

MASON CREEK UTILITY DISTRICT

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MINUTES Meeting of the Board of Directors

The Board of Directors of Mason Creek Utility District of Harris County, Texas, convened in a **re-scheduled regular meeting** at 847 Dominion, Katy, Texas 77450, including participation by telephone conference call with two-way audio (as authorized by the Governor of Texas under emergency declaration), on **February 23, 2021** at 7:30 P.M., and the roll was called of the duly elected members of the Board of Directors, to wit:

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|----------------------|-------------------------------|
| Len Forsyth | President |
| James G. Hamblet III | Vice-President |
| Brian C. Connolly | Secretary/Treasurer |
| John H. Cameron | Assistant Secretary/Treasurer |
| Robert J. Wills | Director |

President Forsyth and Director Wills were present at the meeting location. Directors Cameron, Hamblet and Connolly were present via telephone conference call audible at the meeting place, as authorized by the Governor of the Texas (under an emergency declaration). Also present by telephone conference call were Mr. James L. Dougherty, Jr., Attorney for the District; Ms. Lina Loaiza of Bob Leared Interests; Ms. Cynthia Colondres of Municipal Accounts & Consulting; Mr. Jose de Leon and Mr. Brenton Stamper of Venturi Engineers LLC; Mr. Jamie Parrott of the MCUD staff; and Ms. Kristen Allen and Mr. Toni Neumann, residents of the Mason Creek Utility District. Also present at the meeting location were Ms. Susan Saccomen and Ms. Kasey Lorraine of the MCUD staff. The meeting was called to order, and in accordance with notice posted pursuant to law, the following business was transacted:

Notices & Minutes. Ms. Saccomen referred to the notice of the meeting attached as Appendix A and reported that the notice had been posted as required by the Texas Open Meetings Act. Director Wills moved to approve the January 16, 2020 minutes as presented, and Director Cameron seconded. All voted in favor, and the motion was passed.

Delinquencies, Etc. Delinquencies, Etc. Ms. Lorraine asked that the Board postpone the normal procedure of terminations due to the recent winter freeze. She added that termination notices were sent out prior to the meeting, but the District would continue to assist those who had a payment arrangement and possible damages due to the freeze. Director Hamblet moved to suspend terminations for the month of February. Director Wills seconded and all voted in favor of the motion.

Bookkeeping, Funds, Etc. Ms. Colondres presented the bookkeeper's report including current budget (revenues and expenditures), history of sales tax revenues, and summary of pledged security as of February 17, 2021. Director Wills moved to accept the bookkeeper's report as presented. Director Connolly seconded, and all voted in favor of the motion.

Director Wills moved to: (i) receive and approve the quarterly investment report for the period ending December 31, 2020 submitted by the Investment Officers and (ii) order that a written instrument be adopted, as shown on the report, stating that the Board has reviewed the District's investment policy and investment strategies and decided to make no changes to them. Director Cameron seconded, and all voted in favor, thus passing the motion.

Bills, Etc. Director Cameron moved to accept the bills as presented (and authorize the checks prepared to pay them). Director Wills seconded; The motion was carried.

Taxes. Ms. Loaiza gave the Tax Assessor Collector report indicating total amount of taxes collected at the end of January was \$2,184,662.21, leaving taxes receivable on January 31, 2021 at \$225,059.68. Total reported receipts in January were \$826,516.73. Checks were presented in the amount of \$825,963.21. The reported percentage of collection of the 2020 taxes was 95.8%. Director Wills moved to approve the Tax Assessor Collector's report as presented (and authorize the checks presented). Director Cameron seconded, and all voted in favor of the motion.

Mr. Dougherty presented a "RESOLUTION GRANTING AND CONFIRMING EXEMPTIONS FROM AD VALOREM TAXATION." The measure included a \$50,000 exemption of the appraised value of the residence

homestead of each individual who is 65 or older and other exemptions. A motion was made and seconded to adopt the measure. After due discussion, the question was called, and the motion, carrying with it the adoption of the measure, was adopted and carried by the following vote:

Ayes: Directors Forsyth, Hamblet, Connolly, Cameron and Wills

Nays: None

Absent: None

Mr. Dougherty also presented a "RESOLUTION EXTENDING CONTRACT FOR TAX ASSESSOR/COLLECTOR." A motion was made and seconded to adopt the measure. After due discussion, the question was called, and the motion, carrying with it the adoption of the measure, was adopted and carried by the following vote:

Ayes: Directors Forsyth, Hamblet, Connolly, Cameron and Wills

Nays: None

Absent: None

Mr. Dougherty also presented a "RESOLUTION EXTENDING CONTRACT FOR COLLECTION OF DELINQUENT TAXES." A motion was made and seconded to adopt the measure. After due discussion, the question was called, and the motion, carrying with it the adoption of the measure, was adopted and carried by the following vote:

Ayes: Directors Forsyth, Hamblet, Connolly, Cameron and Wills

Nays: None

Absent: None

Mr. Dougherty also presented a "RESOLUTION ADOPTING ADDITIONAL PENALTY FOR TAX COLLECTION COSTS." A motion was made and seconded to adopt the measure. After due discussion, the question was called, and the motion, carrying with it the adoption of the measure, was adopted and carried by the following vote:

Ayes: Directors Forsyth, Hamblet, Connolly, Cameron and Wills

Nays: None

Absent: None

Bonds, Notes, Etc. and Reimbursement Resolutions. President Forsyth informed the Board that he had been discussing a plan to hold the next bond election in November.

Water Supply & Regulations and Agreements. President Forsyth said he wanted to go on record to say that the Directors were grateful for the time and dedication of the Operations Department during the winter freeze.

Engineering, Projects, Etc. Mr. de Leon introduced Mr. Stamper, a new employee of Venturi Engineers, LLC. He informed the Board that he hoped to request permission to advertise the Brondesbury and Rennie Lift Station Conversions by April's meeting. He mentioned that he would like to install a separate bypass at the Brondesbury Lift Station to facilitate emergency operation in the future. After discussion, Director Hamblet asked that the bypass be included in the plans.

Mr. de Leon reported that the missing parts for automatic transfer switch (ATS) had been delivered. He added that the contractor did request an extension of 7 days. After discussion, Director Wills moved to approve a a time extension due to unforeseeable circumstances. Director Cameron seconded and the vote passed unanimously.

Mr. de Leon reported that he had received the final approval from the City of Houston and had notified the contractor for the Kingsland Blvd. and Prince Creek Sanitary Sewer Rehabilitation. He stated that the pre-construction meeting had been cancelled due to the winter freeze, and he had been trying to reschedule with contractor in order to move forward with the Notice to Proceed.

He stated that he had addressed the comment from Harris County Engineering Department about a temporary sidewalk during replacement of a force main segment and had resubmitted plans for final approval. He also stated that he was waiting on comments from Harris County Flood Control District.

Mr. de Leon reported that the changes for the contractor's insurance had been under review for the pool deck project. After discussion, Director Hamblet stated he would coordinate with the Engineer, the Attorney, and the contractor on the District's insurance requirements.

Mr. de Leon informed the Board that he had received approval from Harris County to repair the water main failure at the intersection of Cranfield Dr. and Ellingham Dr., pending submittal of the contractor's bonds for the project. He stated he did negotiate a fee with the contractor and would be moving forward with the project the following week.

Mr. de Leon reported that he was in the process of providing a work order for the previously reviewed videos and reports from the inspection of the ground storage tanks. He stated that the issues were minor and would not require approval from the City of Houston or Harris County.

Mr. de Leon stated that he was in the process of reviewing the Ellingham sanitary sewer video.

Director Wills moved to accept the engineer's report as presented. Director Cameron seconded, and all voted in favor of the motion.

Energy & Streetlights. There was nothing to report.

Regional Matters. Mr. Cameron reported several items that were discussed at the AWBD mid-winter conference. He stated that House Bill 1154 would require several items to be transparent through online accessibility and billing statements. He mentioned that Pecan Grove MUD is undergoing a case study of 3D imaging to locate, access and repair infrastructure within the District. He added that the study would assist the Pecan Grove MUDs area with maintenance, debt service, fire protection, wastewater, water usage and garbage costs. He also reported that the Harris-Galveston Subsidence District's regulations would reduce groundwater usage and convert to 60% surface water usage by 2025. Mr. Cameron also informed the Board that the United States Environmental Protection Agency implemented new rules and regulations for lead and copper that would go into effect in 2023.

Drainage, Detention/Retention. There was nothing to report.

STP's. President Forsyth reported that while repairing the small leak in the main line that carries sewage from the lift station into the Cinco Regional STP, the operator discovered a failing pipe at the trunk line.

President Forsyth also reported that WMMUD's temporary bypass for the Lift Station would be removed once the installation of the new pipes is completed.

Recreational Facilities. Ms. Allen and Mr. Neumann came before the Board with comments, questions, and availability of the swimming pools for the 2021 season at the Mason Creek Community Center. After discussion, Director Hamblet informed the residents of Mason Creek Utility District that repairs would be soon underway, and safety precautions will be taken into consideration in preparation for the possibility of the opening of the pools. After further discussion, it was decided that a committee would be formed to recommend a plan of action in the coming weeks.

Mr. Jamie Parrott informed the Board that the ceiling within the tennis courts bathroom collapsed and had scheduled a contractor for repairs.

System Operations, Rates, Etc. Mr. Parrott reported that the District's system ran fairly well during the winter storm. He stated that four sites ran on the generators for three days. He informed the Board that the vacuum breakers at all the well sites failed. He mentioned that the jockey pump froze and split at the Dominion Well in addition to a failed generator at the pump station located behind the District Office. He stated that they were able to restore it and the District was fully operational by the end of the week.

Administrative Matters. Ms. Susan Saccomen informed the Board that, during the winter freeze, the Internet, phones and answering services went down at the District's office. She stated that by Friday, normal operating procedures were underway. She also mentioned that administrative staff had urged residents to get set up for the Emergency Alert Notification System amid the winter storm.

Director Connolly presented information regarding the March 1st renewal of the District employee health insurance coverage. He recommended that the District remain with Memorial Hermann. After discussion, Director Connolly moved to continue with the coverage from Memorial Hermann, as presented. Director Hamblet seconded, and the motion was unanimously passed.

Next Meeting: The March regular meeting was scheduled for Wednesday, March 17, 2021 at 7:30 PM.

Adjournment. There being no further business to discuss, Director Wills moved to adjourn. Director Cameron seconded, and all voted in favor, thus passing the motion.

REVIEWED AND APPROVED BY THE BOARD on March 17, 2021

SIGNED: _____

A handwritten signature in black ink, appearing to be "J. Wills", written over a horizontal line.