

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

April 24, 2025

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 April 2025, 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: Mark Delany, a member of the public; Cathy Cole, a resident of the District; Jennifer Hanna of Forvis Mazars, LLP; Renee Butler of McLennan & Associates, LP; Aaron Orozco of BGE, Inc. ("BGE"); Isabel Mata of Wheeler & Associates, Inc. ("Wheeler"); Charlie Chapline 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

Ms. Cole and Mr. Delany introduced themselves to the Board. Ms. Cole stated she lives in the District and stated her home was damaged when it was flooded by a backup of the sanitary sewer line caused by Champion Cleaning Specialists ("CCS"), the contractor who is performing the sanitary sewer rehabilitation for Memorial Parkway, Sections 3-5. Mr. Delany discussed the frustration with the contractor in trying to get them to pay for the repairs to Ms. Cole's home and noted there are multiple homes in the District that have experienced damages caused by CCS during their work on the rehabilitation project.

MINUTES

The Board considered approving the minutes of the March 27, 2025, regular meeting. After discussion, Director Olsen moved to approve the minutes of the March 27, 2025, regular meeting. Director Brown seconded the motion, which passed by unanimous vote.

APPROVE AUDIT FOR FISCAL YEAR END DECEMBER 31, 2024

Ms. Hanna reviewed the draft audit for the District's fiscal year end December 31, 2024. After discussion, Director Olsen moved to approve the audit, subject to final review. Director Cox seconded the motion, which passed unanimously.

RENEWAL OF DISTRICT INSURANCE POLICIES

Ms. Judkins stated the District's current insurance policies will expire June 1, 2025, and ABHR has not yet received the renewal packet from McDonald & Wessendorff.

TAX ASSESSOR/COLLECTOR REPORT

Ms. Mata reviewed the tax assessor/collector's report for the month of March 2025. A copy of the tax assessor report is attached. Ms. Mata stated the report reflects that the District's 2024 taxes were 94.67% collected as of the end of March.

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. Director Brown seconded the motion, which passed by a unanimous vote.

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, not including approval of check no. 3668 to CCS. Director Brown 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. Chapline distributed and reviewed the operator's report, a copy of which is attached. He stated the water accountability for the month is 89%. He further noted that accountability appears to be rising following the repair of the water main line leak on Cimarron Parkway that was discussed at the last Board meeting.

Mr. Chapline requested authorization to forward three delinquent accounts to collections, totaling \$444.53.

LIFT STATION GENERATOR PROPOSALS

There was no discussion on this matter.

SANITARY SEWER LINE(S) NEAR KENLAKE DRIVE AND DRAFT AGREEMENT WITH CORNERSTONES MUNICIPAL UTILITY DISTRICT ("CORNERSTONES") REGARDING SAME

Ms. Judkins updated the Board on the status of the draft cost sharing agreement between the District and Cornerstones regarding the sanitary sewer line on Kenlake Drive and presented a draft of the agreement for review. Discussion ensued regarding the terms of the cost sharing agreement.

EVALUATION OF DISTRICT'S INTERCONNECTS AND RELATED RECOMMENDATIONS

Mr. Chapline stated this matter is not yet ready for discussion.

CONDUCT ANNUAL REVIEW AND RECEIVE REPORT FROM OPERATOR ON IDENTITY THEFT PREVENTION PROGRAM AND ADOPT IDENTITY THEFT PREVENTION PROGRAM AMENDMENT

Mr. Chapline reviewed the annual report on the Identity Theft Prevention Program, a copy of which is attached to the operator's report. Mr. Chapline stated that no significant incidents of identity theft have been reported in the past year and that MDS is not recommending any changes to the policy at this time. The Board concurred not to make any changes to the policy.

REVIEW WATER CONSERVATION PLAN AND AUTHORIZE ANNUAL REPORT SUBMITTAL TO THE TEXAS WATER DEVELOPMENT BOARD ("TWDB")

Mr. Chapline stated there are no updates to the District's Water Conservation Plan and the Water Conservation Plan Annual Report is complete and requested authorization to submit same to the TWDB.

APPROVE CONSUMER CONFIDENCE REPORT ("CCR") AND AUTHORIZE OPERATOR TO DISTRIBUTE THE CCR AND FILE CERTIFICATE OF MAILING WITH THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Mr. Chapline distributed and reviewed the 2024 CCR, a copy of which is attached to the operator's report. After review and discussion, Director Goff moved to approve the CCR and authorize distribution and filing of same. Director Cox seconded the motion, and the motion passed unanimously.

After discussion, and as recommended by the operator, Director Olsen moved to: (1) approve the operator's report; (2) authorize MDS to forward the three delinquent accounts totaling \$455.53 to collections; (3) authorize submittal of the Water Conservation Plan annual report to the TWBD; and (4) approve the CCR and authorize distribution, certification, and filing of same, as required. Director Cox seconded the motion, which passed by unanimous vote.

TERMINATION OF SERVICE

The Board conducted a hearing regarding the termination of water and sewer services. Mr. Chapline 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 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, 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 Cox seconded the motion, which passed by unanimous vote.

ENGINEER'S REPORT

Mr. Orozco presented the engineer's report, a copy of which is attached.

CAPITAL IMPROVEMENT PLAN ("CIP")

Mr. Orozco discussed the list of CIP projects for 2025, including the estimated total cost and the estimated cost to be paid during the current year for each project.

GIS UPDATES

Mr. Orozco updated the Board on the GIS system platform upgrades.

PARK YORK FORCE MAIN REPLACEMENT, INCLUDING ON EASEMENT ACQUISITION

Mr. Orozco stated that the design plans for the Park York Force Main Replacement project have been submitted to Harry County for review and BGE is in the process of addressing the comments received from Harris County.

WATER PLANT NO. 3 ELEVATED STORAGE TANK REHABILITATION

Mr. Orozco discussed the Water Plant No.3 elevated storage tank rehabilitation project and stated BGE has completed the survey for the project. He stated BGE is incorporating requests from the District's operator into the existing plans.

HARRIS COUNTY STORM SEWER AND DRAINAGE FACILITY IMPROVEMENTS, INCLUDING ADDITIONAL DETENTION/MITIGATION

Mr. Orozco stated that BGE currently is under contract with Harris County for the design of the drainage improvements for Memorial Parkway. He 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

Mr. Orozco updated the Board on the work being performed by the contractor, Champion Cleaning Specialists ("CCS"), for the sanitary sewer rehabilitation for Memorial Parkway, Sections 3-5. He presented Pay Estimate No. 3 in the amount of \$118,203.61 for payment. Discussion ensued, including discussion regarding complaints from a resident reporting damages to her home caused by CCS. The Board concurred to have further discussions requiring consultation with its attorney in executive session later in the Board meeting.

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

Mr. Orozco stated design for the sanitary sewer line rehabilitation project for Cimarron subdivision, Sections 1-3 and Memorial Parkway, Sections 6-8 is near completion and will be submitted to required agencies.

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

Mr. Orozco stated that the plans for the cleaning and televising of the sanitary sewer lines for Cimarron subdivision, Sections 4-6, Memorial Parkway, Sections 9-11, and 13, and Silverstone Section 1 are complete. He stated BGE will advertise the project beginning on April 25, 2025, with the bid opening currently scheduled on May 16, 2025.

SANITARY SEWER REHABILITATION ALONG KENLAKE DRIVE

Mr. Orozco discussed the Kenlake sanitary sewer rehabilitation project to reline the pipe. He stated design plans have been submitted to Harris County and Harris County Flood Control District for review and Harris County has provided comments which are being reviewed and addressed.

UPDATE ON BOND APPLICATION NO. 9

Mr. Orozco updated the Board on the status of bond application no. 9 and stated BGE is revising the draft bond application based upon comments provided by District consultants.

Following review and discussion, and based on the engineer's recommendation, Director Cox moved to approve the engineer's report, not including approval of Pay Estimate No. 3 in the amount of \$118,203.61 payable to CCS. Director Brown 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

PROPOSAL FOR CHAINS AND POLE REPLACEMENT FOR PARKING LOT

Ms. Lightsey updated the Board regarding the repairs to the damaged pole and chain for the driveway for the parking lot across the street from the administration building, and stated the repairs are complete.

Ms. Lightsey stated she received a call from someone living in Seguin, Texas and they requested to be removed from the distribution list for the newsletter. Ms. Judkins

stated ABHR will contact Boe Creative to request corrections to the distribution list as needed.

The Board discussed the most recent shred event and noted not as many residents attended. They discussed scheduling the date for the spring 2026 shred event earlier so that the residents can be provided earlier notice of that event. Following discussion, the Board requested ABHR contact Best Trash and reserve April 18, 2026, for the spring 2026 shred event.

Ms. Lightsey stated the printer in the District office needs to be replaced. After discussion, the Board requested Ms. Lightsey obtain proposals for replacement of the printer for the Board's consideration at a future Board meeting.

Ms. Lightsey stated that Custom Cutters has submitted a letter requesting an increase to their contract for mowing services. After discussion, the Board concurred to request that Custom Cutters attend the next meeting to discuss the increase. A copy of the letter is attached.

Ms. Lightsey stated there are damages to the walls in the great room that were caused by the Garden Club at their recent meeting. She stated the tape used on the walls damaged the sheetrock when it was removed in multiple places. She reviewed a proposal from Custom Remodeling in the amount of \$535.00 for the sheetrock and paint repairs. Ms. Lightsey stated that a member of the Garden Club offered to pay for the repairs. A copy of the proposal is attached. Discussion ensued, including discussion of Director Cathcart and Ms. Lightsey meeting with a representative of the Garden Club regarding the repairs and payment for same.

After discussion, Director Olsen moved to authorize Director Cathcart to, on behalf of the District, take such actions as is necessary or advisable to repair the great room wall repairs caused by the Garden Club, including without limitation to approve the proposal from Custom Remodeling in the amount of \$535.00 at Director Cathcart's discretion. Director Cox seconded the motion, which carried by unanimous vote.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

There was no discussion on this matter.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE

The Board convened in executive session at 6:57 p.m pursuant to Section 551.071 of the Texas Government Code. Ms. Judkins stated that the presence of Mr. Orozco in this executive session was necessary for the rendition of legal advice from its attorney, and the Board concurred to have him present. Present at the closed meeting were Directors Cathcart, Cox, Olsen, Goff, and Brown, Mr. Orozco, Ms. Judkins, and Ms. Cannon.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION

The Board reconvened in open session at 7:36 p.m. After discussion, the Board concurred to hold a special meeting on May 1st and requested that a representative of CCS attend the meeting to discuss resident claims for damages in detail.

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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