

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 401**  
**Minutes of Meeting of Board of Directors**  
**January 27, 2025**

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 January 27, 2025, 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, 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”); Angela Riley of District Data Services; Robin Goin of Bob Leared Interests, Inc.; Deputy Martinez and Corporal Love of Harris County Constable’s Office (“HCCO”); Godfrey Eta, 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. Sergeant Martinez reviewed the Patrol Statistics, a copy of which is attached hereto as Exhibit A. She stated that there were thirty-three (33) traffic stops with the traffic initiative over the past month. Director Massey stated that he heard reports that a truck had been stolen in the District. Sergeant Martinez stated that there was a stolen truck and that it will be reflected on next month’s report.

Deputy Martinez and Corporal Love exited the meeting at this time.

APPROVE MINUTES

The Board considered approval of the minutes of the Board meeting held on December 16, 2024. After discussion, Director Atchison made a motion to approve the minutes of the meeting of December 16, 2024, as presented. Director Massey seconded the motion, which unanimously carried.

PUBLIC COMMENT

The Board next considered comments from the public. Mr. Eta addressed the Board and stated that the sinkhole near 9022 Lacombe Lane is worsening. Mr. Aranzales stated that he

reported the sinkhole to Harris County Precinct 3 and was advised that a work order was generated. He stated that he has not been told when the sinkhole will be repaired.

### BOOKKEEPING REPORT

The Board reviewed the bookkeeper's report received from District Data Services dated January 27, 2025, 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 Thomas seconded said motion, which carried unanimously.

### ADOPT RESOLUTION ADOPTING LIST OF QUALIFIED BROKERS AUTHORIZED TO ENGAGE IN INVESTMENT TRANSACTIONS WITH DISTRICT

Ms. Richardson next advised the Board that requirements in the Public Funds Investment Act require the Board of Directors of the District to review, revise and adopt at least annually a list of qualified brokers authorized to engage in investment transactions with the District. She reviewed a Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions with the District, attached hereto as Exhibit C. Ms. Richardson noted that the District's bookkeeper prepared the list and recommended that the Board remove any institutions with which any of the directors has a relationship that could create a conflict of interest. After discussion, Director Atchison made a motion to approve the Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions with the District. Director Massey seconded the motion, which carried unanimously.

### TAX ASSESSOR-COLLECTOR'S REPORT

Ms. Goin presented and reviewed the tax assessor-collector's report dated December 31, 2024, a copy of which is attached hereto as Exhibit D. 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 Massey seconded the motion, which carried unanimously.

### ADOPT RESOLUTION AUTHORIZING AN ADDITIONAL PENALTY ON DELINQUENT PERSONAL PROPERTY TAXES

Ms. Richardson next advised the Board that pursuant to Section 33.11 of the Property Tax Code, as amended, the Board is authorized to impose, under certain conditions, an additional penalty not to exceed twenty percent (20%) of the delinquent personal property taxes, penalty and interest due the District on taxes that become delinquent on or after February 1 of a year and that remain delinquent sixty (60) days after the date on which they become delinquent. Ms. Richardson discussed the penalties and presented a Resolution regarding same, which is attached hereto as Exhibit E. After discussion, Director Atchison made a motion to adopt the Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes. 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 F.

Mr. Griffith stated that the District was last serviced on January 17, 2025.

Mr. Griffith stated that there had been no signs of trespassing near the Albury Trails Estates detention basins. Director Atchison stated that he has seen a few kids in the area, but nothing significant.

Mr. Griffith stated that the storm water quality feature in Albury Trails Estates detention basin B needs desilting work to comply with the permit requirements. He stated that it will be cheaper to do the desilting at the same time as overseeding. Mr. Griffith stated that the desilting will cost approximately \$4,000. He also stated that there are some dead trees located behind the basin that need to be removed. Director Atchison stated that he believes the trees are located on property owned by the Inverness Property Owners Association ("POA"). The Board requested that MRPC send additional correspondence to the POA regarding the potential acquisition of the property and informing them of the dead trees. After discussion, Director Atchison made a motion to approve desilting of the storm water quality feature in Albury Trails Estates detention basin B at a cost not to exceed \$4,000. Director Massey seconded the motion, which unanimously carried.

## ENGINEER'S REPORT

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

Mr. Aranzales reported on Water Plant No. 1, Well No. 2. He stated that V&S received the one-year sampling approval from the Texas Commission on Environmental Quality.

Mr. Aranzales reported on the construction contract with Allteam Solutions, LLC for the sanitary sewer cleaning and televising for Inverness Estates, Sections 1, 2 and 4. He stated that the project is underway.

Mr. Aranzales reported on the construction contract with Water Utility Services, Inc. for the blended phosphate water treatment project. He stated that the installation is complete, and the final inspection will be held on January 28, 2025. Mr. Aranzales then presented Pay Application No. 1 and Final in the amount of \$12,550 and recommended holding payment until after the inspection. After discussion, Director Atchison made a motion to approve payment of Pay Application No. 1 and Final in the amount of \$12,550.00, pending passing of final inspection. Director Thomas seconded the motion, which unanimously carried.

Mr. Aranzales reported that V&S is assembling 2024 data for the Albury Manor water rate update which is due March 2025.

Mr. Aranzales reported on park and facility maintenance. He stated that the locks for the gate on Champion Forest are scheduled to arrive on February 15<sup>th</sup> and the gate will be repaired when the locks are replaced.

Mr. Aranzales next reported on the status of the construction contract with ISC Infrastructure Construction Services for the park pad and bench addition. He stated that the location of bench #2 was revised for wider maintenance access. He also noted that the benches are estimated to arrive on March 6, 2025.

Mr. Aranzales then reported on the Inverness sidewalk repairs. He stated that V&S submitted a second request to Harris County Precinct 3 regarding the sidewalk depressions on Wixford and Lacombe. Mr. Aranzales stated that the sanitary sewer inspection will be included with the Allteam Solutions, LLC contract. He also stated that V&S reported the damaged curb to Harris County Precinct 3.

Mr. Aranzales reported on future recreational projects in Albury Trails Estates and Reserve at Inverness. He stated that it appears that the dead trees discussed earlier in the meeting may be located on the Hooks property or on the District's property, but that he can't definitively say which by looking at the photos. The Board discussed the potential danger that the dead trees pose if they fall. After discussion, Director Atchison made a motion to authorize Champions to cut down the dead trees identified in its report. Director Massey seconded the motion, which unanimously carried.

Director Atchison next discussed the potential construction of an amenity lake by the Albury Trails Estates neighborhood. The Board noted that the problem with that location is that no one would know the amenity lake is there due to the Hooks property impeding potential access to same.

#### OPERATIONS REPORT

Mr. Shelnutt presented and reviewed the operations report for December 2024, a copy of which is attached hereto as Exhibit H. He reported that the District accounted for 93% of the water pumped during the month of December and that the District's facilities operated in compliance with its respective permits during the month.

Mr. Shelnutt next requested that the Board authorize MOC to turn over one (1) delinquent account totaling \$112.78 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 Massey seconded the motion, which passed unanimously.

Mr. Shelnutt reported on the status of the meter replacement. He stated that sixty (60) meters are pending replacement per Accurate Meter.

Mr. Shelnutt stated that the generator set starter and block heater were replaced at lift station no. 2.

Mr. Shelnutt stated that the District received a violation from the Texas Commission on Environmental Quality ("TCEQ") regarding reporting requirements for the DLQOR which turned out to be a data error by the TCEQ. He noted that no action is required on the District's part.

Mr. Shelnutt stated that an engine code recently showed up on the generator control module which turned out to be caused by low coolant. Mr. Shelnutt stated that he had a discussion with Director Fesler regarding the generator control module and potentially purchasing a spare in case it goes out during in an emergency as it did a few years ago, noting that it could take a long time to find a replacement thereby requiring the District to rent a generator in the interim or go on interconnect with Dowdell MUD. Mr. Shelnutt noted that a spare module would cost approximately \$19,700 plus labor totaling \$25,000.00. The Board then discussed getting a spare replacement control with hurricane season coming soon. Ms. Richardson stated that the District could use surplus construction funds to pay for the spare control module. The Board discussed the idea of getting a new generator for the Water Plant. Mr. Aranzales agreed to obtain pricing for the Board's review at next month's meeting.

Director Thomas stated that he may have someone interested in the old package plant. He stated that he will bring them out to inspect same.

#### UPDATE FROM TOUCHSTONE DISTRICT SERVICES

The Board next considered an update from Touchstone District Services. Ms. Richardson presented the Monthly Communications Report dated January 27, 2025, and reviewed same with the Board, a copy of which is attached hereto as Exhibit I. Director Wright noted that another district was listed on page 2 of the report and that she will contact Touchstone regarding same.

#### 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  
January 27, 2025

- A. Patrol Report
- B. Bookkeeper's Report
- C. Qualified Brokers Resolution
- D. Tax Assessor Collector's Report
- E. Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes
- F. Detention and Drainage Facilities Report
- G. Engineer's Report
- H. Operations Report and related handouts
- I. Touchstone Communications Report