

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

May 27, 2021

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 27th day of May, 2021, and the roll was called of the members of the Board being present by telephone:

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

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

Also attending the teleconference were Paulina Trimm, a resident of the District; Mary Lutz of McLennan & Associates, L.P. ("McLennan"); Doug Baker of BGE, Inc. ("BGE"); Sarah Ahlschlager of Wheeler & Associates, Inc.; Charlie Chapline of Municipal District Services, L.L.C. ("MDS"); 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 COMMENTS

Ms. Trimm discussed her unusually high water bill due to a leak during the February 2021 freeze event. She noted she could not find, nor did she receive the Leak Adjustment Application Form when requested due to the District inadvertently sending the Form to the incorrect email address.

OPERATOR'S REPORT

After discussion, Director Olsen moved to waive the May 1st deadline for a Leak Adjustment Application from Ms. Trimm and authorize MDS to put a hold on Ms.

Trimm's account to prevent imposition of any delinquent fees or penalties until the Application is processed. Director Cox seconded the motion. A roll call of the Board was taken and the motion passed by unanimous vote, with all directors voting "yea."

MINUTES

The Board considered approving the minutes of the April 22, 2021, regular meeting. After discussion, Director Cox moved to approve the minutes of the April 22, 2021 meeting. Director Cathcart seconded the motion. A roll call of the Board was taken and the motion passed by unanimous vote, with all directors voting "yea."

TAX ASSESSOR/COLLECTOR REPORT

Ms. Ahlschlager reviewed the tax assessor/collector's report for the month of April 2021, a copy of which is attached. She stated the report reflects that the District's 2020 taxes were 95.80% collected as of the end of April. After discussion, Director Cathcart moved to approve the tax assessor/collector's report and pay the bills from the tax account. Director Brown seconded the motion. A roll call of the Board was taken and the motion passed unanimously, with all directors voting "yea."

Ms. Ahlschlager distributed the Business Sales Tax Report, a copy of which is attached.

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.

Director Goff noted that no Directors are registered to attend the Association of Water Board Directors summer conference.

After review and discussion, Director Brown moved to approve the bookkeeper's report and the checks presented for payment. Director Olsen seconded the motion. A roll call of the Board was taken and the motion passed unanimously, with all directors voting "yea."

APPROVE ANNUAL REPORT AND AUTHORIZE FILING OF SAME IN ACCORDANCE WITH THE DISTRICT'S CONTINUING DISCLOSURE OF INFORMATION AGREEMENT AND AS REQUIRED BY SEC RULE 15C2-12

The Board considered authorizing preparation and filing of the District's Annual Report in accordance with Securities and Exchange Commission Rule 15c2-12. Ms. Carner explained that the District's bond resolutions require the District update certain financial information about the District on an annual basis. After discussion, Director

Cox moved to approve and authorize filing of the Annual Report. Director Olsen seconded the motion, which passed by unanimous vote, following a roll call vote.

ANNUAL REVIEW OF PROCEDURES FOR CONTINUING DISCLOSURE COMPLIANCE

The Board reviewed the Procedures for Continuing Disclosure Compliance and concurred that no changes are needed at this time.

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 Cathcart 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 Brown seconded the motion. A roll call of the Board was taken and the motion passed unanimously, with all directors voting "yea."

OPERATOR'S REPORT (CONTINUED)

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

Mr. Chapline reported there are twelve accounts totaling \$7,663.32, deemed to be uncollectible and requested authorization to write off said accounts and turn them over to a collection agency.

Mr. Chapline discussed the fence located at water plant no. 2. He distributed and reviewed a proposal from Rockin' D Fencing in the amount of \$4,000.00 for the installation of two commercial grade gates. A copy of the proposal is attached to the operator's report.

After discussion, Director Cox moved to (1) approve the operator's report; (2) write off the twelve delinquent accounts totaling \$7,663.32, which are deemed not to be collectible, submit same to a collection agency, and direct that the uncollectible account list be filed appropriately and retained in the District's official records; and (3) approve the proposal from Rockin' D Fencing in the amount of \$4,000.00 for installation of two gates, as discussed. Director Cathcart seconded the motion. A roll call of the Board was taken and the motion passed unanimously, with all directors voting "yea."

REVIEW CRITICAL LOAD SPREADSHEET FOR DISTRICT'S FACILITIES AND AUTHORIZE ANNUAL FILING

The Board reviewed the District's Critical Load Spreadsheet. Ms. Carner noted that the District's bookkeeper, engineer, and operator have reviewed and approved the

Critical Load Spreadsheet. After review and discussion, Director Cathcart moved to authorize the annual filing of the Critical Load Spreadsheet and direct that the Critical Load Spreadsheet be filed appropriately and retained in the District's official records. Director Cox seconded the motion, which passed by unanimous vote, following a roll call 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. She stated that customers Singo, Weaster, Bruno, Guariola, Wilson, Wade, and Lewis requested an extension for payment of their delinquent accounts.

Following review and discussion, Director Cathcart 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 June 1 2021, if their utility bills are not paid in accordance with the District's Rate Order, except for customers Singo, Weaster, Bruno, Guariola, Wilson, Wade, and Lewis 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 unanimously, following a roll call vote.

Ms. Johnson discussed a resident account located at 21203 Park Valley Drive, with a total account balance in excess of \$1,800.00. She stated the customer requested a six-month payment plan. After discussion, the Board concurred to authorize a four-month payment plan for the past-due balance, which is contingent upon the resident staying up-to-date on current utility bill payments.

Ms. Johnson discussed a resident account located at 22306 Northfolk. She stated the property previously was tagged as vacant with usage. Service was disconnected, and the meter was pulled after additional unauthorized usage. After discussion, the Board concurred to request that the total amount due be paid in full before utility service is reconnected.

ENGINEER'S REPORT

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

MEMORIAL PARKWAY, SECTIONS 1 AND 2, SANITARY SEWER LINE REHABILITATION

Mr. Baker stated that Texas Pride Utilities is the contractor for this project. He stated the total amount of the project is \$705,664.10.

REPORT ON HARRIS COUNTY STORM SEWER AND DRAINAGE FACILITY IMPROVEMENTS

Mr. Baker stated that BGE currently is under contract with Harris County for the design of the drainage improvements for Memorial Parkway and Cimarron Sections 2, 3, 4 and 5. He stated design of both projects are underway.

Mr. Baker stated that Harris County has redefined the Memorial Parkway project. He stated the project will include additional detention/mitigation volume.

WATER PLANT NO. 2 GENERATOR REPLACEMENT

Mr. Baker stated BGE is currently preparing the plans and specifications for the water plant no. 2 generator replacement project.

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

Mr. Baker stated that BGE received two bids for the ground storage tank alternate fill line installation. He recommended that the Board award the contract to the lowest qualified bidder, Blastco Texas, Inc. ("Blastco"), in the amount of \$404,230.00. The Board concurred that, in its judgment, Blastco was a responsible bidder who would be most advantageous to the District and would result in the best and most economical completion of the project.

DISINFECTION SYSTEM UPGRADES AT WATER PLANT NOS. 1, 2, 3 AND 4

Mr. Baker stated that BGE has received bids for the disinfection system upgrades at water plant nos. 1,2,3 and 4. He recommended that the Board award the contract to the lowest qualified bidder, W. W. Payton Inc. ("Payton"), in the amount of \$475,000.00. The Board concurred that, in its judgment, Payton was a responsible bidder who would be most advantageous to the District and would result in the best and most economical completion of the project.

CAPITAL IMPROVEMENT PLAN

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

DISCUSS POTENTIAL POCKET PARK NEAR MASON CREEK HIKE AND BIKE TRAIL

There was no discussion on this matter.

RISK AND RESILIENCE ASSESSMENT

Mr. Baker stated that BGE has prepared a draft of the Risk and Resilience Assessment Report and it is currently in final review.

POTENTIAL WINTERIZATION IMPROVEMENTS

Ms. Baker stated BGE toured each District facility to inspect any damages caused by the 2021 freeze event and reported on same. He discussed potential improvements in response to same. Discussion ensued.

AUTHORIZE PREPARATION OF BOND APPLICATION, INCLUDING, IF APPROPRIATE, ADOPT RESOLUTION AUTHORIZING APPLICATION TO THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY FOR APPROVAL OF PROJECT AND BONDS

Ms. Carner noted the District's voters had approved the issuance of \$8,500.00 in bonds to fund the District's share of the Cimarron and Memorial Parkway drainage improvements project. Mr. Baker stated that BGE is currently preparing Bond Application No. 9 for the project. He presented and reviewed a draft cost summary, a copy of which is attached to the engineer's report. Discussion ensued. The Board thanked the District's voters for participation in the recent election. Ms. Carner presented and reviewed a Resolution Authorizing Application to the Texas Commission on Environmental Quality for Approval of Project and Bonds.

ADDITIONAL ENGINEERING MATTERS

Mr. Baker stated BGE received an inquiry from Magna Green Group for 1431 South Mason Road regarding plans to install a food truck and entertainment court. Mr. Baker stated BGE has requested additional information for review of the plans.

Following review and discussion, and based on the engineer's recommendation, Director Cox moved to (1) approve the engineer's report; (2) award the contract for the ground storage tank alternate fill line installation in the amount of \$404,230.00, to Blastco, based upon the engineer's recommendation and subject to approval of the payment and performance bonds and review of the certificates of insurance and endorsements, if any, provided by the contractor; (3) award the contract for the disinfection system upgrades at water plant nos. 1, 2, 3, and 4 to Payton in the amount of \$475,000.00, based upon the engineer's recommendation and subject to approval of the payment and performance bonds and review of the certificates of insurance and endorsements, if any, provided by the contractor; and (4) adopt a Resolution

Authorizing Application to the Texas Commission on Environmental Quality for approval of Project and Bonds and direct that the Resolution be filed appropriately and retained in the District's official records. Director Olsen seconded the motion. After a roll call vote, the motion passed unanimously following a roll call vote.

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

The Board discussed reopening the administration building to the public for Board meetings and events. After discussion the Board concurred to open the building for Board meetings beginning June 1st.

DISCUSS SECURITY CAMERAS, EQUIPMENT MAINTENANCE AND
RELATED PROPOSALS

Ms. Johnson updated the Board on the status of the security camera wiring modifications. She then reviewed a proposal from Comcast for high speed internet at the administration building in the amount of \$278.05 per month. Discussion ensued regarding the current internet service and cost of same. The Board deferred action at this time pending further review of possible savings.

PROPOSALS FOR AIR CONDITIONER MAINTENANCE

Ms. Johnson stated that Rooks Electric will no longer service the air conditioner at the administration building. Discussion ensued regarding True Fix conducting routine maintenance and repairs.

APPROVE SERVICE AGREEMENT WITH JOE HALLMARK FOR WEBSITE
SERVICES AND TEXT AND EMAIL COMMUNICATIONS

Ms. Carner stated the current Service Agreement with Joe Hallmark needs to be updated to reflect changes in law. After discussion, Director Cathcart moved to approve the updated Service Agreement with Joe Hallmark for website services, subject to final review. Director Cox seconded the motion. After a roll call vote, the motion passed unanimously.

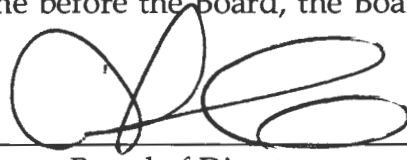
AUTHORIZE PREPARATION OF QUARTERLY DISTRICT NEWSLETTER

The Board discussed the preparation of the quarterly District newsletter and content of the articles. After discussion, Board concurred to authorize preparation of the third quarter District newsletter. After discussion, the Board concurred to begin preparation of the third quarter District newsletter.

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

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