

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 401
Minutes of Meeting of Board of Directors
March 18, 2024

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 18, 2024, 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"); Stephanie Viator of District Data Services; Robin Goin of Bob Leared Interests, Inc.; Deputy Martinez of Harris County Constable's Office ("HCCO"); 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. She stated that a traffic initiative was conducted in February. The Board then discussed the video of a male carrying what appeared to be a rifle in the park. Deputy Martinez stated that it might be a BB gun based on her assessment. She also stated that there is no law against carrying a rifle even if it was a rifle. Director Atchison stated that it would be a violation if he fired weapon. Ms. Richardson reminded the board that they chose to permit guns within the park when they adopted the park rules.

Director Fesler stated that the parking issue seems to be getting bad on Invergarry and that emergency vehicles may not be able to get down the street. Deputy Martinez stated that HCCO can put a sticker on cars if they are illegally parked. Director Fesler then asked various questions about parking laws and Deputy Martinez discussed the laws related to same.

The Board then discussed the timing of lights at 2920 and Dowdell and noted that the current timing creates a lot of backup. Deputy Martinez stated that she will contact TXDOT tomorrow to ask if they can reprogram the lights.

Deputy Martinez exited the meeting at this time.

PUBLIC COMMENT

The Board next considered comments from the public. No one present had anything new to report.

APPROVE MINUTES

The Board considered approval of the minutes of the Board meeting held on February 16, 2024 and February 19, 2024. After discussion, Director Thomas made a motion to approve the minutes of the meeting of February 16, 2024, and February 19, 2024, as presented. Director Atchison seconded the motion, which unanimously carried.

BOOKKEEPING REPORT

The Board reviewed the bookkeeper's report received from District Data Services dated March 18, 2024, a copy of which is attached hereto as Exhibit B. Ms. Viator stated that Ms. Riley from her office will be attending the Board meetings going forward. 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.

TAX ASSESSOR-COLLECTOR'S REPORT

Ms. Goin presented and reviewed the tax assessor-collector's report dated February 29, 2024, 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 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.

Mr. Griffith stated that Wright Solutions completed some work near the fence adjacent to the Sugarberry neighborhood. Director Atchison stated that some of the debris should be a bit higher. He then asked if there needs to be some overseeding on the areas where work has already been done. Mr. Griffith stated that the Bermuda grass is usually completed this time of year so Champions will handle same.

ENGINEER'S REPORT

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

Mr. Aranzales reported on Water Plant No. 1, Well No. 2. He stated that V&S received the water quality samples from MOC. He stated that V&S submitted the required corrosivity design report to the Texas Commission on Environmental Quality (the "TCEQ") and is awaiting approval.

Mr. Aranzales reported on the status of the construction contract with C&C Water Services for the Water Plant No. 1, Well No. 1 Rehabilitation. He stated that the pump arrived and installation is underway. Mr. Aranzales stated that the well is expected to be back online by the end of March.

Mr. Aranzales reported on the Willow Creek trespassing solutions. He stated that V&S will instruct Wright Solutions to build up the low area identified by Director Atchison and handle the area that has the debris oddly distributed.

Mr. Aranzales reported on future recreational projects in Albury Trails Estates and Reserve at Inverness. He stated that V&S overlaid the conservation easement over the Hooks tract and confirmed that it would not affect the placement of a trail on the property. Ms. Richardson stated that she contacted the Hooks family regarding the potential donation of the property to the District for development into a park and/or trails and offered for the Board to give a tour of the District trail areas.

Mr. Aranzales reported on the flushing plan update. He stated that V&S received the WaterCAD models from Quiddity Engineering (formerly Jones & Carter, Inc.) and reviewed same. He stated that V&S is waiting on AutoCAD exhibits and asked whether the Board would like V&S to update the report to add the Willowcreek Water Line Extension Project and re-calculate system pressures once the exhibits are received. After discussion, Director Thomas made a motion to authorize V&S to update the report to add the Willowcreek Water Line Extension Project. Director Atchison seconded the motion, which unanimously carried.

Mr. Aranzales stated that there is graffiti on the Willowcreek overflow concrete swale and that he is awaiting quotes to determine whether to power wash or paint same.

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

Mr. Aranzales next reported on the approval of water rates for Albury Manor pursuant to the Wholesale Water Supply Agreement. He reviewed the attached analysis and recommended that the District decrease Albury Manor's water rate to \$6.02 per 1,000 gallons of water, effective April 1, 2024. After discussion, Director Thomas made a motion to approve a decrease in the Albury Manor water rate to \$6.02 per 1,000 gallons of water, effective April 1, 2024. Director Atchison seconded the motion, which unanimously carried.

PREVAILING WAGE RATE SCALES

The Board next considered the annual review of the Resolution Adopting Prevailing Wage Rate Scale for Construction Projects. After discussion, Director Thomas made a motion to adopt the attached Resolution Adopting Prevailing Wage Rate Scale for Construction Projects based on the Department of Labor rates for Harris County projects. Director Massey seconded the motion, which carried unanimously.

REVIEW AND APPROVAL OF RESOLUTION AUTHORIZING USE OF SURPLUS CONSTRUCTION FUNDS

The Board next deferred consideration of the review and approval of a Resolution Authorizing Use of Surplus Construction Funds until next month's meeting as Ms. Richardson stated that she is coordinating with Ms. Viator on the matter.

OPERATIONS REPORT

Mr. Shelnut presented and reviewed the operations report for March 2024, a copy of which is attached hereto as Exhibit F. He reported that the District accounted for 99% of the water pumped during the month of March and that the District's facilities operated in compliance with its respective permits during the month.

Mr. Shelnut reported that the chart recorder at the WWTP stopped working and MOC ordered a new unit on January 30, 2024.

Mr. Shelnut reported that MOC pulled Water Well 1 on November 27, 2023. He stated that MOC ordered new equipment which should be installed on March 15, 2024.

Mr. Shelnut reported that a large number of electronic meter displays have black screens and are unreadable. He stated that the list of meter displays has been forwarded to Accurate Meter for the needed replacements. He noted that the meters are still under warranty.

Director Atchison next stated that the Inverness Property Owners Association's ("POA") sprinkler system at Wixford Lane is running for hours every day. He asked if the Board can do anything about it because it is very wasteful. Mr. Shelnut recommended contacting the POA regarding the matter.

CONSIDER PROPOSAL FROM TOUCHSTONE DISTRICT SERVICES

The Board next considered review of a proposal from Touchstone District Services ("Touchstone") for website development and maintenance. Ms. Richardson presented the attached proposal from Touchstone. She stated that the cost for website development and maintenance is a one-time set-up fee of \$2,950 plus a monthly hosting fee of \$250. After discussion, Director Wright made a motion to approve the proposal from Touchstone in the amount of \$2,950 for one-time set up fee plus \$250 monthly hosting fee for website development and maintenance. Director Thomas seconded the motion, which unanimously carried.

SUPPLEMENTAL AGENDA

The Board next considered the adoption of an Order Declaring Candidates Elected and the cancellation of the May 4, 2024, Director Election. Ms. Richardson advised that in accordance with Subchapter C, Chapter 2 of the Election Code and Section 2.052 of the Election Code, after 5:00 p.m. on February 23, 2024, the District may cancel the election if each candidate whose name appears on the ballot and/or has registered as a write-in candidate is unopposed in such election, and the Board of Directors of the District can declare such unopposed candidates to be re-elected for an additional term. Ms. Richardson presented a certificate declaring all candidates unopposed

and the Order Declaring Candidates Elected. After discussion, Director Thomas made a motion to adopt the Order declaring Directors Fesler, Wright and Massey re-elected for an additional term expiring in May 2028 and to authorize the President to execute and the Secretary to attest same on behalf of the Board and the District. Director Atchison 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.



Secretary, Board of Directors

ATTACHMENTS TO MINUTES OF BOARD OF DIRECTORS
March 18, 2024

- A. Patrol Report
- B. Bookkeeper's Report
- C. Tax Assessor-Collector Report
- D. Detention and Drainage Facilities Report
- E. Engineer's Report
- F. Wage Rate Resolution
- G. Operations Report and related handouts
- H. Proposal from Touchstone District Services