

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

December 15, 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 15th day of December 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, thus constituting a quorum.

Also attending the meeting were Tony Garza and Morgan Stagg of Cornerstones Municipal Utility District; Ryan Fortner of Revenue Management Services; Jennifer Hanna of Forvis, LLP; 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 November 17, 2022, regular meeting. After discussion, Director Goff moved to approve the minutes of the November 17, 2022, regular meeting. Director Cathcart seconded the motion, which passed by unanimous vote.

ENGAGE AUDITOR TO CONDUCT AUDIT FOR FISCAL YEAR END DECEMBER 31, 2022

Ms. Hanna presented and reviewed an engagement letter from Forvis for preparation of the audit report for the fiscal year ending December 31, 2022, at an estimated cost of \$21,000.00, plus expenses. After discussion, Director Brown moved to

engage Forvis to prepare the District's audit report. Director Goff seconded the motion, which carried by unanimous vote.

#### TAX ASSESSOR/COLLECTOR REPORT

Ms. Mata reviewed the tax assessor/collector's report for the month of November 2022. A copy of the tax assessor report is attached. Ms. Mata stated the report reflects that the District's 2022 taxes were 13.72% collected as of the end of November.

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.

#### TRAVEL REIMBURSEMENT GUIDELINES

Ms. Carner discussed the District's Travel Reimbursement Guidelines for the upcoming Association of Water Board Directors winter conference in Austin on January 27-28, 2023.

#### 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.

#### BUDGET FOR FISCAL YEAR END DECEMBER 31, 2023

Ms. Butler distributed and reviewed a draft budget, a copy of which is attached to the bookkeeper's report.

After review and discussion, Director Cox moved to (1) approve the bookkeeper's report and the checks presented for payment; and (2) approve the budget for fiscal year end December 31, 2023, as presented. Director Olsen seconded the motion, which passed by unanimous vote.

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

Mr. Chapline distributed and reviewed the operator's report, a copy of which is attached. He stated the water accountability for the month is 98%.

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 five accounts totaling \$595.97, 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 has been closed and they have been invoiced in the approximate amount of \$246,000.00.

After discussion, Director Cox moved to (1) approve the operator's report; and (2) authorize MDS to forward the five delinquent accounts totaling \$595.97, 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 Olsen seconded the motion, which passed by unanimous vote.

#### TERMINATION OF SERVICE

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

#### PUBLIC UTILITY COMMISSION RULES REGARDING EXTREME WEATHER EMERGENCIES, INCLUDING ISSUANCE OF ONE-TIME NOTICE TO CUSTOMERS AND ADOPT AMENDED RATE ORDER

Ms. Carner discussed rules adopted by the Public Utility Commission of Texas ("PUC") to implement legislation prohibiting certain retail water or sewer providers from imposing late fees or terminating service for nonpayment of water bills that are due during a period when the previous day's highest temperature and the predicted temperature for the next 24 hours is not higher than 28 degrees Fahrenheit. Ms. Carner reviewed and discussed the one-time notice of the requirements that must be sent to utility customers by January 31, 2023. Ms. Carner then presented a proposed Amended Rate Order incorporating the provisions of the PUC rules, including terms for customers to request and receive a payment schedule for payment of bills due during such an extreme weather emergency. After review and discussion, Director Cox moved to authorize the operator to send the one-time notice to District customers and to adopt the Amended Rate Order and direct that it be filed appropriately and retained in the District's official records. Director Olsen seconded the motion, which passed unanimously.

#### 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 is ongoing.

PARK YORK FORCE MAIN REPLACEMENT

Ms. Hallaway stated that after discussions with Harris County regarding the relocation of the Park York force main, they have objected to constructing the force main within their easement. She stated that BGE is now recommending replacing the force main in its existing location and will provide an updated estimate at the January Board meeting for the bypass pumping costs that will be required to 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 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. She stated the Notice to Proceed is expected to be issued in February 2023.

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"). She stated the work is ongoing. Ms. Hallaway stated that Blasco has issued an updated schedule stating the completion date will be January 17, 2023, a copy of which is attached to the engineer's report.

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 is awaiting the delivery of the generator.

UPDATE ON BOND APPLICATION NO. 9

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

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

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

Director Cox reported on the West Memorial Sewage Treatment Plant. The Board requested that Ms. Hallaway request a copy of the West Memorial Capital Improvement Plan for budget planning purposes.

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

The Board discussed the previously approved repair of a fence adjacent to the Administration Building overflow parking lot. Ms. Carner stated the Board previously approved contributing 50 percent of the cost for the fence replacement, but the repair photos provided do not seem to match the expected scope of work. Discussion ensued regarding the total cost of the fence repair compared to the cost of fence replacement.

Ms. Johnson stated that the refrigerator ice maker is unable to be repaired. Discussion ensued regarding the purchase of a new refrigerator at a later date.

PROPOSALS FOR DISTRICT ADMINISTRATION BUILDING FIRE  
SUPPRESSION, SECURITY, AND ACCESS, INCLUDING PROPOSAL FOR  
PARKING LOT RE-STRIPING

Ms. Johnson discussed the access control system at the administration building. She reviewed proposals from Team Wired for security camera monitoring and access control, including the installation of new control panels for the administration building in the total amount of \$4,598.00. A copy of the proposals are attached. She noted the District would be billed on an as needed basis for services. Ms. Johnson then discussed the fire suppression system and stated that Team Wired can contract with a third party for monitoring. After discussion, Director Cathcart moved to approve the proposal from Team Wired in the amount of \$4,598.00, as presented and a Service Agreement for same. Director Cox seconded the motion, which carried by unanimous vote.

The Board discussed the paint striping in the District administration building parking lot. Ms. Johnson reviewed a proposal from City Maintenance in the amount of \$450.00 for re-striping the parking lot. Director Goff recommended that the parking lot be pressure washed first, then painted. After discussion, Director Cathcart moved to authorize pressure washing of the administration building parking lot, delegating Director Goff for final approval

of the cost, and approve the proposal from City Management for the re-striping of the parking lot in the amount of \$450.00. Director Cox seconded the motion, which carried by unanimous vote.

APPROVE QUARTERLY DISTRICT NEWSLETTER

The Board reviewed the draft quarterly District newsletter. After discussion, Director Olsen moved to approve the quarterly District newsletter, as revised. Director Cox seconded the motion, which carried by unanimous vote.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY ("AUTHORITY")

There was no discussion on this matter

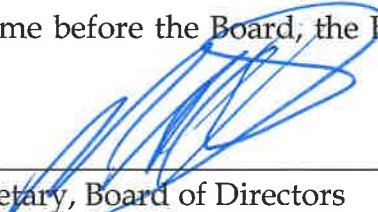
REVIEW AND UPDATE EMINENT DOMAIN REPORT TO THE TEXAS COMPTROLLER

Ms. Carner reported ABHR will file the District's Eminent Domain Authority Annual Report with the Comptroller of the State of Texas pursuant to Senate Bill 1812.

TAX MATTERS ("CONT'D")

Mr. Fortner stated that the fourth quarter sales tax revenue report was received and will be discussed at next month's meeting. He discussed the annual business list update with the City of Houston.

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

  
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Secretary, Board of Directors

(SEAL)



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