

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 401
Minutes of Meeting of Board of Directors
May 15, 2023

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 May 15, 2023, 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 of Municipal Operations & Consulting, Inc. ("MOC"); Les Griffith of Champions Hydro-Lawn, Inc. ("Champions"); Stephanie Viator of District Data Services; Shammarie Leon of Bob Leared Interests, Inc.; 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. The Board reviewed the Patrol Statistics, a copy of which is attached hereto as Exhibit A, and noted that a deputy was not in attendance at today's meeting due to the weather.

PUBLIC COMMENT

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

APPROVE MINUTES

The Board considered approval of the minutes of the Board meeting held on April 17, 2023. After discussion, Director Atchison made a motion to approve the minutes of the meeting of April 17, 2023, as presented. Director Thomas seconded the motion, which unanimously carried.

BOOKKEEPING REPORT

Ms. Viator presented and reviewed the bookkeeper's report dated May 15, 2023, a copy of which is attached hereto as Exhibit B. The Board discussed the invoice received from AT&T. Mr. Shelnett agreed to research the matter. After discussion, Director Atchison 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. Leon presented and reviewed the tax assessor-collector's report dated April 30, 2023, a copy of which is attached hereto as Exhibit C. After discussion on the report presented, Director Atchison 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.

DELINQUENT TAX REPORT

Ms. Leon next presented the delinquent tax report dated May 15, 2023, by the District's delinquent tax attorney, Perdue, Brandon, Fielder, Collins & Mott, LLP, a copy of which is attached hereto as Exhibit D.

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 May 2, 2023.

Mr. Griffith reported that all of the ponds are currently full from the recent rain.

Mr. Griffith next presented photos of the Albury Trails Estates detention pond A pipe erosion rehabilitation project. He stated that everything was installed prior to the recent rain but has not yet been seeded. Mr. Griffith stated that Champions will wait until the rain stops to seed the area. Mr. Aranzales stated that the fence is being fixed by Aber Fence.

ENGINEER'S REPORT

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

Mr. Aranzales reported on the review and approval of design plans and authorizing advertisement of bids for installation of automatic gates and keypad at WWTP. He stated that V&S will request pricing for two types of slide gates based on speed of gate and requested that the Board authorize V&S to solicit bids for the project. After discussion, Director Atchison made a motion to authorize V&S to solicit bids for the installation of automatic gates and keypad at WWTP. Director Thomas seconded the motion, which unanimously carried.

Mr. Aranzales reported on the status of the construction contract with Alsay Incorporated for Water Well No. 2. He then presented Pay Application No. 11 in the amount of \$266,343.30 and recommended payment of same. After discussion, Director Atchison made a motion to approve payment of Pay Application No. 11 in the amount of \$266,343.30. Director Thomas seconded the motion, which unanimously carried.

Mr. Aranzales reported on the status of the construction contract with Salco Fence for the installation of wrought iron fencing. He stated that construction is complete and the Agreement

for reimbursement of the original fence has been delivered to the homeowner. Director Atchison noted that the homeowner had some issues with the verbiage in the Agreement and stated that he would discuss with Ms. Richardson after the meeting.

Mr. Aranzales reported on the Albury Trails detention pond storm sewer repairs. He stated that construction is underway.

Mr. Aranzales next reported on the Inverness Pond fence fortification by Aber Fence. He stated that the site was prepared for the placement of razor-ribbon which is expected to arrive on May 22, 2023.

Mr. Aranzales reported on the request to Harris County Flood Control District (“HCFC”) regarding Willow Creek. He stated that V&S requested that HCFC remove the dams formed in Willow Creek near Albury Trails and is awaiting a response on same.

Mr. Aranzales reported that V&S will plan to proceed with rehabilitating Well No. 1 in the fall.

Mr. Aranzales reported on the Harris County Precinct 3 traffic study update. He stated that Precinct 3 completed the traffic study and recommended a multi-way stop at Inverness Crossing Blvd. and Fanwick Drive.

Mr. Aranzales next reported on District Park Rules signage. He presented a map depicting the proposed sign locations within the District and reviewed same with the Board. The Board discussed the appropriate size of signage. Mr. Aranzales recommended a 4 x 3 size for the signage. The Board then discussed in detail the placement of the proposed park signs and gave recommendations for same. Mr. Aranzales stated that V&S will stake the signs for the Board to review at the locations discussed. After discussion, Director Atchison made a motion to authorize V&S to solicit bids for the District Park signage. Director Thomas seconded the motion, which unanimously carried.

OPERATIONS REPORT

Mr. Shelnett presented and reviewed the operations report for April 2023, 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 April 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 over one (1) delinquent account totaling \$134.20 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 one (1) subject account to CU as set out above. Director Atchison seconded the motion, which passed unanimously.

Mr. Shelnett reported that the lift pumps nos. 1 and 3 at the WWTP need to be replaced. He presented a quote from Neil Technical Services (“NTS”) in the amount of \$18,750 each for 10 horsepower Flygt Lift Pumps with NP impellers including thermal protection. After discussion, Director Thomas made a motion to approve the quote in the amount of \$18,750 each from NTS

for the replacement of lift pump nos. 1 and 3 as proposed. Director Atchison seconded the motion, which unanimously carried.

Mr. Shelnutt reported that the lead and copper waterline survey is in progress.

Mr. Shelnutt reported that the inspection letter for the Water Plant has not yet been received from the Texas Commission on Environmental Quality.

Mr. Shelnutt reported that all of the annual preventative maintenance on the generators will be conducted this month prior to hurricane season.

Mr. Shelnutt reported that the seasonal water rates were implemented as of May 1, 2023.

The Board then discussed purchasing a natural gas generator to have as a backup. Mr. Aranzales stated that it would cost approximately \$400,000 for a natural gas generator. Mr. Aranzales and Mr. Shelnutt agreed to research the matter.

APPROVE CONSUMER CONFIDENCE REPORT

The Board next considered approval of the Consumer Confidence Report and authorization to distribute same to District customers. After discussion, Director Atchison made a motion to approve the Consumer Confidence Report, subject to MRPC's review and approval, and to authorize the operator to include a link on water bills to District customers. Director Thomas seconded the motion, which passed unanimously.

DISCUSSION REGARDING APPROVAL OF PARK RULES AND SIGNAGE

The Board next deferred a discussion regarding the approval of park rules and signage as same was previously discussed in the meeting.

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
May 15, 2023

- A. Patrol Report
- B. Bookkeeper's Report
- C. Tax Assessor-Collector Report
- D. Delinquent Tax Report
- E. Detention and Drainage Facilities Report
- F. Engineer's Report
- G. Operations Report and related handouts