

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 401**  
**Minutes of Meeting of Board of Directors**  
**March 17, 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 March 17, 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 Shelnutt 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.; 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. Corporal Love reviewed the Patrol Statistics, a copy of which is attached hereto as Exhibit A.

Corporal Love exited the meeting at this time.

PUBLIC COMMENT

The Board next considered comments from the public. Mr. Eta stated that there are dead pine trees located on District property in Inverness Crossing on the property behind Jack in the Box and adjacent to FM-2920. Mr. Aranzales presented a map and stated that the property in question is owned by the Inverness Estates POA. Mr. Aranzales gave Mr. Eta a map to provide to the Inverness Estates POA showing the ownership of the property in question.

APPROVE MINUTES

The Board considered approval of the minutes of the Board meeting held on February 17, 2025. After discussion, Director Atchison made a motion to approve the minutes of the meeting of February 17, 2025, as presented. Director Massey seconded the motion, which unanimously carried.

## BOOKKEEPING REPORT

The Board reviewed the bookkeeper's report prepared by District Data Services dated March 17, 2025, a copy of which is attached hereto as Exhibit B. After discussion, Director Thomas 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 February 28, 2025, 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 Massey seconded the motion, which carried unanimously.

## DELINQUENT TAX REPORT

Ms. Richardson next presented the delinquent tax report dated February 17, 2025, by the District's delinquent tax attorney, Perdue, Brandon, Fielder, Collins & Mott, LLP ("Perdue"), a copy of which is attached hereto as Exhibit D.

## CONSIDER TERMINATION OF WATER SERVICES TO DELINQUENT TAX ACCOUNTS

The Board next considered the termination of water services for delinquent tax accounts. The Board agreed that it would like to proceed with sending water termination notices to all delinquent real property tax accounts for 2023 and that it would like to receive monthly reports from Perdue on an ongoing basis. After discussion, Director Massey made a motion to authorize Perdue to provide notices of water termination to all delinquent real property tax accounts from 2023 and to request that Perdue provide monthly reports to the Board going forward. Director Atchison 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 February 14, 2025.

Director Wright asked about the algae accumulation in the Inverness Estates Detention Basin. Mr. Griffith stated that he would wait to treat same as the heat typically serves to kill the algae. Mr. Griffith next recommended including desilting for Detention Basin D in the desilting work previously approved for Detention Basin B, noting that it is less expensive for the District to complete both desilting projects at the same time. He presented the attached quote totaling \$4,970 for the inclusion of desilting work for Basin D and requested that the Board authorize Champions to complete same. After discussion, Director Atchison made a motion to authorize Champions to

desilt Basin D at a cost of \$4,970. Director Massey seconded the motion, which passed unanimously.

Mr. Griffith stated that the dead trees that were identified in last month's report will be removed this month.

#### ENGINEER'S REPORT

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

Mr. Aranzales reported on the contract with Allteam Solutions, LLC for the sanitary sewer cleaning and televising for Inverness Estates, Sections 1, 2 and 4. He stated that V&S is reviewing videos and preparing a list of recommended repairs. He then presented Pay Application No. 1 in the amount of \$25,422.03 and recommended payment of same. After discussion, Director Atchison made a motion to approve payment of Pay Application No. 1 in the amount of \$25,422.03, as discussed above. Director Thomas seconded the motion, which unanimously carried.

Mr. Aranzales next reported on the status of the installation of bat houses by Eagle Scout Troop 41 and stated that the Scouts are preparing a mock-up of the bat houses to present to the Board prior to installation.

Mr. Aranzales next reported on the status of the contract with Infrastructure Construction Services for the park pad and bench addition. He stated that the benches are estimated to arrive later this month.

Mr. Aranzales next reported that V&S is updating the District's Emergency Preparedness Plan for submission to the TCEQ, as the current five-year cycle will conclude in August 2025.

Mr. Aranzales next stated that Harris County Precinct 3 has roped off the sidewalk to make repairs to the sidewalks and sinkhole.

#### APPROVAL OF WATER RATES FOR ALBURY MANOR PURSUANT TO WHOLESALE WATER SUPPLY AGREEMENT

The Board next considered approval of water rates for Albury Manor pursuant to the Wholesale Water Supply Agreement. He reviewed the attached analysis and stated that, based on the formula in the Agreement, the water rate for the renewal term should be \$5.47 per 1,000 gallons of water, with such rate to be effective April 1, 2025. After discussion, Director Atchison made a motion to approve a revised water rate of \$5.47 per 1,000 gallons of water for Albury Manor, with such rate to be effective April 1, 2025. Director Thomas seconded the motion, which unanimously carried.

## OPERATIONS REPORT

Mr. Shelnutt presented and reviewed the operations report for February 2025, 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 February and that MOC operated the District's facilities operated in compliance with its respective permits during the month.

Mr. Shelnutt next discussed the District's generators and reviewed the pricing for rental generators as reflected in the report. Director Thomas asked about a charge listed in MOC's invoice for exercising all generators since the generators have the capability to be turned on automatically. Mr. Shelnutt advised that the generators are tested manually when tested underload but stated that he would investigate the matter and report back to the Board to confirm same.

Mr. Shelnutt reported on the status of the meter replacements. He reported that MOC performed an additional survey to determine whether any additional meters have black screens, and he plans to present more detailed information on the matter at the Board's next meeting.

After discussion, Director Thomas made a motion to approve the attached report. Director Massey seconded the motion, which passed unanimously.

## PREVAILING WAGE RATE SCALES

The Board next considered the annual review of a Resolution Adopting Prevailing Wage Rate Scale for Construction Projects. Ms. Richardson presented a survey of wage rates adopted by the Department of Labor and Harris County and stated that the District is required to annually adopt wage rates based on its review of scales adopted by such entities. After discussion, Director Thomas made a motion to adopt the Resolution Adopting Prevailing Wage Rate Scale for Construction Projects adopting the rates adopted by the Department of Labor. Director Wright seconded the motion, which passed unanimously.

## CONSIDER PROPOSALS FOR RENEWAL OF INSURANCE COVERAGE

The Board next considered proposals relative to the renewal of the District's insurance coverage for the term expiring March 31, 2025. Ms. Richardson reviewed the proposals received from Gallagher and McDonald & Wessendorff, copies of which are attached hereto as Exhibit I and Exhibit J, relative to property, comprehensive boiler and machinery, commercial general liability and hired car and non-ownership automobile liability, pollution liability, directors and officers liability, umbrella, public employee blanket crime, directors position schedule bond, tax assessor/collector bond, worker's compensation, and business travel coverage scheduled to expire on March 31, 2026. She noted that Gallagher submitted a revised proposal which differs from the proposal initially submitted. After discussion, Director Atchison made a motion to approve the proposal from McDonald & Wessendorff for the coverage's set out above, and to authorize the President to execute same on behalf of the Board and District. Director Wright seconded the motion, which carried unanimously.

UPDATE FROM TOUCHSTONE DISTRICT SERVICES

The Board next considered an update from Touchstone District Services. Ms. Richardson presented the Monthly Communications Report dated March 17, 2025, and reviewed same with the Board, a copy of which is attached hereto as Exhibit K.

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