

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 401
Minutes of Meeting of Board of Directors
February 16, 2026

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 February 16, 2026, 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, 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”); Roksi Rivera of District Data Services; Robin Goin of Bob Leared Interests, Inc.; Sergeant Martinez and Deputy Ramos Harris County Constable’s Office (“HCCO”); Godfrey Eta and Cesar Rodriguez, residents 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.

Director Atchison reported that Harris County installed “No Trespassing” signage in Albury Trails near the ponds at the request of residents.

Sergeant Martinez and Deputy Ramos exited the meeting at this time.

PUBLIC COMMENT

Mr. Eta first reported that in the Inverness Estates POA (“IE POA”) had a water leak which has been repaired and requested a billing adjustment relative to same. After discussion, Director Atchison made a motion to credit the lost water to the IE POA, with the amount to be confirmed and determined by MOC, but to bill for the actual North Harris County Regional Water Authority fees incurred as result of the actual usage. Director Thomas seconded the motion

Mr. Eta next reported that the IE POA well feeding the amenity ponds is not functioning, resulting in shallow water levels in Ponds A and B. He stated that the IE POA is planning to

construct a new well to be located at the corner of Fanwick Drive and Castlehead Drive, at an estimated cost of approximately \$90,000. He stated that the IE POA would like the District to consider contributing to the costs of same. After discussion, the Board requested that Mr. Shelnett and Mr. Aranzales inspect the existing well and provide additional information and recommendations to the Board next month.

Mr. Eta next requested that the District remove or take down several dead trees located near the water plant to prevent potential injury or property damage. Mr. Griffith advised that Champions will address the trees, as the Board previously requested the removal of same last month.

APPROVE MINUTES

The Board considered approval of the minutes of the Board meeting held on January 19, 2026. After discussion, Director Atchison made a motion to approve the minutes of the meeting held on January 19, 2026, as written. Director Thomas seconded the motion, which unanimously carried.

BOOKKEEPING REPORT

The Board reviewed the bookkeeper's report prepared by District Data Services dated February 16, 2026, a copy of which is attached hereto as Exhibit B. Ms. Rivera advised she is holding a blank check in case the District needs to pay the IRS for arbitrage this month. 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.

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 Thomas 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 January 31, 2026, 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.

DELINQUENT TAX REPORT

The Board next considered review of the delinquent tax report dated February 16, 2026, by the District's delinquent tax attorney, Perdue, Brandon, Fielder, Collins & Mott, LLP ("Perdue"), a copy of which is attached hereto as Exhibit E.

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 there is algae buildup at the Inverness Estates pond but advised the cold weather should resolve the matter.

Mr. Griffith reported there is also a leaning tree near the sewer plant that will need to be pushed over.

Mr. Griffith next stated that Champions will perform desilting in the District in the next month.

Mr. Griffith also reported that there is a damaged weir at the amenity lake in Inverness Estates. He stated he will gather quotes for repairing it to present at the Board's next meeting.

ENGINEER'S REPORT

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

Mr. Aranzales reported on the status of the 6-foot-wide sidewalk extension in Albury Trails Estates. He stated that the deadline to submit bids for the project is March 6.

Mr. Aranzales reported that he received last year's data from the District's Operator and Bookkeeper relative to the water rates in Albury Trails. He advised VS is preparing an update with this information.

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 V&S completed review of the videos and is gathering proposals for the recommended repairs, which will include the sidewalk located on Castlehead Drive.

Mr. Aranzales next reported on the status of the contract with CFG Industries for the Lift Station Wet Well and Wiping project. He reported that the project's pre-construction meeting will be held on February 19th.

Mr. Aranzales next reported on the status of the drainage swale rehabilitation near the District's wastewater treatment plant ("WWTP") and the amenity lake erosion repairs. He advised

that the scope of the drainage swale near the WWTP is complete. He reported that he is waiting to receive a quote from Champions to fill the eroded areas.

Mr. Aranzales next deferred reporting on the status of the District's decommissioned Wastewater Package Treatment Plant as he did not have any updates to provide at this time.

Mr. Aranzales reported on the findings of the water plant tank inspections performed last month. He stated that the report on the District's hydropneumatic tank looks good and that V&S is waiting to receive inspection results relative to the District's ground storage tank.

Ms. Richardson next reported on the status of the acquisition of the Hooks property. She advised that MRPC received a signed receipt of delivery from the property owner for one of the certified correspondences sent last month.

Mr. Aranzales stated that there is no need for V&S to update the District's Emergency Response Plan and Risk and Resilience Assessments due to the District's population being below the threshold required for same.

Mr. Aranzales next reported on the status of the request made by Harris County to acquire property from the District to expand Champion Forest Drive. He advised that V&S is waiting to receive an offer package from Harris County.

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

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. Mr. Aranzales stated that V&S is assembling the 2025 expense information and will present it to the Board at next month's meeting.

OPERATIONS REPORT

Mr. Shelnutt presented and reviewed the operations report for January 2026, a copy of which is attached hereto as Exhibit H. He reported that the District accounted for 98% 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 \$170 to Collections Unlimited ("CU"), as shown on the list attached to the Operator's Report. After discussion, Director Thomas made a motion to authorize MOC to turn over the one (1) subject account to CU as set out above. Director Atchison seconded the motion, which passed unanimously.

Mr. Shelnutt next advised that the repaired fire hydrants still need to be painted.

Mr. Shelnutt next reported on the status of various District facilities. He advised that the District's generator was used during a power outage at the WWTP. He next stated that MOC repaired 10-inch manifold piping over the digesters at the District's plant. He also reported that the wrought iron for the District's lift station fence has been repaired. Director Atchison next requested that Mr. Shelnutt inspect the status of the fence as it appears part of it has not been connected.

Mr. Shelnutt next provided an update on the status of the District's well meter. He advised he is still waiting on a response from the NHCRWA.

Mr. Shelnutt next reviewed the District's annual Identity Theft Report with the Board and noted no instances of identity theft were detected.

The Board next requested further information regarding the charge on MOC's invoice for posting the agenda on December 11, 2025, as the cost was much higher than usual. Mr. Shelnutt stated that the agenda is posted at the WWTP and he will investigate why the District was charged more in December.

After discussion, Director Thomas made a motion to approve the attached operations report. Director Atchison seconded the motion, which carried unanimously.

APPROVAL OF AMENDED AND RESTATED PROFESSIONAL SERVICES AGREEMENT WITH MOC

The Board considered approval of an Amended and Restated Professional Services Agreement with MOC. Mr. Shelnutt reviewed and presented the Amended Agreement with the Board and requested approval of same. After discussion, Director Atchison made a motion to approve the Amended and Restated Professional Services Agreement with MOC. Director Thomas seconded the motion, which passed unanimously.

CONSIDER PROPOSALS FOR RENEWAL OF INSURANCE COVERAGE

The Board next deferred considering proposals relative to the renewal of the District's insurance coverage for term expiring March 31, 2026 as MRPC has not yet received the District's renewal proposals.

CONSIDER APPROVAL OF ORDER CHANGING THE DISTRICT'S OFFICIAL OFFICE, MAILING ADDRESS AND MEETING PLACE LOCATED OUTSIDE OF THE DISTRICT

The Board next considered review and approval of Order Changing the District's Official Office, Mailing Address and Meeting Place located Outside the Boundaries of District and authorizing publication of same, which is attached hereto as Exhibit I. In that regard, Ms. Richardson explained that MRPC is moving to a new office location and the Board will need to adopt the Order designating the new location as the District's official office. After discussion, Director Atchison made a motion to approve and adopt the Order Changing the District's Official Office, Mailing Address and Meeting Place located Outside the Boundaries of District and to authorize publication of same. Director Thomas seconded said motion, which passed unanimously.

UPDATE FROM TOUCHSTONE DISTRICT SERVICES


The Board next considered an update from Touchstone District Services. Ms. Richardson presented the Monthly Communications Report dated February 16, 2026, and reviewed same with the Board, a copy of which is attached hereto as Exhibit J. Director Atchison reported that Touchstone had incorrect information relative to trash collection services on the website which has since been corrected.

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
February 16, 2026

- A. Patrol Report
- B. Bookkeeper's Report
- C. Qualified Broker's Resolution
- D. Tax Assessor's Report
- E. Delinquent Tax Report
- F. Detention and Drainage Facilities Report
- G. Engineer's Report
- H. Operations Report
- I. of Order Changing the District's Official Office, Mailing Address and Meeting Place located Outside the Boundaries of District
- J. Touchstone Communications Report