

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 401**  
**Minutes of Meeting of Board of Directors**  
**December 19, 2022**

The Board of Directors of Harris County Municipal Utility District No. 401 met at Staybridge Suites, 10011 Farm to Market Road 2920, Harris County, Texas 77385, on December 19, 2022, 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  
Roland Massey, Assistant Vice President/Secretary  
Jordan Thomas, Assistant Vice President/Secretary

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

Also present were 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; Robin Goin of Bob Leared Interests, Inc.; Mike Brazzell, resident; and Kara Richardson of Marks Richardson PC.

The President called the meeting to order.

SECURITY PATROL

As the first order of business, the Board considered the report from the HCCO regarding security services in the District. Director Fesler reviewed the Patrol Statistics, a copy of which is attached hereto as Exhibit A. He then discussed various activity within the District over the past month. Director Fesler stated that there have been complaints from residents about speeding in the Reserve at Inverness neighborhood so HCCO will be conducting a traffic initiative to combat same. Director Massey stated that he has also seen some mobile speed indicators in the neighborhood. Director Thomas stated that he has noticed an uptick in kids riding motorbikes after school dismisses for the day.

PUBLIC COMMENT

The Board next considered comments from the public. Mr. Brazzell addressed the Board regarding the brick wall located around the WWTP and asked whether it is maintained by the District. The Board stated that the District maintains the brick wall. Mr. Brazzell stated that the Inverness Property Owners Association (“POA”) will have a company out to seal some of the walls within the neighborhood that are maintained by the POA and asked if the District would like to have the brick wall at the WWTP sealed at the same time. He also stated that he has heard about an organization called Trees of Houston that gives away trees and was wondering if the District would like to cooperate with the POA to request trees on the property owned by the District and maintained by the POA to replace some of the dead trees in the common areas. Mr. Griffith stated that the trees would need to be irrigated. Director Thomas asked for the proposed locations for the

trees. Mr. Brazzell stated that the POA has not yet discussed the locations as it was a preliminary discussion by the POA. He stated that he will obtain more information and report to the Board next month.

#### APPROVE MINUTES

The Board next considered approval of the minutes of the Board meeting held on November 21, 2022. After discussion, Director Thomas made a motion to approve the minutes of the meeting of November 21, 2022, as presented. Director Massey seconded the motion, which unanimously carried.

#### BOOKKEEPING REPORT

Ms. Viator presented and reviewed the bookkeeper's report dated December 19, 2022, a copy of which is attached hereto as Exhibit B. She stated that there was one addition to the final audit bill from McCall Gibson Swedlund Barfoot PLLC. After discussion, Director Thomas made a motion to approve the bookkeeper's report and to authorize payment for the invoices listed therein. Director Massey seconded said motion, which carried unanimously.

#### TAX ASSESSOR-COLLECTOR'S REPORT

Ms. Goin presented and reviewed the tax assessor-collector's report dated November 30, 2022, a copy of which is attached hereto as Exhibit C. After discussion on the report presented, Director Wright made a motion to approve the tax assessor-collector's report and to authorize payment of the checks listed therein. Director Massey 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 D, and authorizing MPH to file the report with the appropriate repositories. After discussion, Director Massey made a motion to authorize MPH to file the necessary documentation with the appropriate repositories. Director Thomas seconded said motion, which unanimously carried.

#### FACILITY SITE MAINTENANCE

Mr. Griffith presented and reviewed a detention and drainage facilities report from Champions, a copy of which is attached hereto as Exhibit E. He stated that the most recent service of the District was completed on December 1, 2022.

Mr. Griffith reported that the facilities have received lots of rain and the rye grass is growing well.

Mr. Griffith reported that there has been no evidence of bikes around the drainage areas this month.

## ENGINEER'S REPORT

Mr. Aranzales presented and reviewed the Engineer's Report, attached hereto as Exhibit F.

Mr. Aranzales reported on the status of the construction contract with Alsay Incorporated for Water Well No. 2. He discussed the proposed schedule for the completion of the project. Mr. Aranzales then presented Pay Application No. 9 in the amount of \$23,242.50 and recommended payment of same. After discussion, Director Thomas made a motion to approve payment of Pay Application No. 9 in the amount of \$23,242.50. Director Massey seconded the motion, which unanimously carried.

Mr. Aranzales reported on the status of the construction contract with Green Dream International for the Willow Creek Trail Extension. He stated that the installation of benches and gate locks should be completed by next week. The Board then discussed possibly holding a special meeting to consider the adoption of District rules for the trail. Director Massey stated that there is water ponding in the middle of the trail on Shieldhall Lane between the homes. Mr. Aranzales stated that he has already requested the as-built surveys for same in order to see if the elevations match the plans and will ensure any problems are rectified.

The Board next discussed the Wixford Lane fence extension. Mr. Aranzales reminded the Board that the resident at 22915 Shieldhall Lane requested an additional four-foot (4') fence on the edge of her property at the sidewalk to deter people and dogs from getting in her yard. He then presented the attached exhibit and cost estimate in the amount of \$10,200 for the fence extension. The Board concurred to discuss the matter further at a special Board meeting after they have the opportunity to walk the subject trail and property.

Mr. Aranzales next presented Pay Application No. in the amount of \$49,070.25 and recommended payment of same. After discussion, Director Thomas made a motion to approve payment of Pay Application No. 5 in the amount of \$49,070.25. Director Massey seconded the motion, which unanimously carried.

## REQUEST FROM V&S FOR RATE INCREASE

The Board next considered a request from V&S for a rate increase, including the review and approval of an Amendment to Professional Services Agreement between the District and V&S. Mr. Aranzales presented the attached Proposed Billing Rate Changes for 2023 and reviewed same with the Board, a copy of which is attached as Exhibit G. He stated that the hourly billing rate changes only apply to jobs under \$150,000. After discussion, Director Thomas made a motion to approve the proposed billing rate changes from V&S, and approve an Amendment to Professional Services Agreement between the District and V&S, as discussed above. Director Massey seconded the motion, which unanimously carried.

## OPERATIONS REPORT

Mr. Shelnutt presented and reviewed the operations report for November 2022, a copy of which is attached hereto as Exhibit H. He reported that the District accounted for 102% 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. Shelnut next requested that the Board authorize MOC to turn over three (3) delinquent accounts totaling \$690.03 to Collections Unlimited ("CU"), as shown on the list attached to the Operator's Report. After discussion, Director Thomas made a motion to authorize MOC to turn over the three (3) subject accounts to CU as set out above. Director Massey seconded the motion, which passed unanimously.

Mr. Shelnut reported that MOC load tested the generators on Friday in anticipation of the projected freezing temperatures next week.

AUTHORIZE OPERATOR TO DELIVER REQUIRED NOTICE PURSUANT TO TEXAS ADMINISTRATIVE CODE §24.173

The Board next considered authorizing WDM to deliver the required notice pursuant to Texas Administrative Code §24.173. Ms. Richardson presented a Memorandum from MRPC regarding the requirements under Texas Administrative Code §24.173 and reviewed same with the Board, a copy of which is attached hereto as Exhibit I. She stated that the rules set forth in Texas Administrative Code §24.173 implement certain requirements of Senate Bill 3 enacted by the 87<sup>th</sup> Texas Legislature regarding service and billing practices during and after an extreme weather emergency. Ms. Richardson stated that on or before January 31, 2023, the District must provide to each customer a one-time written notice, a form of which is attached to the Memorandum, informing the customer that its retail water and sewer provider is: 1) prohibited from imposing late fees or disconnecting retail water or sewer service for nonpayment of bills that are due during an extreme weather emergency until after the emergency is over, 2) required to offer a payment schedule to a requesting affected customer for unpaid bills due during an extreme weather emergency, and 3) prohibited from disconnecting retail water or sewer service for nonpayment of bills due during an extreme weather emergency until after a payment schedule has been offered and the customer has either declined to accept the payment schedule in a timely fashion or violated the terms of the payment schedule. After discussion, Director Thomas made a motion to authorize WDM to deliver the required notice pursuant to Texas Administrative Code §24.173. Director Massey seconded the motion, which unanimously carried.

ITEMS FOR FUTURE AGENDAS

The Board next considered items for future agendas.

ADJOURN

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

  
Secretary, Board of Directors

ATTACHMENTS TO MINUTES OF BOARD OF DIRECTORS  
December 19, 2022

- A. Patrol Report
- B. Bookkeeper's Report
- C. Tax Assessor-Collector Report
- D. Continuing Disclosure Report
- E. Detention and Drainage Facilities Report
- F. Engineer's Report
- G. Proposed Billing Rate Changes for 2023
- H. Operations Report and related handouts
- I. Memorandum from MRPC