

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

October 27, 2022

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 October 2022, 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 Cox and Goff, thus constituting a quorum.

Also attending the meeting were Kim Olsen, a member of the public; Christie Leighton of Best Trash, LLC; Renee Butler of McLennan & Associates, LP; Kate Hallaway of BGE, Inc. ("BGE"); Isabelle Mata of Wheeler & Associates, Inc. ("Wheeler"); Charlie Chapline of Municipal District Services, L.L.C. ("MDS"); Doris Vogt and Starr Johnson, District employees; and Katie Carner and Kim Cannon of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

There were no public comments.

MINUTES

The Board considered approving the minutes of the September 22, 2022, regular meeting. After discussion, Director Brown moved to approve the minutes of the September 22, 2022, 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 September 2022. A copy of the tax assessor report is attached. Ms. Mata stated the report reflects that the District's 2021 taxes were 98.30% collected as of the end of September.

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 unanimous vote.

CONDUCT PUBLIC HEARING REGARDING DISTRICT'S TAX RATE, ADOPT ORDER LEVYING TAXES, AND AUTHORIZE EXECUTION OF AMENDMENT TO INFORMATION FORM

Ms. Carner stated that notice was published of the public hearing to be held at today's meeting regarding adoption of the District's proposed 2022 total tax rate of \$0.275 per \$100 of assessed valuation.

The Board opened the public hearing. There being no comments from the public, the Board closed the public hearing.

Ms. Carner presented an Order Levying Taxes reflecting the proposed 2022 tax rate. She then presented an Amendment to Information Form reflecting the tax rate and stated that the Amendment will be filed with the Texas Commission on Environmental Quality and recorded in the Official Public Records of Harris County.

After review and discussion, Director Olsen moved to (1) adopt the Order Levying Taxes reflecting a total 2022 tax rate of \$0.275 per \$100 of assessed valuation, comprised of \$0.1625 to pay debt service on water, sewer, and drainage bonds and \$0.1125 for operations and maintenance; (2) authorize execution of the Amendment to Information Form; and (3) direct that the Order and Amendment be filed appropriately and retained in the District's official records. Director Brown seconded the motion, and the motion passed unanimously.

REPORT FROM REVENUE MANAGEMENT SERVICES ON BUSINESSES PAYING SALES TAX

There was no discussion on this matter.

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.

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.

GARBAGE AND RECYCLING MATTERS, INCLUDING REPORT FROM COMMUNITY SHRED EVENT, AND ANNUAL REVIEW OF CPI ADJUSTMENT

Ms. Leighton distributed and reviewed a shred event report, a copy of which is attached. She stated that 0.75 tons of paper were shredded. The Board discussed holding a shred event on April 22, 2023 and requested Best Trash provide proposals for review at the next regular Board meeting.

Ms. Leighton presented and reviewed a letter from Best Trash, LLC, regarding the District's annual CPI increase for 2023 of 4.6% which results in an increased rate for garbage and recycling collection of \$0.92 per month per residence. A copy of the letter is attached. After discussion, Director Cathcart moved to approve the CPI increase, as presented. Director Brown seconded the motion, which carried by unanimous vote.

Ms. Leighton then requested approval of a permanent 3% increase for fuel costs in lieu of the fluctuating fuel surcharge that the Board previously approved. After discussion, Director Cathcart moved to approve the 3% fuel increase in lieu of the previous fluctuating surcharge, as presented. Director Brown seconded the motion, which carried by unanimous vote.

OPERATOR'S REPORT, INCLUDING UPDATE ON WATER PLANT NO. 1 BOOSTER PUMP NO. 3 PUMP AND MOTOR REPAIRS

Mr. Chapline distributed and reviewed the operator's report, a copy of which is attached. He stated the water accountability for the month is 92.40%.

Mr. Chapline updated the Board on booster pump no. 3 pump and motor repairs at water plant no. 1 and stated the repairs are ongoing.

Mr. Chapline reported there are six accounts totaling \$7,467.75, deemed to be uncollectible and requested authorization to write off said accounts and turn them over to a collection agency.

Mr. Chapline stated the District's interconnect with Cimarron Municipal Utility District remains open as they continue to make repairs to their water plant.

After discussion, Director Olsen moved to (1) approve the operator's report; and (2) write off six delinquent accounts totaling \$7,467.75, which are deemed uncollectible, submit same to a collection agency, and direct that the uncollectible accounts list be filed appropriately and retained in the District's official records. 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. 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, except for customers Cadden, Salazar, and Caicedo-Gongora.

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 on November 2, 2022, if their utility bills are not paid in accordance with the District's Rate Order, except for customers Cadden, Salazar, and Caicedo-Gongora, and direct that the delinquent customer list be filed appropriately and retained in the District's official records. Director Brown seconded the motion, which passed by unanimous vote.

ENGINEER'S REPORT

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

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

Ms. Hallaway updated the Board on the cleaning and televising of Memorial Parkway, Sections 3, 4, and 5 sanitary sewer lines and stated the work has commenced.

PARK YORK FORCE MAIN REPLACEMENT

Ms. Hallaway stated BGE is currently preparing the plans and specifications for the relocation of the Park York force main. She stated that BGE is working with Harris County Flood Control District regarding relocation of the force main, as previously proposed.

WATER WELL NO. 1 INVESTIGATION

Ms. Hallaway stated water well no. 1 is experiencing vibration. She stated when the weather is cooler and water usage diminishes, BGE will investigate the vibrations.

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 and Cimarron Sections 2, 3, 4 and 5.

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.

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

Ms. Hallaway stated the contractor for the water plant nos. 1, 2 and 4 ground storage tank fill line installation is Blastco Texas, Inc ("Blastco").

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 contractor has completed the initial site work and the generator has been ordered.

UPDATE ON BOND APPLICATION NO. 9

Ms. Hallaway stated BGE is currently preparing bond application no. 9.

Following review and discussion, and based on the engineer's recommendation, Director Olsen moved to approve the engineer's report. Director Brown seconded the motion, which passed by unanimous vote.

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

Director Cathcart reported on the West Memorial Sewage Treatment Plant.

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

DISCUSS DISTRICT ADMINISTRATION BUILDING RENTAL POLICIES, INCLUDING CHECKLIST FOR AFTER MEETINGS

Ms. Carner distributed and reviewed the revised administration building rental policy and stated the increased fee schedule has been included.

Ms. Johnson stated that at a recent party a fog machine was used, the fire alarm was triggered, and firemen had to break the door to enter the building. Discussion ensued regarding revisions to include a \$1,000.00 penalty for the use of a fog machine in the admiration building. After discussion, the Board deferred action pending review of a final draft.

The Board discussed the damaged door and requested a repair proposal for review at the next Board meeting.

DISCUSS CLEANING SERVICES FOR DISTRICT ADMINISTRATION BUILDING, INCLUDING PROPOSALS AND RELATED SERVICE AGREEMENTS

The Board discussed the recent approval of the cleaning contract with Time and Season, including the cleaning materials needed and the advance notification prior to party reservations.

PROPOSAL FOR DISTRICT ADMINISTRATION BUILDING FIRE SUPPRESSION AND MONITORING, SECURITY AND ACCESS

Ms. Johnson discussed the access control system at the administration building and noted Sonitrol is not responsive when contacted. She stated separate services are currently provided for fire monitoring and the access control system.

Discussion ensued regarding the ongoing issues and costs with upgrading the buildings access control software and alternate solutions for access, including keypad entry and traditional key entry options. Ms. Johnson noted the Harris County requirements for the access entry for the door.

Ms. Carner stated she would investigate potential fire alarm monitoring providers and submit the information to Ms. Johnson.

Ms. Johnson stated that the front door lock does not work properly with the key. The Board requested a proposal for the lock replacement for review at the next Board meeting.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY ("AUTHORITY")

There was no discussion on this matter.

DISCUSS NOVEMBER AND DECEMBER MEETING SCHEDULE

The Board discussed the upcoming November and December regular meeting dates for the District. The Board agreed to meet on November 17, 2022, at 6:15 p.m. The Board then discussed times for the December regular District meeting, the Cinco Regional Sewage Treatment Plant ("STP") meeting, and the holiday party. After discussion, the Board concurred to schedule the regular December District meeting at 5:30 pm, the STP meeting at 6:30p.m. and the holiday party at 7:00 p.m. on December 15, 2022.

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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