

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 401
Minutes of Meeting of Board of Directors
September 21, 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 September 21, 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
Cesar Rodriguez, Secretary
Roland Massey, Assistant Vice President/Secretary
Jordan Thomas, Assistant Vice President/Secretary

and all of said persons were present, 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 and John Rocha of Ethoscapes; Robin Goin of Bob Leared Interests, Inc.; Roksi Rivera of District Data Services; Sergeant Martinez and Deputy Ramos of Harris County Constable's Office ("HCCO"); Debbie Shelton of Masterson Advisors, LLC ("Masterson"); Godfrey Eta, President of Inverness Estates Property Owners Association ("IE POA"); Todd Edmonds, Brandon Edmonds and Cory Christoph of Edmonds & Company Real Estate; and Kara Richardson of Marks Richardson PC ("MRPC").

The President called the meeting to order in the lobby of the hotel as the regular conference room was under renovation.

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 attached Patrol Statistics report, a copy of which is attached hereto as Exhibit A.

Director Thomas informed the officers that Mr. Eta plans to call TxDOT tomorrow to address issues at the intersection of FM 2920 and the Grand Parkway.

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

PUBLIC COMMENT

The Board next considered comments from the public. Mr. Eta reported that Phase 1 of the streetlight replacement project is complete and that work is now underway on Phase 2. He next requested permission for the IE POA to plant bluebonnets near Detention Pond F. The Board had no objection and requested that Mr. Eta coordinate the proposed planting with Ethoscapes.

Mr. Eta next discussed concerns regarding unauthorized access to Mr. Pham's property via

District property located between the IE POA fence and the sound barrier. Mr. Pham has requested approval to construct a fence in the area. Mr. Eta stated that he will provide images of the location for the Board's review.

Mr. Eta next reported that the IE POA is moving forward with the makeup well and that an access easement from the District will be required in connection with the project.

Mr. Christoph, Mr. Todd Edmonds and Mr. Brandon Edmonds next introduced themselves to the Board and distributed a flyer, a copy of which is attached hereto as Exhibit B. They stated that they are looking to develop an office warehouse and would like to explore options to be annexed into the District. Mr. Aranzales advised that the District is at max capacity for wastewater but has available water capacity. Director Atchison noted the District could potentially provide water on an out-of-district basis. After discussion, the developers concurred to discuss options regarding service with Mr. Aranzales.

Mr. Christoph, Mr. Todd Edmonds and Mr. Brandon Edmonds exited the meeting at this time.

APPROVE MINUTES

The Board considered approval of the minutes of the Board meeting held on August 17, 2026. After discussion, Director Atchison made a motion to approve the minutes of the meeting held on August 17, 2026, as written. Director Massey seconded the motion, which unanimously carried.

BOOKKEEPING REPORT

The Board next considered the bookkeeper's report prepared by District Data Services, a copy of which is attached hereto as Exhibit C. Ms. Rivera advised that District Data Services receives invoices for the District from T-Mobile each month after the Board meetings and recommended paying future invoices via ACH, to which the Board agreed. After discussion, Director Thomas made a motion to approve the bookkeeper's report and to authorize payment for the invoices listed therein. Director Atchison seconded said motion, which carried unanimously.

APPROVAL OF AMENDED AND RESTATED AGREEMENT FOR BOOKKEEPING SERVICES

Ms. Rivera next presented an Amended and Restated Agreement for Bookkeeping Services for approval. She noted that there is a small increase of \$100 per month. After discussion, Director Thomas made a motion to approve the Amended and Restated Agreement for Bookkeeping Services. Director Atchison seconded the motion, which passed unanimously.

TAX ASSESSOR-COLLECTOR'S REPORT

Ms. Goin presented and reviewed the tax assessor-collector's report dated August 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 Thomas seconded the motion, which carried unanimously.

DELINQUENT TAX REPORT

Ms. Richardson next presented the delinquent tax report dated September 21, 2026, by the District's delinquent tax attorney, Perdue, Brandon, Fielder, Collins & Mott, LLP, a copy of which is attached hereto as Exhibit E.

TAX RATE RECOMMENDATION

Ms. Shelton next presented an analysis and recommendation regarding the proposed 2026 debt service and maintenance tax rate prepared by Masterson, a copy of which is attached hereto as Exhibit F. After discussion, Director Atchison made a motion to authorize the District's Tax Assessor/Collector to publish notice of a public hearing on the adoption of a combined proposed 2026 tax rate of \$0.77 per \$100 of assessed valuation, with such hearing to be held on October 19, 2026. Director Thomas seconded said motion, which carried unanimously.

FACILITY SITE MAINTENANCE

Mr. Rocha presented and reviewed a detention and drainage facilities report from Ethoscapes, a copy of which is attached hereto as Exhibit F.

Mr. Rocha next reported that the outfall pipe located near the District's sewage treatment plant has some visible erosion and Ethoscapes is investigating a solution.

Mr. Rocha stated that Ethoscapes completed the repair to the bottom of the gate on Gallant Flag Drive that was reported last month.

Director Thomas exited the meeting at this time.

Mr. Rocha noted that the last page of the attached report displays some damaged signage in the District. He next presented a proposal to replace the damaged signage for \$510.

Mr. Rocha next presented a proposal for the removal of trees along the access easement granted by the IE POA for \$3,050. After discussion, Director Atchison made a motion to authorize Ethoscapes to remove the trees included in the proposal for \$3,050 and to replace the damaged signage. Director Massey seconded the motion, which passed unanimously.

ENGINEER'S REPORT

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

The Board next considered the status of the Albury Trails Estates Hike and Bike Trails project with ARS Construction LLC. He presented images to the Board displaying the project's progress. He next presented Pay Application No. 3 in the amount of \$186,531.97 and recommended approval and payment of same. After discussion, Director Atchison made a motion to approve Pay Application No. 3 as described above. Director Massey seconded the motion, which passed unanimously.

Mr. Aranzales reported on the status of the Sanitary Sewer Cleaning and Televising for Albury Trails Sections 1-4 with Chief Solutions, Inc. He advised that the project is underway.

Mr. Aranzales next reported on the status of the contract with CFG Industries for the Lift Station Wet Well and Piping project. He advised that the project is complete, but he is still holding the check that was approved last month while awaiting the pump damage assessment report.

Mr. Aranzales next discussed the District's Capital Improvements Plan. He advised he is waiting to receive inspection reports for the anticipated tank recoating project this winter.

Mr. Aranzales informed the Board the Precinct 3 is conducting a traffic analysis that should be complete by December. Director Rodriguez requested that that Mr. Aranzales also submit a request to Precinct 3 prohibiting commercial parking at the three (3) main entrances of Albury Trails Estates.

OPERATIONS REPORT

Mr. Shelnutt presented and reviewed the operations report for September 2026, a copy of which is attached hereto as Exhibit H. He reported that the District accounted for 101% of the water pumped during the month of July and that the District's facilities operated in compliance with its respective permits during the month.

Mr. Shelnutt next requested that the Board approve sending one (1) uncollectable (1) account to collections in the amount of \$290.11. After discussion, Director Atchison made a motion to approve the sending the subject account to collections. Director Massey seconded the motion, which passed unanimously.

Mr. Shelnutt next reviewed the action item list for the month.

Mr. Shelnutt next reported that the rental lift pump at Lift Station No. 3 was reinstalled this month while repairs are made.

DISCUSSION REGARDING "NO PARKING" SIGNAGE

The Board next deferred discussing the installation of "No Parking" signs within the District as it was previously discussed.

ANNUAL REVIEW OF ORDER ESTABLISHING POLICY FOR INVESTMENT OF DISTRICT FUNDS AND APPOINTING INVESTMENT OFFICER

The Board next considered the annual review and approval of an Order Establishing Policy for Investment of District Funds and Appointing Investment Officer ("Order"), including a approval of a Resolution regarding review of same, attached hereto as Exhibit I. Ms. Richardson presented and discussed the Order and CSA form with the Board. After discussion, Director Atchison moved to approve the Resolution and authorize the President to sign and the Secretary

to attest on behalf of the Board and the District. Director Massey seconded the motion, which passed unanimously.

REVIEW OF ARBITRAGE ANALYSIS REPORT PREPARED BY MUNICIPAL RISK MANAGEMENT GROUP, L.L.C.

The Board next considered review of an arbitrage analysis report prepared by Municipal Risk Management Group, L.L.C. ("MRM"), attached hereto as Exhibit J. After discussion, Director Atchison made a motion to approve the attached report and to authorize MRM to perform the recommended calculations pursuant to the District's evergreen contract with MRM. Director Massey seconded the motion, which unanimously carried.

UPDATE FROM TOUCHSTONE DISTRICT SERVICES

The Board next considered an update from Touchstone District Services. Ms. Richardson reviewed the Monthly Communications Report dated September 21, 2026, 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.



Secretary, Board of Directors

ATTACHMENTS TO MINUTES OF BOARD OF DIRECTORS
September 21, 2026

- A. Patrol Report
- B. Flyer from Edmonds & Company Real Estate
- C. Bookkeeper's Report
- D. Tax Assessor's Report
- E. Delinquent Tax Report
- F. 2026 Tax Rate Analysis
- G. Detention and Drainage Facilities Report and Proposals
- H. Engineer's Report
- I. Operations Report
- J. Annual Report from Municipal Risk Management Group
- K. Touchstone Communications Report