municipal District Services, LLC (“MDS”); Stacy Lightsey, District employee; and Katie Carner, Teshia Judkins and Kim Cannon of Allen Boone Humphries Robinson LLP (“ABHR”).

PUBLIC COMMENTS

There was no discussion on this matter.

MINUTES

The Board considered approving the minutes of the March 28, 2024, regular meeting. After discussion, Director Olsen moved to approve the minutes of the March 28, 2024, regular meeting. Director Cox seconded the motion, which passed by unanimous vote.

APPROVE AUDIT FOR FISCAL YEAR END DECEMBER 31, 2023

Ms. Hanna reviewed the draft audit for the District’s fiscal year end December 31, 2023. After discussion, Director Olsen moved to approve the audit, subject to final review. Director Cox seconded the motion, which passed unanimously.

## TAX ASSESSOR/COLLECTOR REPORT

Ms. Highberger reviewed the tax assessor/collector's report for the month of March 2024. A copy of the tax assessor report is attached. Ms. Highberger stated the report reflects that the District's 2023 taxes were 93.98% 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, which passed by unanimous vote.

## REPORT FROM REVENUE MANAGEMENT SERVICES ON BUSINESSES PAYING SALES TAX

Mr. Fortner reviewed the sales tax report, a copy of which is attached. Discussion ensued. After discussion, Director Brown moved to approve the sales tax report. Director Olsen seconded the motion, which passed by unanimous 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.

Ms. Bulter updated the Board on the late fees and interest charges on the Sam's Club credit card statement and stated the monthly statement is often received in the mail so close to the payment due date that the District's mailed payment check is not being received before that due date. After discussion, the Board concurred to authorize Ms. Lightsey to retrieve a copy of the monthly statement online and e-mail it to the bookkeeper to ensure payments are made prior to the deadline.

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

## ADOPT RESOLUTION EXPRESSING INTENT TO REIMBURSE

There was no discussion on this matter.

## 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 92.4%.

Mr. Chapline requested approval to write off three accounts totaling \$1,248.84 deemed uncollectible and submit same to a collections' agency.

CONDUCT ANNUAL REVIEW AND RECEIVE REPORT FROM OPERATOR ON IDENTITY THEFT PREVENTION PROGRAM AND ADOPT IDENTITY THEFT PREVENTION PROGRAM AMENDMENT

Mr. Chapline reviewed the annual report on the Identity Theft Prevention Program, a copy of which is attached to the operator's report. Mr. Chapline discussed the email breach incident and corrective measures taken to prevent future incidents. He stated that MDS is not recommending any changes to the Program at this time. The Board concurred not to make any changes to the Program, as recommended by MDS.

APPROVE CONSUMER CONFIDENCE REPORT ("CCR") AND AUTHORIZE OPERATOR TO DISTRIBUTE THE CCR AND FILE CERTIFICATE OF DELIVERY WITH THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Mr. Chapline distributed and reviewed the 2023 CCR, a copy of which is attached to the operator's report.

After discussion, Director Olsen moved to: (1) approve the operator's report; (2) authorize MDS to write off three delinquent accounts totaling \$1,248.84 and forward the accounts to collections; and (3) approve the CCR and authorize distribution and filing of same. Director Cox 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. 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 distributed and reviewed the updated CIP, a copy of which is attached to the engineer's report. Discussion ensued regarding the projects for the current year and status of same.

PARK YORK FORCE MAIN REPLACEMENT, INCLUDING EASEMENT ACQUISITION

Ms. Hallaway stated that BGE is currently preparing the plans 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. She stated that Harris County is coordinating with the US Army Corps of Engineers for their acceptance of the proposed design.

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 project is substantially complete and noted a ribbon cutting is scheduled for April 30, 2024.

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

Ms. Hallaway stated that BGE has received approval of the plans and specifications from Harris County. Ms. Hallaway stated BGE plans to advertise for bids in May and receive bids in June.

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 generator has been installed and the Texas Commission on Environmental Quality inspection was completed today.

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

Ms. Hallaway stated that the contractor for the sanitary sewer line televising and cleaning for Cimarron, Sections 1, 2 and 3 and Memorial Parkway, Sections 6, 7, and 8 is Chief Solutions ("CS"). She stated BGE is currently reviewing the sanitary sewer line televising tapes.

UPDATE ON BOND APPLICATION NO. 9, INCLUDING ADOPT RESOLUTION AUTHORIZING APPLICATION TO THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ("TCEQ") FOR APPROVAL OF PROJECT AND BONDS

Ms. Hallaway updated the Board on the status of bond application no. 9 and stated the draft application will be completed soon.

The Board considered adopting an updated Resolution Authorizing Application to the TCEQ for Approval of Project and Bonds.

Following review and discussion, and based on the engineer's recommendation, Director Olsen moved to (1) approve the engineer's report; and (2) adopt the updated Resolution Authorizing Application to the TCEQ for Project and Bonds and direct that the Resolution be filed and retained in the District's official records. Director Cox seconded the motion, which passed by unanimous vote.

REPORT ON WEST MEMORIAL MUNICIPAL UTILITY DISTRICT SEWAGE TREATMENT PLANT MEETING AND PROPOSED PLANT IMPROVEMENTS

Director Cox distributed and reviewed a status report for the West Memorial plant. A copy of the report is attached.

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

Ms. Lightsey stated there is damage to the administration building's great room wall from a party rental. She presented and reviewed a proposal from City Maintenance in the amount of \$2,185.00 for the wall repairs, a copy of which is attached. She noted the renter would be required to pay for the cost of the repairs, pursuant to the District's rental policies.

Ms. Lightsey discussed the recent spring shred event and reviewed pricing for safety vests and cones for use during future shred events. She stated the total cost for purchasing six safety vests and sixteen cones is \$617.84.

Ms. Lightsey discussed the benefits of having two locked storage closets for additional storage in the administration building. She requested authorization to request proposals to install locks on two closets and to install shelving for organizing supplies inside those closets.

The Board discussed the previous removal of certain Crape Myrtle trees at the administration building. Discussion ensued regarding the removal of additional Crape Myrtle trees at the administration building.

QUARTERLY REPORT FOR CLEANING SERVICES

There was no discussion on this matter.

After discussion, Director Olsen moved to: (1) approve the proposal from City Maintenance in the amount of \$2,185.00 for the repair of the great room wall, with such amount to be paid for by the renter; (2) approve the purchase of the safety vests and cones in the amount of \$617.84; (3) authorize Ms. Lightsey to request proposals to install locks on two closets and additional shelving in those closets; and (4) authorize MDS to remove additional Crape Mrytle trees at the administration building, as specified by Director Brown. Director Goff seconded the motion, which carried by unanimous vote.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY (THE "WHCRWA")

There was no discussion on this matter.

AUTHORIZE RENEWAL OF DISTRICT'S INSURANCE POLICIES

The Board reviewed a proposal from McDonald & Wessendorff Insurance ("McDonald") for renewal of the District's insurance policies. Following review and discussion, Director Olsen moved to accept the proposal from McDonald for renewal of the District's insurance policies and direct that the proposal be filed appropriately and retained in the District's official records. Director Goff seconded the motion, and the motion passed unanimously.

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

*Arick*   
Secretary, Board of Directors

(SEAL)



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