

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

October 23, 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 23rd day of October 2025, and the roll was called of the members of the Board:

Patrick Cathcart
Bruce Cox
Michael Olsen
George Goff
Donna Brown

President
Vice President
Secretary
Treasurer
Assistant Secretary

and all of said persons were present except Director Goff, thus constituting a quorum.

Also attending the meeting were: Renee Butler 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"); and Teshia Judkins and Kim Cannon of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

Director Cathcart reminded the Board that the shred event is scheduled for Saturday, October 25, 2025, rain or shine.

DISCUSS NOVEMBER, DECEMBER, AND JANUARY MEETING SCHEDULE

The Board discussed dates for the upcoming November and December meetings, including the regular Board meetings, the Cinco Regional Sewage Treatment Plant ("STP") operating committee meetings, and the STP special Board meetings in light of the upcoming holidays and the holiday party. The Board concurred to schedule the November regular Board meeting on November 20, 2025, at 6:15 p.m. and to schedule the November STP operating committee meeting and the November STP special Board meeting for their usual days and times. The Board further concurred to schedule the December STP operating committee meeting on December 4, 2025, at 6:00 p.m. and to schedule on December 11, 2025, the December regular Board meeting at 5:30 p.m., the December STP special Board meeting at 6:30 p.m., and the holiday party at 7:00 p.m. Ms. Judkins also requested the Board reschedule the January regular Board meeting due to an ABHR scheduling conflict, and the Board discussed moving the meeting to either January 15 or January 29, 2026.

MINUTES

The Board considered approving the minutes of the September 25, 2025, regular meeting. After discussion, Director Olsen moved to approve the minutes of the September 25, 2025, regular meeting. Director Brown 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 September 2025. A copy of the tax assessor report is attached. Ms. Mata stated the report reflects that the District's 2024 taxes were 97.57% collected as of the end of September.

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.

CONDUCT PUBLIC HEARING REGARDING DISTRICT'S TAX RATE, ADOPT ORDER LEVYING TAXES, AND AUTHORIZE EXECUTION OF AMENDMENT TO INFORMATION FORM

Ms. Mata confirmed that notice was published of the public hearing to be held at today's meeting regarding adoption of the District's proposed 2025 total tax rate of \$0.25 per \$100 of assessed valuation.

The Board opened the public hearing. There being no comments from the public, the Board closed the public hearing.

Ms. Judkins presented an Order Levying Taxes reflecting the proposed 2025 tax rate. She then presented an Amendment to Information Form reflecting the tax rate and stated that the Amendment will be filed with the Texas Commission on Environmental Quality and recorded in the Official Public Records of Harris County.

After review and discussion, Director Olsen moved to: (1) adopt the Order Levying Taxes reflecting a total 2025 tax rate of \$0.25 per \$100 of assessed valuation, comprised of \$0.07 to pay debt service on water, sewer, and drainage bonds and \$0.18 for operations and maintenance; (2) authorize execution of the Amendment to Information Form; and (3) direct that the Order and Amendment be filed appropriately and retained in the District's official records. Director Brown seconded the motion, and the motion passed unanimously.

REPORT FROM REVENUE MANAGEMENT SERVICES ON BUSINESSES PAYING SALES TAX

There was no discussion on this matter.

ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") MATTERS

Ms. Judkins stated that AWBD is requesting districts designate a voting member representative for its Bylaws election. She stated that each AWBD member district will be able to cast a ballot by designating a board member as the district's voting member representative. The Board noted that voting opens Monday, October 27, 2025, goes through the 2026 AWBD Midwinter Conference, and ends on Tuesday, January 27, 2026. Following discussion, the Board concurred unanimously to designate Director Olsen as the District's voting member representative.

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 one additional check, check no. 4135 in the amount of \$5,320.00, payable to the Harris-Galveston Subsidence District for the District's participation in the Water Wise program for the purchase of 140 water kits.

The Board discussed the higher than usual purchased sewer expense line items and maintenance and repair expense line item shown in the budget comparison included in the bookkeeper's report. Regarding the purchased sewer expense line items, Ms. Butler stated she will review the costs included in these line items and report back to the Board. Regarding the maintenance and repair expense line item, Mr. Chapline stated the District completed multiple point repairs that were not included in the usual operating budget for the year but stated he would further investigate the costs and report back to the Board.

After review and discussion, Director Olsen moved to approve the bookkeeper's report and the checks presented for payment, including the additional check, as presented. 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 97.5%.

Mr. Chapline requested authorization to forward three delinquent accounts to collections, totaling \$3,871.90. Discussion ensued regarding the high balance on one of the accounts.

Mr. Chapline discussed a resident request for reimbursement or credit to their utility account in the amount of \$110.00, due to a blockage on the District's sewer line which affected his home. Mr. Chapline stated the resident stayed in a hotel for one night and is asking for reimbursement of \$110.00 for the one-night stay. Discussion ensued.

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.

OPERATION OF DISTRICT FACILITIES

Mr. Chapline and Ms. Hallaway stated they are still investigating 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 wood fencing or foliage. Mr. Chapline stated that data from the odor monitoring sensors have been sent for review. Discussion ensued, including discussion regarding an option for a 10-foot fence and the estimated costs for same. After discussion, the Board authorized MDS to solicit bids for a 10-foot wood fence to be installed around the lift station for further evaluation.

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 three delinquent accounts totaling \$3,871.90 and forward the accounts to collections; and (3) approve the resident request and authorize MDS to issue a credit to the resident's account in the amount of \$110.00 for the hotel stay because of the backup in the District's sewer line, as discussed. 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

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 2026, including the estimated timing of the rehabilitation projects.

GIS UPDATES

Ms. Hallaway reported that the GIS system platform upgrades are completed, noting the technical team has updated the dashboard, interface, and the related website.

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 and stated that nine easements have been recorded to date.

WATER PLANT NO. 3 ELEVATED STORAGE TANK REHABILITATION

Ms. Hallaway discussed the Water Plant No. 3 elevated storage tank rehabilitation project and requested approval of the plans and specifications and authorization to advertise the project for bids.

HARRIS COUNTY MEMORIAL PARKWAY STORM SEWER AND DRAINAGE FACILITY IMPROVEMENTS

Ms. Hallaway stated the Harris County Memorial Parkway storm sewer and drainage facility improvements project is moving forward and that BGE currently is under contract with Harris County for the design of the project. Discussion ensued regarding estimated costs for the project and the current agreement between Harris County and the District that limits the maximum contribution by the District to the project.

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 and stated the work is complete but BGE has not yet received all of the required tapes of pre-construction and post-construction televising, which BGE reviews. She also updated the Board on a sink hole reported by a resident and stated it has been addressed by the contractor. Ms. Judkins discussed the potential conclusion of the project and recommended that, before BGE recommends the District pay the final pay estimate and accept the project, BGE should confirm in writing with the contractor that all prior claims by District residents have been resolved and BGE should send a letter to the impacted resident that previously attended a Board meeting to notify her of the anticipated conclusion of the project assuming the contractor confirms all claims have been addressed. Following discussion, the Board concurred with Ms. Judkins' recommendation.

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 have been submitted to all 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

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 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 ("TCEQ") 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 this week.

Following review and discussion, and based on the engineer's recommendation, Director Olsen moved to: (1) approve the engineer's report; and (2) approve the plans and specifications and authorize advertisement of the water plant no. 3 elevated storage tank project for bids. Director Cox seconded the motion, which passed by unanimous vote.

HARRIS COUNTY PRECINCT 4 SIDEWALK PROJECT

Ms. Hallway stated Harris County has requested utility information for a sidewalk improvement project along West Green Boulevard. She noted the District may need to relocate or adjust facilities within the Harris County right of way to accommodate the improvements at the District's expense because the District's facilities are within the public right of way.

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

Director Cathcart reviewed reservation activity at the administration building.

PRINTER REPLACEMENT PROPOSALS

There was no discussion on this matter.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY("AUTHORITY")

There was no discussion on this matter.

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 requests that were received and responded to by the District.

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 6:54 p.m. 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. In addition to the Board, only Ms. Judkins and Ms. Cannon were present.

RECONVENE IN OPEN SESSION

The Board reconvened in open session at 7:00 p.m. After discussion, Director Olsen moved to increase Stacy Lightsey's hourly compensation beginning January 1, 2026, as discussed. Director Brown seconded the motion, which carried by unanimous vote.

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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