

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 401**  
**Minutes of Meeting of Board of Directors**  
**June 20, 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 June 20, 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  
Sandee 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 Shelmutt and Lonnie Wright of Municipal Operations & Consulting, Inc. ("MOC"); Les Griffith of Champions Hydro-Lawn, Inc. ("Champions"); Stephanie Viator and Angela Airies 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"); Mike Brazzell, resident; and Kara Richardson 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. Director Fesler stated that there have been recent reports of teenagers yelling and hitting residents' front doors in certain areas of the District. Director Atchison stated that he has advised residents to submit a report with HCCO. Deputy Martinez stated that she will investigate the matter. Director Thomas asked about an incident at the WWTP where he saw HCCO had two (2) people handcuffed. Deputy Martinez stated that she was not aware of that incident but will look into the matter.

Deputy Martinez exited the meeting at this time.

**PUBLIC COMMENT**

The Board next considered comments from the public. Mr. Brazzell asked why the Inverness Property Owners Association ("POA") has not received a water bill in the past few months. Mr. Shelmutt stated that the POA overpaid its water bills by a significant amount resulting in a large credit on several accounts of its accounts.

## APPROVE MINUTES

The Board next considered approval of the minutes of the Board meeting held on May 16, 2022. After discussion, Director Atchison made a motion to approve the minutes of the meeting of May 16, 2022, as written. Director Thomas seconded the motion, which unanimously carried.

## BOOKKEEPING REPORT

Ms. Viator presented and reviewed the bookkeeper's report dated June 20, 2022, a copy of which is attached hereto as Exhibit B. She then introduced Ms. Airies and stated that she assists her on bookkeeping matters and will be observing today's meeting. After discussion, Director Atchison made a motion to approve the bookkeeper's report and to authorize payment for the invoices listed therein. Director Wright 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, 2022, a copy of which is attached hereto as Exhibit C. She stated that the District's preliminary tax value for 2022 is \$450,212,071. 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.

## AUTHORIZE DELINQUENT TAX COLLECTIONS ATTORNEYS

The Board next considered authorizing Perdue to proceed with the collection of 2021 delinquent taxes, including the filing of lawsuits. After discussion, Director Wright made a motion to authorize Perdue to proceed with the collection of the District's 2021 and prior years' delinquent tax accounts on July 1, 2022, 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 June 3, 2022.

Mr. Griffith reported that grass growth is slow due to the recent lack of rain. He stated that the pond herbiciding is scheduled for this week.

Mr. Griffith reported that Champions repaired the fencing at the Albury Trails Estates detention pond D but that it was promptly dismantled again. He stated that he also saw kids fishing in the pond, and he told them that same was not allowed.

Mr. Griffith reported that the washout is exposed at Albury Trails Estates detention pond D due to lack of water in the pond. Mr. Aranzales agreed to investigate the matter.

## 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 the Willow Creek Trail Extension. He stated that V&S received bids for the project and the low bidder is Green Dream International with a bid of \$366,868.90 plus additional/alternate bid items totaling \$94,829.60 and recommended award of the construction contract to Green Dream International. He then reviewed the specific alternate bid items and including the sidewalk for connection at Newcourt Place, slope paving for connection at Shieldhall Lane, sidewalk for connection at amenity lake and miscellaneous items including benches, trash bins, pet waste station and certain fencing. The Board concurred to approve all alternate bids items except for the iron park benches, iron trash bins and pet waste eliminator stations. The Board discussed scheduling a meeting in July to inspect areas that can accommodate the installations of benches, trash cans and dog waste stations. The Board concurred to hold a special meeting on July 11, 2022 at 7:00 pm to inspect the Willow Creek Trail Extension. After discussion, Director Atchison made a motion to award the construction contract to Green Dream International in the amount of \$366,868.90 including alternative bid items indicated above. Director Thomas seconded the motion, which unanimously carried.

Mr. Aranzales reported on the status of the construction contract with Alsay Incorporated ("Alsay") for Water Well No. 2. He stated that the well gravel packing is underway. Mr. Aranzales stated that V&S is evaluating the pricing for blasting and recoating of the diesel generator fuel tank and piping and advised that the change order is on hold. He next presented Pay Application No. 5 in the amount of \$43,425.00 and recommended payment of same. After discussion, Director Atchison made a motion to approve payment of Pay Application No. 5 in the amount of \$43,425.00, as discussed above. Director Thomas seconded the motion, which unanimously carried. Mr. Aranzales reviewed the tentative construction schedule and stated that the well is expected to go online in October.

Mr. Aranzales reported on the dirt mound and trespassing issue at the Reserve at Inverness. He stated that V&S and a representative from the pipeline company confirmed that the water line contractor performed trenchless construction across the pipeline easement. He stated that V&S received approval from the pipeline company to install fencing along the easement at Banewood Drive to prevent trespassing, contingent on approval from the POA. Director Atchison discussed his concerns with a wrought iron fence and suggested a different kind of fence be installed. Director Atchison offered to discuss the matter with the POA. The Board concurred to inspect the area at the special meeting on July 11<sup>th</sup>.

## OPERATIONS REPORT

Mr. Shelnutt presented and reviewed the operations report for May 2021, 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 their respective permits during the month.

Mr. Shelnutt next requested that the Board authorize MOC to turn over one (1) delinquent account totaling \$175.40 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 Wright seconded the motion, which passed unanimously.

Mr. Shelnut reported that the parts for the Flygt 5 horsepower chlorine mixer motor arrived, the pump was repaired and that MOC is awaiting installation.

Mr. Shelnut reported that the three hundred ninety-two (392) end points were replaced.

Mr. Shelnut reported that the two-inch (2") meters were replaced with E-Series electronic meters.

Mr. Shelnut reviewed a quote in the amount \$1,320 to repair the chain link structure at the pond inlet. After discussion, Director Atchison made a motion to approve the quote in the amount of \$1,320 to repair the chain link structure at the pond inlet. Director Wright seconded the motion, which unanimously carried.

Mr. Shelnut reported that all of the generators are ready for hurricane season with new oil and filters.

Mr. Shelnut reported that MOC placed voluntary water conservation signs in the District on June 15, 2022, due to high water well run times which triggered Stage 1 of the District's Drought Contingency Plan. He stated that MOC decreased the psi and opened the valve to the ground storage tank for supplemental water from Dowdell Public Utility District. Mr. Shelnut stated that opening the valve reduced the well run times to fifteen (15) to sixteen (16) hours per day. The Board next discussed making sure that future text blasts link directly to a webpage with the information indicated in the text message since the most recent text blast about voluntary water conservation linked to a page that did not contain any information about water conservation. Mr. Shelnut stated that he will research the matter.

#### VOTING SYSTEM ANNUAL FILING FORM


Ms. Richardson next discussed a Voting System Annual Filing Form ("Form") from the Secretary of State's Office. She advised that pursuant to Section 123.061 of the Texas Election Code, each political subdivision in the State of Texas is required to complete and file the Form with the Secretary of State's Office. After discussion, Director Atchison made a motion to approve the Form and authorize MRPC to file same with the Secretary of State's Office. Director Thomas seconded the motion, which carried unanimously.

#### 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.

A handwritten signature in black ink, consisting of several loops and flourishes, positioned above a horizontal line.

Secretary, Board of Directors

ATTACHMENTS TO MINUTES OF BOARD OF DIRECTORS  
June 20, 2022

- 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