

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 401
Minutes of Meeting of Board of Directors
June 19, 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 June 19, 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, except Director Massey, 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.; Deputy Martinez of Harris County Constable’s Office (“HCCO”); and Blake Ellis 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. Deputy Martinez reviewed the Patrol Statistics, a copy of which is attached hereto as Exhibit A. She then discussed various activity within the District over the past month. Deputy Martinez mentioned that she met with the property manager of the Sugarberry neighborhood within the past month. She stated that the property manager sent out a notice to all residents alerting them that they will be prosecuted if caught trespassing on District property and that residents will be evicted if they trespass or are involved in other illegal activity involving District property or facilities. Deputy Martinez suggested growing bamboo as a deterrent to trespassing.

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 meetings held on May 5, 2023, and May 15, 2023. After discussion, Director Atchison made a motion to approve the minutes of the meeting of May 15, 2023, as presented. Director Thomas seconded the motion, which

unanimously carried. The Board deferred action on the minutes of the meeting on May 5, 2023, until next month's meeting.

BOOKKEEPING REPORT

Ms. Viator presented and reviewed the bookkeeper's report dated June 19, 2023, a copy of which is attached hereto as Exhibit B. Director Fesler whether the District has sufficient reserves to add an additional deputy to the contract with HCCO. Ms. Viator confirmed that the District has sufficient funds to cover the costs of adding an additional deputy. Director Fesler noted that there is a gap of time with no patrols during which most of the activity from the Sugarberry neighborhood seems to be occurring. The Board deferred the conversation until later in the meeting. 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. Goin presented and reviewed the tax assessor-collector's report dated May 31, 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 Thomas seconded the motion, which carried unanimously.

AUTHORIZE DELINQUENT TAX COLLECTIONS ATTORNEYS

The Board next considered authorizing Perdue Brandon Fielder Collins & Mott LLP ("Perdue") to proceed with the collection of 2022 delinquent taxes, including the filing of lawsuits. After discussion, Director Atchison made a motion to authorize Perdue to proceed with the collection of the District's 2022 and prior years' delinquent tax accounts on July 1, 2023, including filing of lawsuits, as necessary. 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 D. He stated that the most recent service of the District was completed on May 30, 2023.

Mr. Griffith reported that the Albury Trails Estates storm sewer repairs are now complete. He stated that Harris County Flood Control District has not repaired the dam obstruction in the creek, but are supposed to in the near future.

Mr. Griffith reported that the Albury Trails Estates detention pond A pipe erosion rehabilitation project is complete and they hydro-mulched the area again after the recent rain events.

Director Atchison then asked about removing the alligator weed from the Inverness Estates detention pond. After discussion, Director Atchison made a motion to authorize Champions to remove the alligator weed from the Inverness Estates detention pond at a cost not to exceed \$5,000. Director Thomas seconded the motion, which unanimously carried.

The Board next discussed the lack of grass in between the two (2) houses by the Shieldhall Lane entrance. Mr. Griffith stated that if Champions re-sods the area, it will die unless it is watered extensively each day due to the high temperatures. Mr. Griffith suggested completing same in the spring or fall. The Board then discussed installing artificial turf in the area and the issues surrounding same. After discussion, Director Atchison made a motion to authorize V&S and Champions to coordinate to solicit bids for the installation of artificial turf between the houses on Sheildhall Lane and Wixford Lane. Director Thomas seconded the motion, which unanimously carried.

ENGINEER'S REPORT

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

Mr. Aranzales reported on the review of bids and award of construction contract for addition of slide gates and keypad at WWTP. He stated that V&S received two (2) bids for the project, with the lowest bidder being Wright Solutions, LLC ("WS") with a bid of \$59,430.00. After discussion, Director Thomas made a motion to award the construction contract to WS in the amount of \$59,430.00. Director Atchison seconded the motion, with Directors Thomas, Atchison and Fesler voting in favor and Director Wright abstaining.

Mr. Aranzales reported on the review of bids and award of construction contract for District park rules signage and fencing. He stated that V&S received two (2) bids for the project, with the lowest bidder being WS with a bid of \$44,425.00. After discussion, Director Thomas made a motion to award the construction contract to WS in the amount of \$44,425.00. Director Atchison seconded the motion, with Directors Thomas, Atchison and Fesler voting in favor and Director Wright abstaining.

Mr. Aranzales reported on the review of bids and award of construction contract for the concrete trail widening for Constable access. He stated that V&S received two (2) bids for the project with the lowest bidder being WS with a bid of \$74,550.00. After discussion, Director Thomas made a motion to award the construction contract to WS in the amount of \$74,550.00. Director Atchison seconded the motion, with Directors Thomas, Atchison and Fesler voting in favor and Director Wright abstaining.

Mr. Aranzales reported on the status of the construction contract with Alsay Incorporated for Water Well No. 2. He stated that the contractor is addressing punchlist items and the final pay application is expected next month.

Mr. Aranzales reported on the status of the construction contract with Champions for the Albury Trails detention pond storm sewer repairs. He then presented Pay Application No. 1 and Final in the amount of \$24,978.50 and recommended payment of same. After discussion, Director Thomas made a motion to approve payment of Pay Application No. 1 and Final in the amount of \$24,978.50. Director Atchison seconded the motion, which unanimously carried.

Mr. Aranzales reported on the status of the construction contract with Aber Fence for the Inverness detention pond fence fortification. He then presented Pay Application No. 1 in the amount of \$18,986.00 and recommended payment of same. After discussion, Director Thomas made a motion to approve payment of Pay Application No. 1 in the amount of \$18,986.00. Director Atchison seconded the motion, which unanimously carried. Mr. Aranzales noted that Aber Fence will fix the portion of the fence that has been removed.

OPERATIONS REPORT

Mr. Shelnutt presented and reviewed the operations report for April 2023, a copy of which is attached hereto as Exhibit F. He reported that the District accounted for 93% of the water pumped during the month of May and that the District's facilities operated in compliance with its respective permits during the month.

Mr. Shelnutt reported that with the recent high temperatures, more water is being used in the District and has led to reduced pressure at the Water Plant. He stated that the District may need to draw some water from Dowdell Public Utility District if needed.

Mr. Shelnutt reported that a diesel tank needs to be replaced at the WWTP. He stated that he will obtain a quote for the Board's review at next month's meeting.

Director Atchison asked if the District needs to replace the generators at the Water Plant and WWTP. Mr. Aranzales stated that he inspected the generators with MOC and the generators at the Water Plant and WWTP are functioning properly. He stated that if new generators are purchased, under the new regulations, the District would be required to engage a structural engineer to raise the generators two feet (2') higher than the 100-year flood plain established by the Federal Emergency Management Agency. The Board agreed not to take any action on the generators at this time.

Mr. Shelnutt next asked to have an item added to the agenda for next month's meeting to consider a rate increase in the labor rate for MOC based on the CPI.

DISCUSSION REGARDING INSTALLATION OF SIGNS ALONG INVERNESS CROSSING BLVD.

The Board next discussed the installation of signs along Inverness Crossing Blvd. Director Fesler mentioned that the swim team is parking all along Inverness Crossing Blvd. and emergency vehicles and trash collection trucks are unable to make it down the street. He stated that he would like to investigate installing No Parking signs in the subject area. Director Atchison stated that the bottleneck occurs where Inverness Crossing Blvd. narrows after the recreational center and pool. Mr. Aranzales stated that he can address the matter with Harris County Precinct 4 and coordinate with MRPC on the preparation of correspondence, if necessary. After discussion, Director Atchison made a motion to authorize V&S and MRPC to coordinate with Harris County Precinct 4 on the installation of No Parking signs along Inverness Crossing Blvd. Director Thomas seconded the motion, which unanimously carried.

DISCUSSION REGARDING FIREWORKS SHOW BY INVERNESS PROPERTY OWNERS ASSOCIATION

The Board next considered a discussion regarding the July 4th fireworks show put on by the Inverness Property Owners Association ("POA"). Director Atchison stated that the POA conducts the fireworks show on the amenity ponds, which are owned by the District and maintained as common areas by the POA. He stated that he would like the POA to request permission to use the District's property for the fireworks show. Director Atchison noted that the POA hires fire safety patrol and security patrol for the event. He stated that he would like an Agreement in place going forward in which the POA indemnifies the District for any damage to property, injury or death resulting from the fireworks show. The Board requested that MRPC begin preparation of a draft Agreement for the Board's review.

DISCUSSION REGARDING IMPLEMENTATION OF SECURITY MEASURES AND IMPLEMENTATION OF ADDITIONAL SECURITY EQUIPMENT

The Board next considered a discussion regarding the implementation of security measures and the implementation of additional security equipment in the District. Director Atchison discussed the installation of permanent or game cameras. He stated that game cameras could run on battery or with a solar pack and would include a subscription for access to the pictures and videos, but the pictures and videos are only uploaded once per day. Director Atchison stated that there is a resident of Inverness Estates who owns a security camera business and an alternative would be to use that company for the installation of cameras that would allow for the viewing of pictures in real time. Mr. Aranzales stated that it would cost approximately \$12,000 to \$17,000 to run electricity for these cameras. Director Atchison stated that the resident's company is Eight Thirty-Nine Data Solutions and recommended that the District obtain bids from them and multiple other vendors that provide these services. Mr. Ellis encouraged the Board to speak with vendors at the upcoming Association of Water Board Directors summer conference. After discussion, Director Thomas made a motion to authorize V&S to obtain bids from vendors for the installation of cameras in the District. Director Atchison seconded the motion, which unanimously carried.

The Board next discussed adding a third deputy to the security contract with HCCO. After discussion, Director Wright made a motion to approve adding a third deputy to the security contract with HCCO, and to authorize MRPC to coordinate with HCCO on same. Director Thomas seconded the motion, which unanimously carried.

CONVENE IN EXECUTIVE SESSION

The Board next deferred convening in Executive Session pursuant to §551.076 Texas Government Code to deliberate the deployment, or specific occasions for implementation of security personnel or devices, or a security audit.

RECONVENE IN OPEN SESSION

The Board next deferred reconvening in Open Session and authorizing appropriate action regarding deployment, or specific occasions for implementation of security personnel or devices.

ITEMS FOR FUTURE AGENDAS

The Board next considered items for future agendas.

Director Thomas exited the meeting at this time.

DISCUSSION REGARDING PARK RULES

The Board next discussed the approval of park rules and amending same to include a rule forbidding the discharge of weapons. After discussion, Director Atchison made a motion to approve the amendment of park rules to include a rule forbidding the discharge of weapons consistent with the signage. Director Wright seconded the motion, which unanimously carried.

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
June 19, 2023

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