

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

June 27, 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 27th day of June, 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, except Directors Goff and Cox, thus constituting a quorum.

Also attending the meeting were Jayne La Verne, a resident of the District; Jana Powers and Caleb Powers, members of the public; Ryan Fortner of Revenue Management Services; Pam Redden of McLennan & Associates, LP; Kate Hallaway of BGE, Inc. (“BGE”); Isabel Mata of Wheeler & Associates, Inc. (“Wheeler”); Rich Roberts of Municipal District Services, LLC (“MDS”); Stacy Lightsey, District employee; and Teshia Judkins and Kim Cannon of Allen Boone Humphries Robinson LLP (“ABHR”).

PUBLIC COMMENTS

Mr. Powers introduced himself to the Board. He stated he is a member of the Eagle Scouts, and he would like approval for a storm sewer inlet marker project in the District. The Board and the District’s engineer discussed which inlets could be included. Ms. Hallaway stated BGE can supply the requested markers as well as a map of the streets with storm sewer inlets that can be part of the requested activity. The Board also discussed required safety precautions, including the use of safety vests to be worn during the activity. After discussion, the Board concurred to authorize the requested inlet marker project subject to the execution of required documents by the legal representatives of all participants in the project and requested ABHR prepare the required documents for the proposed Eagle Scout storm sewer inlet marker project.

MINUTES

The Board considered approving the minutes of the May 23, 2024, regular meeting. After discussion, Director Olsen moved to approve the minutes of the May 23,

2024, 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 May 2024. A copy of the tax assessor report is attached. Ms. Mata stated the report reflects that the District's 2023 taxes were 95.78% collected as of the end of May.

Ms. Mata stated the District's preliminary value for 2024 is \$892,756,053.00, excluding personal property values.

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

AUTHORIZE DELINQUENT TAX ATTORNEY TO PROCEED WITH COLLECTION OF DELINQUENT TAXES

The Board considered authorizing its delinquent tax attorney to proceed with the collection of delinquent taxes owed to the District as of July 1, 2024, including assessment of the 20% penalty for the collection of delinquent taxes as authorized by the Property Tax Code. After discussion, Director Brown moved to authorize the delinquent tax attorney to proceed with collection of the 2023 delinquent taxes as of July 1, 2024. Director Olsen seconded the motion, which carried 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. He noted sales tax collections are down 11% from 2023 but explained this decrease appears to be a trend across Houston and not district-specific.

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

The Board discussed the AWBD summer conference. The Board considered authorizing attendance for any interested Directors at the AWBD winter conference from January 24-25, 2025. Following review and discussion, Director Olsen moved to: (1) authorize reimbursement of eligible expenses for the Directors who attended the summer conference; and (2) authorize Board members to attend the winter AWBD conference, as discussed. Director Brown seconded the motion, which passed unanimously.

BOOKKEEPER'S REPORT

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

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

ADOPT RESOLUTION EXPRESSING INTENT TO REIMBURSE

There was no discussion on this matter.

GARBAGE AND RECYCLING MATTERS, INCLUDING RENEWAL OF RESIDENTIAL SOLID WASTE COLLECTION CONTRACT, AND DISCUSS FALL SHRED EVENT

The Board discussed the current residential solid waste collection contract and the upcoming fall shred event. Ms. Judkins noted that the District's current contract is scheduled to automatically renew for an additional three years in October 2026 at the end of its current three-year term. She also reviewed the contract's provision regarding annual CPI adjustments.

OPERATOR'S REPORT

Mr. Roberts distributed and reviewed the operator's report, a copy of which is attached. He stated the water accountability for the month is 91.7% and discussed factors that may be lowering accountability, including recent flushing.

Mr. Roberts requested approval to write off four accounts totaling \$651.48 deemed uncollectible and submit same to a collections' agency.

Mr. Roberts also addressed questions regarding a leak at Water Plant No. 1 that is being repaired.

After discussion, Director Olsen moved to approve the operator's report and authorize MDS to write off four delinquent accounts totaling \$651.48 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 termination of water and sewer services. Mr. Roberts 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 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, 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 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.

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. Judkins updated the Board regarding the status of the acquisition of certain easements across approximately 14 lots for this project, noting that the District's engineer is currently updating the metes and bounds for the easements at the request of the District's special counsel that is assisting with the acquisition.

WATER PLANT NO. 3 ELEVATED STORAGE TANK REHABILITATION

Ms. Hallaway discussed the Water Plant No. 3 elevated storage tank rehabilitation project and requested approval of an engineering proposal in the amount of \$110,974.02 for design of the project. Ms. Hallaway stated the estimated construction costs for the elevated storage tank rehabilitation project are \$634,300.00.

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.

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 has advertised the project and will present the bids received at the July Board meeting.

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. Ms. Hallaway then requested approval of Pay Estimate No.4 in the amount of \$33,641.69

UPDATE ON BOND APPLICATION NO. 9

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

Following review and discussion, and based on the engineer's recommendation, Director Olsen moved to: (1) approve the engineer's report; (2) approve the proposal from BGE for design of the elevated tank rehabilitation project at water plant no. 3; and (3) approve Pay Estimate No. 4 in the amount of \$33,614.69, payable to CS. Director Brown seconded the motion, which passed by unanimous vote.

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

There was no discussion on this matter.

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

APPROVE QUARTERLY DISTRICT NEWSLETTER

The Board reviewed the third quarter District newsletter. After discussion, Director Olsen moved to authorize distribution of the third quarter District newsletter. Director Brown seconded the motion, which carried by unanimous vote.

ANNUAL CYBERSECURITY TRAINING REQUIREMENT

Ms. Judkins presented a memorandum regarding legislation enacted by the Texas Legislature regarding annual cybersecurity training requirements for certain local government employees and elected officials, a copy of which is attached. She stated the District employees must select a training program that is certified by the Texas Department of Information Resources and requested that the training be completed by those employees as soon as possible.

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

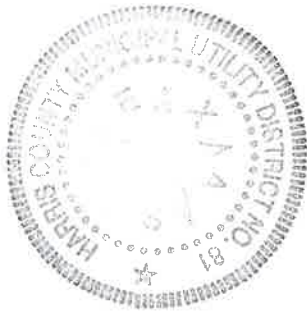
There was no discussion on this matter.

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
	<u>Page</u>
Tax assessor/collector's report	2
Sales tax report	2
Bookkeeper's report.....	3
Operator's report.....	3
Engineer's report.....	4
Memorandum regarding cybersecurity training	6