

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 401**  
**Minutes of Meeting of Board of Directors**  
**April 18, 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 April 18, 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, thus constituting a quorum.

Also present were Andres Aranzales of Vogler and Spencer Engineering, Inc. ("V&S"); Scott Shelnett and Lonnie Wright of Municipal Operations & Consulting, Inc. ("MOC"); Les Griffith of Champions Hydro-Lawn, Inc. ("Champions"); Stephanie Viator of District Data Services ("DDS"); Robin Goin of Bob Leared Interests, Inc. ("BLI"); Deputy Martinez of the Harris County Precinct Four Constable's Office ("HCCO"); and Blake Ellis of Marks Richardson PC ("MRPC").

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. Deputy Martinez reviewed the Patrol Statistics, a copy of which is attached hereto as Exhibit A. Deputy Martinez discussed various activity within the District over the past month.

Deputy Martinez exited the meeting at this time.

**PUBLIC COMMENT**

The Board next considered comments from the public. No one present had anything new to report.

**APPROVE MINUTES**

The Board next considered approval of the minutes of the Board meeting held on March 28, 2022. After discussion, Director Atchison made a motion to approve the minutes of the meeting of March 28, 2022, as written. Director Thomas seconded the motion, which unanimously carried.

## DISCUSS PROPOSED SALE OF REFUNDING BONDS

The Board next deferred action relating to the issuance of the District's proposed Unlimited Tax Refunding Bonds, Series 2022 (the "Bonds") to refund portions of the District's outstanding Series 2014 Unlimited Tax Bonds. Mr. Ellis informed the Board that due to recent market conditions, the proposed refunding still does not produce the 3% savings required by the City of Houston.

## BOOKKEEPING REPORT

Ms. Viator presented and reviewed the bookkeeper's report dated April 18, 2022, a copy of which is attached hereto as Exhibit B. After discussion, Director Atchison 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 March 31, 2022, a copy of which is attached hereto as Exhibit C. The Board then briefly discussed District taxes reflected as delinquent on the report. Ms. Goin stated that she will investigate the matter. After discussion on the report presented, Director Thomas made a motion to approve the tax assessor-collector's report and to authorize payment of the checks listed therein. Director Atchison seconded the motion, which carried unanimously.

## RESOLUTION AUTHORIZING ADDITIONAL PENALTY ON DELINQUENT TAXES

Mr. Ellis next advised the Board that pursuant to Section 33.07 of the Tax Code, as amended, the Board is authorized to impose, under certain conditions, an additional penalty not to exceed twenty percent (20%) of the total taxes, penalty and interest due to the District on July 1 on taxes that remain delinquent as of July 1 of the year in which they become delinquent. After discussion, Director Atchison made a motion to adopt the Resolution Authorizing Additional Penalty on Delinquent Taxes, attached hereto as Exhibit D. Director Thomas seconded the motion, which carried unanimously.

## 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 is in process.

Mr. Griffith reported that no four-wheeler activity was noted near Albury Trails Estates detention pond D within the past month. Director Fesler stated that Sugarberry will be installing signs and cameras on the property adjacent to the District. He stated that he hopes the signs and cameras will help deter any activity in the area. Mr. Griffith stated that Champions will re-install the fence in the area.

## ENGINEER'S REPORT

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

Mr. Aranzales reported on the status of approval of plans and specifications and advertisement of bids for the Willow Creek Trail Extension. He stated that V&S submitted plans to the agencies for review and is awaiting comments. He noted that the tentative schedule is to receive bids in May and award a construction contract in June or July.

Mr. Aranzales reported on the status of the construction contract with Alsay Incorporated ("Alsay") for Water Well No. 2. He stated that the contractor is awaiting casing and screen materials which have an expected delivery of May 24, 2022. Mr. Aranzales next presented Pay Application No. 3, in the amount of \$247,725, and recommended payment of same. After discussion, Director Thomas made a motion to approve payment of Pay Application No. 3, in the amount of \$247,725, as discussed above. Director Atchison seconded the motion, which unanimously carried. Mr. Aranzales noted that Well No. 1 may be shut down temporarily to eliminate methane gas on site and allow for welding of the Well No. 2 casing. He stated that the contractor will be drilling shallower than originally planned, which will save the District approximately \$20,000 to \$30,000.

## PREVAILING WAGE RATE SCALES

The Board next considered the annual review of the Resolution Adopting Prevailing Wage Rate Scale for Construction Projects. After discussion, Director Thomas made a motion to adopt the Resolution Adopting Prevailing Wage Rate Scale for Construction Projects based on the Department of Labor rates for Harris County projects. Director Atchison seconded the motion, which carried unanimously.

## OPERATIONS REPORT

Mr. Shelnuttt presented and reviewed the operations report for March 2021, a copy of which is attached hereto as Exhibit G. He reported that the District accounted for 93% of the water pumped during the month of March and that the District's facilities operated in compliance with its respective permits during the month.

Mr. Shelnuttt reported that MOC is waiting on parts for the repairs to the Flygt 5 horsepower chlorine mixer motor.

Mr. Shelnuttt reported that MOC is waiting on parts for the replacement of three hundred ninety-two (392) end points.

Mr. Shelnuttt next reported that K-3BMI is requesting a price increase from \$0.055 per gallon to \$0.07 per gallon. He then presented an executed TEC Form 1295 from K-3BMI. After discussion, Director Atchison made a motion to approve the price increase from K-3BMI from \$0.055 per gallon to \$0.07 per gallon. Director Massey seconded the motion, which unanimously carried.

The Board next discussed painting the fire hydrants within the District for \$5,780. The Board agreed that after inspection of the fire hydrants, the painting is warranted. After discussion, Director Atchison made a motion to approve painting the fire hydrants for \$5,780. Director Massey seconded the motion, which unanimously carried.

AUTHORIZE OPERATOR TO PREPARE CONSUMER CONFIDENCE REPORT

The Board next considered authorizing the operator to prepare a draft Consumer Confidence Report. After discussion, Director Thomas moved to authorize the operator to prepare a Consumer Confidence Report. Director Atchison seconded the motion, which carried unanimously.

AUTHORIZE ELECTRONIC NOTIFICATION OF DISTRICT MATTERS

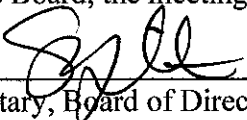
The Board next considered authorizing the electronic notification of election information and District matters. The Board discussed using the District's text notification system and the District's Facebook page for notifying residents of election information and District matters. After discussion, Director Atchison made a motion to authorize same. Director Thomas seconded the motion, which unanimously carried. The Board requested that text links for inclusion on the Facebook page be sent to Directors Atchison and Wright.

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.

  
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Secretary, Board of Directors

ATTACHMENTS TO MINUTES OF BOARD OF DIRECTORS  
April 18, 2022

- A. Patrol Report
- B. Bookkeeper's Report
- C. Tax Assessor-Collector Report
- D. Resolution Authorizing an Additional Penalty on Delinquent Real Property Taxes
- E. Detention and Drainage Facilities Report
- F. Engineer's Report
- G. Operations Report