

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

November 21, 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 21st day of November, 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 Brown and Cox, thus constituting a quorum.

Also attending the meeting were: Ryan Fortner of Revenue Management Services ("RMS"); Renee Bulter of McLennan & Associates, LP; Katherine 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

There were no public comments.

MINUTES

The Board considered approving the minutes of the October 24, 2024, regular meeting. After discussion, Director Olsen moved to approve the minutes of the October 24, 2024, regular meeting. Director Goff 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 October 2024. A copy of the tax assessor report is attached. Ms. Mata stated the report reflects that the District's 2024 taxes were 0% collected as of the end of October.

Ms. Mata next reviewed a report from the District's delinquent tax attorney, Perdue, Brandon, Fielder, Collins & Mott, LLP ("Perdue"), a copy of which is attached to the tax report.

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

REPORT FROM REVENUE MANAGEMENT SERVICES ON BUSINESSES PAYING SALES TAX

Mr. Fortner updated the Board on the status of the annual business report and stated the report will be presented at the December Board meeting, pending receipt from the City of Houston.

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. Butler presented two additional checks, check no. 3405, payable to Johnson Controls for the annual fire test and inspection in the amount of \$2,412.26, and check no. 3406, payable to a resident for reimbursement of an overpayment in the amount of \$398.78.

BUDGET FOR FISCAL YEAR END DECEMBER 31, 2025

Ms. Butler distributed and reviewed the draft budget for fiscal year end December 31, 2025, a copy of which is attached to the bookkeeper's report. She noted that all consultants have reviewed the draft budget.

After review and discussion, Director Olsen moved to (1) approve the bookkeeper's report, and the checks presented for payment, including the two additional checks, as presented; and (2) approve the budget for fiscal year end December 31, 2025, as presented. Director Goff 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. Roberts distributed and reviewed the operator's report, a copy of which is attached. He stated the water accountability for the month is 92.6%.

Mr. Roberts requested authorization to forward five delinquent accounts to collections, totaling \$963.21.

LIFT STATION GENERATOR PROPOSALS

There was no discussion on this matter.

WATER PLANT NO. 4 AIR LINE REPLACEMENT FOR HYDROTANK

There was no discussion on this matter.

WATER PLANT NO. 2 WELL MOTOR REPLACEMENT

Mr. Roberts updated the Board on the status of the well-motor replacement and stated it is complete.

SANITARY SEWER LINE(S) NEAR KENLAKE DRIVE, INCLUDING RELATED REPAIRS, IDENTIFICATION OF SERVED PROPERTIES, AND DRAFT AGREEMENT WITH CORNERSTONES MUNICIPAL UTILITY DISTRICT ("CORNERSTONES") REGARDING SAME

Ms. Judkins reported that, according to the District's operator, point repairs to the sanitary sewer line near Kenlake Drive, including the repairs to address sagging, are scheduled to begin in early December and that MDS will be coordinating with Cornerstone's operator during the repairs.

Ms. Judkins updated the Board on the preparation of the draft agreement between the District and Cornerstones regarding the sanitary sewer line on Kenlake Drive, noting a draft of the agreement has been provided to the District's operator and engineer for review and comment.

After discussion, and as recommended by the operator, Director Olsen moved to: (1) approve the operator's report; and (2) authorize MDS to forward the five delinquent accounts totaling \$963.21 to collections. Director Goff seconded the motion, which passed by unanimous vote.

TERMINATION OF SERVICE

The Board concurred not to terminate delinquent accounts for the month of November.

ENGINEER'S REPORT

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

CAPITAL IMPROVEMENT PLAN ("CIP")

The Board discussed the CIP projects for 2025.

PARK YORK FORCE MAIN REPLACEMENT, INCLUDING EASEMENT ACQUISITION AND APPROVAL OF RELATED RESOLUTION AUTHORIZING ACQUISITION OF REAL PROPERTY INTERESTS TO CONFIRM THE EXISTENCE OF A PUBLIC NECESSITY TO ACQUIRE CERTAIN PROPERTY AND PROPERTY INTERESTS ALONG REQUIRED ROUTE AND INITIATION OF CONDEMNATION PROCEEDINGS TO ACQUIRE SAME

Ms. Hallaway stated that design for the Park York Force Main Replacement project is ongoing and coordination with the consultants assisting the District in acquiring the required easements is in process. Ms. Judkins updated the Board regarding steps taken to date by those consultants, including Phelps Dunbar LLP for related legal services and Property Acquisition Services, LLC for related easement acquisition services. She then presented and reviewed a Resolution Declaring the Existence of a Public Necessity and Authorizing Acquisition of Real Property Interests by Donation, Purchase, or Exercise of the Power of Eminent Domain (the "Resolution") for the easements required for the project. Discussion ensued. Following review and discussion, Director Olsen moved that the Board of Directors of Harris County Municipal Utility District No. 81, in a record vote applying to all units of property to be condemned, adopt the Resolution and authorize the use of the power of eminent domain, if necessary, to acquire easements, rights-of-way, and/or other property interests across the tracts of land more particularly described and depicted in Exhibit A to the Resolution to lay, construct, install, maintain, repair, relocate, replace, remove, modify, and operate sanitary sewer force main line facilities, and delegate the authority to initiate a condemnation proceeding to the District's President as its chief administrative official. Director Goff seconded the motion, which passed by unanimous vote.

WATER PLANT NO. 3 ELEVATED STORAGE TANK REHABILITATION

Ms. Hallaway discussed the Water Plant No.3 elevated storage tank rehabilitation project and stated BGE has completed the survey for the project and plan production is at about 40% complete.

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 the contractor, Champion Cleaning Specialists ("CCS"), for the sanitary sewer rehabilitation for Memorial Parkway, Sections 3-5 has mobilized to the site. She stated the contractor is requesting permission to work on Saturday, December 7th and Saturday, December 14th. Ms. Hallaway noted the contract currently states workdays are Monday through Friday. Discussion ensued.

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

Ms. Hallaway discussed the sanitary sewer line rehabilitation project for Cimarron subdivision, Sections 1-3 and Memorial Parkway, Sections 6-8 and stated the estimated cost of the project is \$2,989,000.00, which is more than originally estimated. Ms. Hallaway then presented and reviewed a proposal in the amount of \$252,299.70 for engineering services related to the project. A copy of the proposal is attached to the engineering report. Discussion ensued, including discussion regarding the source of funds for the project and potentially phasing the project.

SANITARY SEWER TELEVISIONING AND CLEANING FOR CIMARRON SUBDIVISION, SECTIONS 4, 5 AND 6, MEMORIAL PARKWAY, SECTIONS 9, 11, AND 13, AND SILVERSTONE, SECTION 1

Ms. Hallaway presented a corrected engineering proposal for the televising and cleaning of sanitary sewer collection lines for Cimarron Subdivision, Sections 4, 5, and 6, Memorial Parkway, Sections 9, 11, and 13, and Silverstone, Section 1, noting the proposal presented last month incorrectly referred to Cimarron Subdivision Sections 3, 4, and 5 instead of 4, 5, and 6 and that this revised proposal corrects the reference. She requested approval of the revised corrected proposal and noted the project is initiating.

SANITARY SEWER REHABILITATION ALONG KENLAKE DRIVE

Ms. Hallaway discussed the Kenlake sanitary sewer rehabilitation project to reline the pipe and stated the estimated cost of the relining is \$120,000.00. Ms. Hallaway then presented and reviewed a proposal from BGE in the amount of \$45,000.00 for engineering services related to the project. Discussion ensued.

UPDATE ON BOND APPLICATION NO. 9

Ms. Hallaway updated the Board on the status of bond application no. 9 and stated BGE's first draft of the application is complete and is being reviewed by District consultants.

UPDATE ON STORM SEWER INLET MARKER SCOUT PROJECT

The Board discussed the completion of the storm sewer inlet marker Eagle Scout project. Ms. Hallaway noted that BGE will update the storm sewer marker inlet map to indicate the locations that were included in the project.

Following review and discussion, and based on the engineer's recommendation, Director Olsen moved to: (1) approve the engineer's report; (2) approve the request from CCS, the contractor for the sanitary sewer rehabilitation for Memorial Parkway, Sections 3-5, to work on December 7th and December 14th; (3) approve the BGE proposal in the amount of \$252,299.70 for engineering services for the sanitary sewer rehabilitation for Cimarron Subdivision, Sections 1-3 and Memorial Parkway, Sections 6-8; (4) approve the corrected BGE proposal in the amount of \$60,000.00 for engineering services for the televising and cleaning of sanitary sewer collection lines for Cimarron Subdivision, Sections 4, 5, and 6, Memorial Parkway, Sections 9, 11, and 13, and Silverstone, Section 1; and (5) approve the BGE proposal in the amount of \$45,000.00 for engineering services for the Kenlake sanitary sewer rehabilitation project. Director Goff seconded the motion, which passed by unanimous vote.

REPORT ON WEST MEMORIAL MUNICIPAL UTILITY DISTRICT SEWAGE TREATMENT PLANT (THE "WEST MEMORIAL STP") MEETING

The Board reviewed the West Memorial STP meeting report, a copy of which is attached.

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

UPDATE ON ADMINISTRATION BUILDING UPGRADES AND REPAIRS, INCLUDING GREAT ROOM REPAIRS

Ms. Lightsey updated the Board on the schedule for the great room repairs and stated the repairs will begin after the holidays.

Ms. Lightsey stated a pole needed repair at the parking lot across the street from the District administration building. She stated City Maintenance completed the repair and provided an invoice in the amount of \$823.25. A copy of the invoice is attached.

FENCE REPAIRS, INCLUDING ANY RELATED AGREEMENTS OR PROPOSALS

Ms. Lightsey updated the Board on the correspondence with the resident regarding the proposed cost sharing for the replacement of the fence adjacent to the administration building and stated the resident agreed to share the cost equally. Director Cathcart reviewed a proposal from MDS for the replacement of the fence in the amount of \$2,525.00. Discussion ensued, including discussion regarding options for the resident to pay MDS directly or to be billed and to pay over time.

AUTHORIZE PREPARATION OF QUARTERLY DISTRICT NEWSLETTER

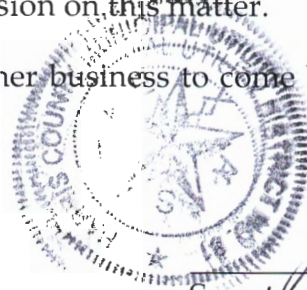
The Board discussed the first quarter 2025 newsletter and articles to include.

After discussion, Director Olsen moved to: (1) approve the repair of the pole at the parking lot in the amount of \$823.25 by City Maintenance and authorize payment for same; (2) approve the proposal from MDS for the replacement of the fence adjacent to the administration building in the amount of \$2,525.00, the cost of which will be shared equally with the neighboring resident, and authorize Director Cathcart to communicate with the resident regarding the fence repair, including payment options; and (3) authorize preparation of the District newsletter. Director Goff seconded the motion, which passed by unanimous vote.

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

	Minutes
	<u>Page</u>
Tax assessor/collector's report	1
Bookkeeper's report.....	2
Operator's report.....	2
Engineer's report.....	3
West Memorial STP meeting report.....	6
City Maintenance repair invoice.....	6