

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

September 25, 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 25th day of September 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 except Director Goff, thus constituting a quorum.

Also attending the meeting were: Shawanda Berry, a member of the public; Ryan Fortner of Revenue Management Services ("RMS"); Christie and Landy Leighton of Best Trash, LLC ("BT"); David Smalling of Robert W. Baird & Co. Inc. ("Baird"); Pam Redden of McLennan & Associates, LP; Kate Hallaway 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

Director Cathcart opened the meeting for public comments.

Ms. Berry introduced herself to the Board and inquired if she could use the District administration parking lot between the hours of 12:00 p.m. and 4:00 p.m. once a month on a weekend day to set up tables to give away new products to unhoused persons within the community. Ms. Berry also provided information regarding her previous donations of products at other locations in the Houston area. At the conclusion of Ms. Berry's public comments, the Board requested that Ms. Berry leave her contact information with Ms. Lightsey so that she can be contacted after a decision on her request was made.

MINUTES

The Board considered approving the minutes of the August 28, 2025, regular meeting. After discussion, Director Olsen moved to approve the minutes of the August

28, 2025, regular meeting. Director Brown seconded the motion, which passed by unanimous vote.

#### GARBAGE AND RECYCLING MATTERS, INCLUDING ANNUAL REVIEW OF CPI ADJUSTMENT AND REQUESTED PRICE INCREASE

Director Cathcart reminded the Board of the scheduled Shred Event on October 25, 2025 in the Administration building parking lot.

Ms. Leighton presented and reviewed a letter from BT regarding the District's annual CPI increase for 2026 of 5% which results in an increased rate for garbage and recycling collection of \$1.21 per month per residence to a total of \$25.45 per connection. A copy of the letter is attached. After discussion, Director Cox moved to approve the CPI increase, as presented. Director Olsen 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 August 2025. A copy of the tax assessor report is attached. Ms. Mata stated the report reflects that the District's 2024 taxes were 97.40% collected as of the end of August.

Ms. Mata distributed 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.

#### DISCUSS 2025 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

Mr. Smalling presented and reviewed a debt service tax rate analysis reflecting the recommendation for the District to levy a 2025 water, sewer, and drainage debt service tax rate of \$0.07 per \$100 of assessed valuation. A copy of the debt service tax rate analysis is attached. The Board then discussed the District's operation and maintenance tax rate. Mr. Smalling discussed the two-step process for setting the District's tax rate.

Following review and discussion, Director Olsen moved to: (1) set the public hearing date for October 23, 2025, at 6:00 p.m.; and (2) authorize the tax assessor/collector to publish notice of the District's meeting on October 23, 2025, to set the proposed 2025 total tax rate of \$0.25 per \$100 of assessed valuation, with \$0.07 allocated for debt service on water, sewer, and drainage bonds, and \$0.18 allocated for operations and maintenance. Director Cox seconded the motion, which passed unanimously.

## REPORT FROM REVENUE MANAGEMENT SERVICES ON BUSINESSES PAYING SALES TAX

Mr. Fortner distributed and reviewed the August 2025 sales and use tax report, a copy of which is attached. He discussed sales tax trends in the District, noting there is an 11.2% increase in sales tax filings, much of which is due to P.O. box retailers.

## 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.

After review and discussion, Director Olsen moved to approve the bookkeeper's report and the checks presented for payment. Director Cox seconded the motion, which passed by unanimous vote.

## ADOPT RESOLUTION EXPRESSING INTENT TO REIMBURSE

There was no discussion on this matter.

## CONDUCT ANNUAL REVIEW OF INVESTMENT POLICY AND ADOPT RESOLUTION REGARDING ANNUAL REVIEW OF INVESTMENT POLICY

Ms. Judkins explained that the Texas Public Funds Investment Act requires the Board to annually review its Investment Policy and to authorize any appropriate amendments. After review and discussion, Director Olsen moved to adopt a Resolution Regarding Annual Review of Investment Policy setting forth the Board's determination that no changes are necessary to the Investment Policy and direct that the Resolution be filed appropriately and retained in the District's official records. Director Cox the motion, and the motion passed unanimously.

## REVIEW, REVISE, AND ADOPT RESOLUTION ESTABLISHING THE AUTHORIZED DEPOSITORY INSTITUTIONS AND ADOPTING LIST OF QUALIFIED BROKER/DEALERS WITH WHOM THE DISTRICT MAY ENGAGE IN INVESTMENT TRANSACTIONS

Ms. Judkins explained that the Texas Public Funds Investment Act requires the Board to annually review its list of authorized depository institutions and qualified broker/dealers and authorize any appropriate changes. Ms. Judkins noted that the District's bookkeeper submitted an updated list of same, and Ms. Redden confirmed such list includes all banks where the District maintains deposits or investments. Following review and discussion, Director Olsen moved to adopt a Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions, including the updated list of authorized depository institutions and qualified

broker/dealers, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Cox seconded the motion, and the motion passed unanimously.

#### 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 85.9% and discussed factors he believes are contributing to the lower accountability percentage.

Mr. Chapline requested authorization to forward six delinquent accounts to collections, totaling \$1,032.86.

#### LIFT STATION GENERATOR UPDATE

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 agreement with Cornerstones, noting the District's operator is attempting to confirm information provided by Cornerstones which may impact certain provisions of the draft agreement.

#### EVALUATION OF DISTRICT'S INTERCONNECTS AND RELATED RECOMMENDATIONS

There was no discussion on this matter.

#### AMENDMENT TO DISTRICT'S RATE ORDER

Discussion ensued regarding the District's Rate Order and possible update to the monthly sanitary sewer flat rate to reflect increased District expenses, including those for garbage services.

Mr. Chapline discussed the increase in operator fees included in the amendment to the operator's contract approved at the August Board meeting, and recommended changes to certain fees in the District's Rate Order to reflect the increased expense to the District for certain operator services. Discussion ensued regarding the proposed increases.

Following discussion, the Board concurred to increase the single family residential user flat rate for sanitary sewer services to \$40.50 and to implement the other fee increases recommended by the District's operator.

## OPERATION OF DISTRICT FACILITIES

Mr. Chapline and Ms. Hallaway reviewed steps taken by the District since the last Board meeting to investigate possible solutions to potential odors at the lift station adjacent to the Bloxom residence. They discussed the options they are currently investigating to mitigate odors, including the installation of fencing or foliage. Mr. Chapline stated that MDS has also begun odor monitoring for the next six weeks. Discussion ensued.

After discussion, and as recommended by the operator, Director Olsen moved to: (1) approve the operator's report; (2) authorize MDS to write off the six delinquent accounts totaling \$1,032.86 and forward the accounts to collections; and (3) adopt the Amended Rate Order to increase the single-family residential user sewer base rate from \$39.00 to \$40.50 and increase those fees recommended by the District's operator to the amount recommended by the District's operator, and direct that the Amended Rate Order 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 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 Brown seconded the motion, which passed by unanimous vote.

## ENGINEER'S REPORT

Director Olsen left the meeting.

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

### CAPITAL IMPROVEMENT PLAN ("CIP")

Ms. Hallaway 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

Ms. Hallaway updated the Board on the GIS system platform upgrades and stated it should be completed by October.

### PARK YORK FORCE MAIN REPLACEMENT, INCLUDING ON EASEMENT ACQUISITION

Ms. Hallaway stated that the plans for final approval of the design plans for the Park York Force Main Replacement project have been approved.

Ms. Judkins updated the Board on the status of the easement acquisitions for the Park York Force Main Replacement project.

### WATER PLANT NO. 3 ELEVATED STORAGE TANK REHABILITATION

Ms. Hallaway discussed the Water Plant No. 3 elevated storage tank rehabilitation project and stated the plans will be ready by the end of October.

### 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 updated the Board on the work being performed by Champion Cleaning Specialists, Inc. for the sanitary sewer rehabilitation for Memorial Parkway, Sections 3-5. She also updated the Board on a sink hole reported by a resident that is being addressed by the contractor.

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

Ms. Hallaway stated plans for the sanitary sewer line rehabilitation project for Cimarron subdivision, Sections 1-3 and Memorial Parkway, Sections 6-8 are being updated for agency submittals.

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 updated the Board on the work being performed by AIMS Companies ("AIMS") 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 project. She stated BGE is currently reviewing sanitary televising tapes received from the contractor.

SANITARY SEWER REHABILITATION ALONG KENLAKE DRIVE

Ms. Hallaway updated the Board of the status of the contract with AIMS for the sanitary sewer rehabilitation along Kenlake Drive project. She stated the Notice to Proceed was issued for September 22, 2025 and noted BGE is working with the contractor in an attempt to ensure proper notifications are being provided by the contractor to impacted residents during the project.

UPDATE ON BOND APPLICATION NO. 9, INCLUDING ADOPT RESOLUTION AUTHORIZING APPLICATION TO THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY FOR APPROVAL OF PROJECT AND BONDS

Ms. Hallaway updated the Board on the status of bond application no. 9 and stated BGE is working to provide a revised draft of the bond application to ABHR by October 24, 2025.

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

HARRIS COUNTY PRECINCT 4 SIDEWALK PROJECT

There was no discussion on this matter.

## 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

Ms. Lightsey stated that her email is not functioning. She noted she is seeking assistance from MDS for accessing the account to receive technical support.

## PRINTER REPLACEMENT PROPOSALS

Ms. Lightsey updated the Board on efforts to obtain proposals to replace the printer in the District office and noted she is still obtaining proposals.

## APPROVE QUARTERLY DISTRICT NEWSLETTER

Ms. Judkins discussed the topics included in the fourth quarter draft newsletter as well as a correction to the draft. After review and discussion, Director Cox moved to approve the fourth quarter newsletter as revised and authorize distribution of same. Director Brown seconded the motion, which carried by unanimous vote.

## WEST HARRIS COUNTY REGIONAL WATER AUTHORITY("AUTHORITY")

Ms. Judkins reviewed an invitation from the Authority for any interested persons to attend a show and tell workshop after the Authority's regular Board meeting on October 8, 2025 at 6:00p.m.

## REVIEW ARBITRAGE REBATE REPORT FOR THE SERIES 2020 UNLIMITED TAX BONDS

Ms. Judkins reviewed an interim arbitrage rebate report for the Series 2020 Unlimited Tax Bonds prepared by OmniCap Group (the "Report"). She stated the Report indicates no payment is due to the Internal Revenue Services and the Report will be filed in the District's official records.

## DISTRICT CORRESPONDENCE, INCLUDING DISTRICT WEBSITE, CORRESPONDENCE BY DISTRICT AND CORRESPONDENCE RECEIVED BY DISTRICT INCLUDING ITS DIRECTORS, EMPLOYEES, OR CONSULTANTS

Ms. Judkins updated the Board on a Texas Public Information Act request that was received and responded to by the District.

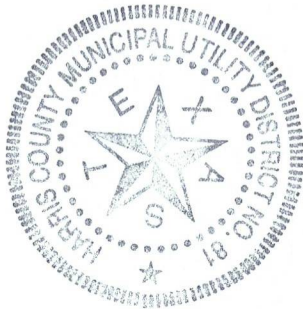
CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.072, TEXAS  
GOVERNMENT CODE

The Board did not convene in executive session

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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