

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 401
Minutes of Meeting of Board of Directors
December 21, 2020

The Board of Directors of Harris County Municipal Utility District No. 401 met by teleconference on December 21, 2020, in accordance with the duly posted notice of meeting, and the roll was called of the duly constituted officers and members of said Board of Directors, as follows:

Blair Fesler, President
Mark Atchison, Vice-President
Santee Wright, Secretary
Raul Solis, Assistant Vice President/Secretary
Jordan Thomas, Assistant Vice President/Secretary

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

Also present via teleconference were Jeff Vogler and Andres Aranzales of Vogler and Spencer Engineering, Inc. (“V&S”); Scott Shelnett of Municipal Operations & Consulting, Inc. (“MOC”); Les Griffith of Champions Hydro-Lawn, Inc. (“Champions”); Stephanie Viator of District Data Services, Inc. (“DDSI”); Robin Goin of Bob Leared Interests, Inc. (“BLI”); Sergeant Hight of the Harris County Precinct Four Constable’s Office (“HCCO”); Roland Massey, resident; and David Marks and Miranda Jones Rajevac of Marks Richardson PC (“MRPC”).

The President called the meeting to order.

APPROVE MINUTES

As the first order of business, the Board considered approval of the minutes of the Board meeting held on November 16, 2020. After discussion, Director Thomas made a motion to approve the minutes of the meeting of November 16, 2020, as presented. Director Wright seconded the motion, which unanimously carried.

PUBLIC COMMENT

The Board deferred comments from the public, as no members of the public were present.

SECURITY PATROL

The Board considered the report from the HCCO regarding security services in the District. Sergeant Hight reviewed the November 2020 Patrol Statistics, a copy of which is attached hereto as Exhibit A. He stated that there were no burglaries or theft within the past month.

APPROVAL OF INTERLOCAL AGREEMENT

The Board next considered the review and approval of an Interlocal Agreement (“Agreement”) for Law Enforcement Services between Harris County and the District, a copy of which is attached hereto as Exhibit B. Mr. Marks reviewed the Agreement with the Board, noting

that it provides for the same coverage as the current agreement, with a price increase of five percent (5%) from last year. He stated that the contract term will begin March 1st. After discussion, Director Thomas made a motion to approve the Agreement and to authorize the President and Secretary to execute same on behalf of the Board and the District. Director Wright seconded the motion, which carried unanimously.

Director Fesler reported that there are no off-duty patrol officers available during the holiday season but that HCCO assured him that the constables will patrol more during the District.

BOOKKEEPING REPORT

Ms. Viator presented and reviewed the bookkeeper's report dated November 16, 2020, a copy of which is attached hereto as Exhibit C. After discussion, Director Wright made a motion to approve the bookkeeper's report and to authorize payment for the invoices listed therein. Director Thomas seconded said motion, which carried unanimously.

TAX ASSESSOR-COLLECTOR'S REPORT

Ms. Goin next presented and reviewed the tax assessor-collector's report dated November 30, 2020, a copy of which is attached hereto as Exhibit D. She asked whether the Board would like BLI to perform a new aerial of the District. The Board concurred that a new aerial is not needed at this time. After discussion on the report presented, Director Fesler made a motion to approve the tax assessor-collector's report and to authorize payment of the checks listed therein. Director Wright seconded the motion, which carried unanimously.

REVIEW AND APPROVE CONTINUING DISCLOSURE REPORT

The Board next considered the review of a continuing disclosure report prepared by McCall Parkhurst & Horton ("MPH"), attached hereto as Exhibit E, and authorizing MPH to file the report with the appropriate repositories. After discussion, Director Thomas made a motion to authorize MPH to file the necessary documentation with the appropriate repositories. Director Wright seconded said motion, which unanimously carried.

DEVELOPER'S REPORTS

The Board next considered the developer's report. No one present had anything new to report.

Director Atchison connected to the teleconference at this time.

FACILITY SITE MAINTENANCE

Mr. Griffith presented and reviewed a detention and drainage facilities report from Champions dated December 21, 2020, a copy of which is attached hereto as Exhibit F. He stated that Champions serviced all the areas on December 11, 2020 and no issues were reported. Mr. Griffith stated that the fence line at Inverness Estates detention pond has been cleared.

ENGINEER'S REPORT

Mr. Aranzales presented and reviewed the Engineer's Report, attached hereto as Exhibit G, and reviewed the items listed therein with the Board.

Mr. Aranzales next reported on the review of bids and award of contract for the Water Main Loop. He stated that V&S resubmitted plans to Harris County, Harris County Flood Control District and the City of Houston for approval. Mr. Aranzales stated that V&S anticipates opening bids on the project on January 8, 2021.

Mr. Aranzales next reported on Water Well No. 2. He stated that V&S addressed comments from Harris County and Harris County Flood Control District and resubmitted for approval. He also noted that V&S is awaiting comments from the City of Houston. Mr. Aranzales next reviewed the attached exhibit for the one hundred fifty foot (150') sanitary control easement.

Mr. Aranzales reported on the status of the construction contract with Site Work Contractors LLC ("SWC") for sidewalk modifications at Inverness Crossing Blvd and Fanwick Drive. He stated that the construction is complete. Mr. Aranzales stated that the TDLR inspection was conducted and the contractor is addressing punchlist items. He also stated that V&S is awaiting Harris County to conduct the post-construction inspection. Mr. Aranzales stated that Harris County Precinct 4 will install the crosswalk after Harris County acceptance.

Mr. Aranzales next reported on the status of construction contract with Texas Fence for the Inverness/Albury Trails fencing. He reported that the construction is complete. Mr. Aranzales then presented Pay Estimate No. 1 and Final in the amount of \$20,350.00 and recommended that the Board approve payment of same. After discussion, Director Atchison made a motion to approve payment of Pay Estimate No. 1 and Final, as set out above. Director Wright seconded the motion, which carried unanimously.

Mr. Aranzales next reported on the well production issues and the construction of a new water well. He stated that the water well will be pulled in the Spring for inspection to determine if the equipment is worn.

Mr. Aranzales next reported that V&S is awaiting approval from the Texas Commission on Environmental Quality ("TCEQ") relative to the update to the Emergency Preparedness Plan.

The Board considered approval of an Application to the TCEQ for Extension of Commission Approved Bond Issue and Authorizing Application to Commission for Approval of Change in Scope of Project relative to the Series 2020 Bonds. Mr. Aranzales stated that MRPC submitted the Application to the TCEQ and it was declared administratively complete by the TCEQ on December 4, 2020.

OPERATIONS REPORT

Mr. Shelnett presented and reviewed the operations report for November 2020, a copy of which is attached hereto as Exhibit H. He reported that the District accounted for 93% of the water pumped during the month of November and that the District's facilities operated in compliance with its respective permits during the month.

Mr. Shelnett next requested that the Board authorize MOC to turn one (1) delinquent account (over \$25.00) totaling \$61.41 over to Collections Unlimited (“CU”), as shown on the list attached to the Operator’s Report. After discussion, Director Atchison made a motion to authorize MOC to turn over the one (1) subject account to CU, as set out above. Director Thomas seconded the motion, which passed unanimously.

Mr. Shelnett next presented the Flushing Valve Survey, a copy of which is attached hereto as Exhibit I. He reviewed the required repairs and stated that the cost is \$14,075 for the fire hydrants plus one hundred (100) reflectors that need to be replaced at \$12.50 each for a total of \$1,250. After discussion, Director Atchison made a motion to approve the fire hydrant repairs for \$14,075 and the replacement of one hundred (100) reflectors for \$1,250. Director Thomas seconded the motion, which unanimously carried.

ITEMS FOR FUTURE AGENDAS

The Board next considered items for future agendas. Director Fesler next discussed adding an item to the next agenda to consider the purchase of laptops for Board members. He stated that the laptops will facilitate videoconference meetings as well as reduce the amount of paper required for meetings. Director Fesler recommended that Director Atchison be appointed to select the appropriate equipment if the District approves the purchase of same. Director Atchison stated that iPads will cost approximately \$350 to \$700 each and laptops will cost approximately \$600 to \$1,200 each. The Board concurred to add an item to the agenda for next month’s meeting to consider same.

ADJOURN

There being no further business to come before the Board, the meeting was adjourned.


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Secretary, Board of Directors

ATTACHMENTS TO MINUTES OF BOARD OF DIRECTORS
December 21, 2020

- A. Patrol Report
- B. Interlocal Agreement for Law Enforcement Services
- C. Bookkeeper's Report
- D. Tax Assessor-Collector Report
- E. Continuing Disclosure Report
- F. Detention and Drainage Facilities Report
- G. Engineer's Report
- H. Operations Report
- I. Flushing Valve Survey