

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

February 24, 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 24th day of February 2022, and the roll was called of the members of the Board:

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 meeting were Ryan Fortner of Revenue Management Services ("RMS"); Pam Redden of McLennan & Associates, L.P. ("McLennan"); Kate Hallaway and Aaron Orozco of BGE, Inc. ("BGE"); Isabelle Mata of Wheeler & Associates, Inc. ("Wheeler"); Charlie Chapline of Municipal District Services, L.L.C. ("MDS"); Starr Johnson and Doris Vogt, 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 January 27, 2022, regular meeting. After discussion, Director Cathcart moved to approve the minutes of the January 27, 2022, meeting. Director Cox 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 January 2022, a copy of which is attached. She stated the report reflects that the District's 2021 taxes were 87.53% collected as of the end of January. 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.

ADOPT RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

The Board discussed optional exemptions for the 2022 tax year. After discussion, Director Cathcart moved to adopt the Resolution Concerning Exemptions from Taxation for 2022, reflecting that the Board grants a general residential homestead exemption of 20% of the appraised value of property, and grants a \$5,000 exemption for residence homesteads of persons over 65 years of age and for disabled persons, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Olsen seconded the motion, and the motion passed unanimously

REPORT FROM RMS ON BUSINESSES PAYING SALES TAX

Mr. Fortner distributed and reviewed the Business Sales Tax Report, a copy of which is attached. He noted the sales tax report will be submitted to the City of Houston once finalized.

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.

Ms. Redden requested approval of three additional checks, check no. 1337, in the amount of \$1,115.00, payable to Memorial Municipal Utility District, check no.1338, in the amount of \$35.00, payable to West Houston Document Destruction, and check no. 1339, in the amount of \$473.20, payable to Doris Vogt for the Board meeting dinner.

After review and discussion, Director Brown moved to approve the bookkeeper's report, and the checks presented for payment, including the three additional checks, as discussed. Director Cox seconded the motion, which passed by unanimous vote.

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

The Board discussed the AWBD winter conference sessions. Ms. Carner stated the AWBD summer conference will be in Fort Worth, Texas, on June 23-25, 2022. After discussion, Director Cox moved to authorize attendance of the directors and office staff at the summer conference. Director Olsen seconded the motion, and the motion passed unanimously.

Discussion ensued regarding the reimbursement check for Director Goff, which appeared to include fees of office not claimed by Director Goff. Ms. Redden stated McLennan could look into the matter and report back next month.

## OPERATOR'S REPORT

Mr. Chapline distributed and reviewed the operator's report, a copy of which is attached. He stated the water accountability for the month is 91.2%.

Mr. Chapline requested approval of four delinquent accounts totaling \$320.57, deemed uncollectible, to forward to collections.

Mr. Chapline stated that the District received multiple water quality calls and stated flushing was conducted to resolve the issues.

## UPDATE ON VALVE REPAIRS

Mr. Chapline updated the Board on the status of the valve repairs and stated they complete.

## UPDATE ON REPAIRS OF ADMINISTRATION BUILDING SIDEWALKS

There was no update on this matter.

## AMENDMENT TO OPERATING CONTRACT

Mr. Chapline distributed and reviewed an amendment to the operating contract, a copy of which is attached to the operator's report. He discussed the details of the overall 3.5% cost increase in service fees, billing and collection fees. Discussion ensued regarding considering amending the District's Rate Order at the next meeting.

## WATER USAGE REPORTING FORM

Mr. Chapline stated the District is required annually to submit certain usage data to the West Harris County Regional Water Authority. He requested authorization to submit the annual report on the District's behalf.

After discussion, Director Cathcart moved to (1) approve the operator's report; (2) write off four accounts, totaling \$320.57, deemed uncollectible and, forward the accounts to collections; (3) approve the amendment to the operators contract, presented, and direct that the amendment be filed appropriately and retained in the District's official records; and (4) authorize submittal of the water usage report to the West Harris County Regional Water Authority. Director Cox 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. Ms. Johnson stated that no customers requested an extension for payment for 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 March 2, 2022, 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 reviewed a proposal from BGE in the amount of \$10,100.00 for the preparation of an update CIP for District facilities.

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

Ms. Hallaway stated that Texas Pride Utilities is the contractor for this project. She stated the total amount of the project is \$705,664.10. Ms. Hallaway stated the project is substantially complete. She requested approval of Pay Estimate No. 2 in the amount of \$118,986.30.

#### PARK YORK FORCE MAIN REPLACEMENT

Ms. Hallaway stated this project is on hold while the Cinco Regional Wastewater Treatment Plant Regional feasibility study is being conducted.

#### HARRIS COUNTY STORM SEWER AND DRAINAGE FACILITY IMPROVEMENTS, INCLUDING ADDITIONAL DETENTION/MITIGATION, AND JOINT PARTICIPATION INTERLOCAL AGREEMENT

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 redefined the Memorial Parkway project. She stated the project will include additional

detention/mitigation volume. She stated the Harris County is going to prepare the Interlocal Agreement for this project.

Ms. Hallaway stated the Cimarron Sections 2,3,4 and 5 drainage improvement project was bid on February 22, 2022. She stated four bids were received. Ms. Hallaway stated the apparent low bidder was Main Lane Industries, Inc. ("Main Lane"), in the amount of \$10,240,000.80. However Main Lane did not meet the bidding requirements, so their bid count be accepted. Ms. Hallaway recommended that the District concur with Harris County's and BGE's recommendation to award the contract to the second lowest bidder, Wade Con., LLC ("Wade"), in the amount of \$10,598,929.00. The Board determined that award of the contract to Wade will be most advantageous to the District and will result in the best and most economical completion of the project.

Discussion ensued regarding scheduling of a public meeting on March 23rd for Harris County to discuss the pending Cimarron subdivision drainage improvements with members of the public. After discussion, the Board concurred to authorize Harris County host the meeting at the District Administration building. Ms. Hallway stated Harris County likely would include a virtual meeting option.

#### 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.

Ms. Hallaway requested approval of Change Order No. 1 in the amount of \$13,272.95, to address a duct bank on site that affected field conditions. The Board determined that Change Order No. 1 is beneficial to the District.

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

Ms. Hallaway stated that W. W. Payton Inc. is the contractor for this project. She stated the Notice to Proceed was issued on January 10, 2022.

#### GIS PROGRAM

Ms. Hallaway stated BGE has begun the GIS program to monitor and maintain the status and location of District facilities, including the District's valves.

## WATER PLANT NO. 2 GENERATOR REPLACEMENT

Ms. Hallaway stated BGE has submitted plans and specifications for the water plant no. 2 generator replacement project to Harris County, and plans have been approved. She stated she would confirm internally at BGE the propose schedule for advertisement for bids.

## POTENTIAL SANITARY SEWER FLOW REROUTING

Ms. Hallaway stated that BGE has begun work on the plans and recommendations will be presented at the next Board meeting. Discussion ensued regarding alternate locations for an additional lift station and alternatives to flow re-routing.

## UPDATE ON BOND APPLICATION NO. 9

Ms. Hallaway stated BGE is currently preparing bond application no. 9, and will be able to complete preparation once the Memorial Parkway drainage improvements Interlocal Agreement is finalized.

## LETTER AGREEMENT WITH EAGLE SCOUT CANDIDATE FOR PROPOSED STORM SEWER INLET STICKER REPLACEMENT

Ms. Carner reminded the Board that the District received a request from an Eagle Scout candidate regarding replacement of the sticker markers near stormwater inlets. She then reviewed a draft letter agreement for the project, including a permission slip and release form.

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 in the amount of \$10,100.00 to update the CIP; (3) approve Pay Estimate No. 2 in the amount of \$118,986.30, payable to Texas Pride Utilities; (4) approve Harris County's recommendation to accept the second lowest bid submitted by Wade for the Cimarron Sections 2,3,4 and 5 drainage improvements project, and that the contract be awarded to said contractor; (5) approve Change Order No. 1 based upon the Board's finding that the Change Order is beneficial to the District; and (6) approve the letter agreement for the Eagle Scout stormwater sticker marker project. Director Cox 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 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, COMMUNICATION, AND EMPLOYMENT MATTERS

Discussion ensued regarding administration building rentals and scheduling for the proposed Harris County Cimarron drainage improvements public meeting on March 23, 2022.

Ms. Vogt requested approval for Custom Cutters to trim the crepe myrtle trees at the District Administration building. After discussion, the Board concurred to authorize Custom Cutters to trim the crepe myrtle trees, as requested.

Ms. Johnson stated the awnings at the District administration building need to be pressure washed. After discussion, the Board concurred to authorize Ms. Johnson to solicit a bid from 2 Detail for review at next month's meeting.

Ms. Johnson discussed a reimbursement request from a resident on Country Park for a plumbing inspection that revealed an issue with a District line in the amount of \$275.00 paid to Brad's Plumbing. Mr. Chapline stated MDS was contacted once the District issue was identified and completed the necessary repair. After discussion, the Board concurred to deny the request for reimbursement.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY ("WHCRWA")

There was no discussion on this matter.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.074, TEXAS GOVERNMENT CODE, TO DELIBERATE THE APPOINTMENT, EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE, OR DISMISSAL OF A PUBLIC OFFICER OR EMPLOYEE

The Board convened in Executive Session at 7:36 p.m. Ms. Carner and Ms. Cannon were also present.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION REGARDING THE APPOINTMENT, EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE, OR DISMISSAL OF A PUBLIC OFFICER OR EMPLOYEE

The Board reconvened in Regular Session at 8:02 p.m.

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



(SEAL)

  
Secretary, Board of Directors

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