

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 401
Minutes of Meeting of Board of Directors
November 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 November 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 Shelnuitt of Municipal Operations & Consulting, Inc. ("MOC"); Les Griffith of Champions Hydro-Lawn, Inc. ("Champions"); Roksi Rivera of District Data Services; Robin Goin of Bob Leared Interests, Inc.; Sergeant Martinez of Harris County Constable's Office ("HCCO"); Jonathan Durnell of McCall Gibson Swedlund Barfoot PLLC ("McCall"); Godfrey Eta, resident of the District; 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.

Sergeant Martinez exited the meeting at this time.

APPROVE MINUTES

The Board considered approval of the minutes of the Board meeting held on October 20, 2025. After discussion, Director Atchison made a motion to approve the minutes of the meeting held on October 20, 2025, as revised. Director Massey seconded the motion, which unanimously carried.

PUBLIC COMMENT

Mr. Eta reported that the Inverness Estates POA ("IE POA") recently elected new Board members, bringing the total number of residents on the IE POA Board to five (5). He stated that residents have been attending the IE POA meetings to discuss concerns about crime, and he has reassured them that the District is safe.

Mr. Eta exited the meeting at this time,

REVIEW AND APPROVE AUDIT REPORT FOR FISCAL YEAR ENDING JULY 31, 2023

The Board next considered the approval of an audit report for the fiscal year ended July 31, 2025. Mr. Durnell reviewed the draft audit report and management letter prepared by McCall, attached hereto as Exhibit B. After discussion, Director Atchison made a motion to approve the audit report, subject to MRPC's review and approval, to authorize the President to execute the Annual Filing Affidavit on behalf of the Board and District, and to authorize the filing of the audit report and Annual Filing Affidavit with the appropriate governmental authorities, including the Texas Commission on Environmental Quality ("TCEQ") and the Texas Comptroller of Public Accounts. Director Massey seconded the motion, which carried unanimously.

BOOKKEEPING REPORT

The Board reviewed the bookkeeper's report prepared by District Data Services dated November 17, 2025, a copy of which is attached hereto as Exhibit D. After discussion, Director Atchison 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 October 31, 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

The Board next considered review of the delinquent tax report dated November 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.

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.

Director Fesler reported that an area beneath the District's fence along the creek has been dug out and requested that Champions investigate the matter.

ENGINEER'S REPORT

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

Mr. Aranzales reported on the status of the 6-foot-wide sidewalk extension in Albury Trails Estates. He noted that V&S has received the survey and has submitted the plans to the appropriate

agencies for review. He also asked the Board to consider potential locations for benches along the sidewalk.

Mr. Aranzales reported on the contract with AMAR Contractors to repair deficiencies found during the sanitary sewer cleaning and televising for Inverness Estates, Sections 7-9. He stated that the project is mobilizing tomorrow.

Mr. Aranzales next reported that construction is underway to rehab the drainage swale near the District's Wastewater Treatment Plant ("WWTP"). He advised that V&S is awaiting an additional estimate from Champions for the additional scope relative to amenity lake erosion.

Mr. Aranzales next presented a lift station inspection report which had been prepared by Preventative Services. He requested authorization to begin preparing plans for the rehab of each lift station. After discussion, Director Thomas made a motion to authorize V&S to prepare plans for the lift station rehabilitation projects. Director Massey seconded the motion, which passed unanimously.

The Board next considered acceptance of a Special Warranty Deed relative to the 7.509-acre tract owned by IE HOA. After discussion, Director Atchison moved to accept the Special Warranty Deed, as set out above, and authorize the President to execute same on behalf of the Board. Director Thomas seconded the motion, which passed unanimously.

Mr. Aranzales next requested that an item be placed on the next agenda to consider an amendment to the Professional Services Agreement with V&S.

OPERATIONS REPORT

Mr. Shelnuttt presented and reviewed the operations report for October 2025, a copy of which is attached hereto as Exhibit G. He reported that the District accounted for 81% of the water pumped during the month of September and that the District's facilities operated in compliance with its respective permits during the month. Mr. Shelnuttt advised that the NHCRWA meter on water well no. 2 has been investigated twice by Southern Flowmeter, but it is still not functioning properly. He stated that he requested a credit from the NHCRWA due to the meter's inaccurate reading.

Mr. Shelnuttt next reported on the status of inspecting various facilities in the District. He reported that the District's water plant and WWTP were inspected by MOC and preventative maintenance was performed on facility mechanical equipment at both plants. He next stated that MOC also inspected the District's generators last month. He also reported that District facilities were inspected by the TCEQ with no issues reported.

Mr. Shelnuttt reported that Lift Station No. 1 was bottom cleaned on October 16.

Mr. Shelnuttt next reported on the status of amending the District's contract with MOC relative to a proposed price increase. He advised that beginning next year, MOC would like to implement an annual CPI increase. Director Atchison asked about MOC's markup and use of subcontractors. Director Fesler requested to defer the proposed contract amendment until after the

Board has reviewed the Requests for Proposals from additional operating companies, to which the Board agreed.

APPROVE CHANGES TO BYLAWS OF AWBD AND DESIGNATE VOTING REPRESENTATIVE

The Board next considered the designation of a voting representative for the upcoming bylaws election being held by the Association of Water Board Directors ("AWBD"). After discussion, the Board concurred to designate Director Atchison as the District's voting representative for AWBD elections.

UPDATE FROM TOUCHSTONE DISTRICT SERVICES

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

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
November 17, 2025

- A. Patrol Report
- B. Bookkeeper's Report
- C. Tax Assessor's Report
- D. Delinquent Tax Report
- E. Detention and Drainage Facilities Report
- F. Engineer's Report
- G. Operations Report
- H. Touchstone Communications Report