

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 **scheduled regular meeting** at the Mason Creek Community Center, 20201 Kingsland Blvd., Katy, Texas 77450, on **August 17, 2022**, at 7:30 P.M., and the roll was called of the duly elected members of the Board of Directors, to wit:

Len Forsyth	President
James G. Hamblet III	Vice-President
Brian C. Connolly	Secretary/Treasurer
James K. Nordhaus	Assistant Secretary/Treasurer
John H. Cameron	Assistant Treasurer

and all members were present, except Mr. Cameron, thus constituting a quorum. Also, present were James L. Dougherty, Jr., Attorney for the District; Lina Loaiza of Bob Leared Interests; Derek Davenport of McClennan and Associates; Jose de Leon and Brenton Stamper of Venturi Engineers LLC; and Susan Saccomen, Samantha Saccomen and Jamie Parrott 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 reported that the notices of the meeting had been posted as required by the Texas Open Meetings Act. Director Hamblet moved to approve the July 15, 2022, regular meeting minutes as presented, and Director Connolly seconded. All voted in favor.

Delinquencies, Etc. Delinquencies, Etc. Ms. Saccomen presented a list of delinquent accounts proposed for service discontinuation (for which notices, including an opportunity to be heard, had been sent). President Forsyth provided an opportunity for anyone to be heard regarding the delinquencies or discontinuations. After it appeared that no one wanted to be heard, Director Connolly moved that: (i) the amount shown on the list for each account be found to be correct and delinquent, and (ii) discontinuation of utility service be authorized for the accounts listed, unless a payment arrangement was agreed upon before discontinuation of service, in accordance with the District's standard operating procedures. The motion was seconded by Director Hamblet and carried by a unanimous vote.

Bookkeeping, Funds, Etc. Mr. Davenport presented the bookkeeper's report including the cash disbursement report from July 13th, 2022, through August 17th, 2022.

Mr. Davenport presented the investment report for the period ending July 31, 2022, as signed by the Investment Officer. There was a motion to: (i) accept the investment report and (ii) order that a written instrument be adopted, as shown on the report, stating that the Board had reviewed the District's investment policy and investment strategies and decided to make no changes to them. The motion was seconded, and all voted in favor of the motion.

Mr. Davenport presented the previously-adopted budget for fiscal year ending June 30, 2023, with some adjustments and updates. After discussion, Director Hamblet moved adopt the budget including the adjustments and updates as proposed; the motion was seconded by Director Connolly; and the motion was carried unanimously. After further discussion, Director Hamblet moved to accept the bookkeeper's report as presented. Director Connolly seconded, and all voted in favor of the motion.

Mr. Dougherty informed the Board that there was an existing TexPool Account. He mentioned TexPool representatives had said it would be necessary for the new representatives (Mr. Nordhaus or Mr. Forsyth) to get authorized and arrange online access in order to make some changes to the account. He stated there would have to be a change in the documents previously approved documents to authorize the new representatives, and the bank information had changed. After discussion, Director Connolly moved to: (i) readopt the former resolution and agreement (ii) approve a new bank information form and (iii) authorize the new account change form. The motion was seconded by Director Hamblet, and all voted in favor.

Bills, Etc. Director Hamblet moved to accept the bills as presented (and authorize the checks prepared to pay them). Director Connolly seconded. The motion was carried by a unanimous vote.

Taxes. Ms. Loaiza gave the Tax Assessor Collector report indicating total TY 2021 taxes collected at the end of July were \$2,421,217.86 leaving TY 2021 taxes receivable on July 31, 2022, at \$67,205.83. Total reported receipts in July were \$4,364.62. Checks were presented in the amount of \$5,155.06. The reported percentage of collection of TY 2021 taxes was 98.9%. Ms. Loaiza also presented a proposed "AGREEMENT FOR SERVICES OF TAX ASSESSOR AND COLLECTOR," which included provisions

for assignment and transfer to BLICO, Inc. After discussion, Director Hamblet moved to: (i) approve the Tax Assessor Collector's report and the proposed agreement, both as presented, and (ii) authorize the checks presented. Director Nordhaus seconded, and all voted in favor of the motion.

Bonds, Notes, Etc. and Reimbursement. There was no report or action.

Water Supply & Regulations and Agreements. President Forsyth presented the letter agreement with Green Trails MUD. After discussion, Director Connolly moved to accept the agreement as presented. Director Hamblet seconded, and all voted in favor of the motion.

Engineering, Projects, Etc. Mr. Stamper informed the Board that construction was still ongoing for the Brondesbury Lift Station conversion project, but the project was near completion. He said the temporary valves had been installed, and the permanent valves were expected in January 2023. Mr. Stamper presented: (i) Pay Application No. 10 in the amount of \$33,600.00 and (ii) his recommendation for payment in the amount of \$30,240.00 (amount of pay application less 10% retainage). After discussion, Director Hamblet moved to authorize payment in the amount of \$30,240.00 as presented. Director Nordhaus seconded, and all voted in favor of the motion.

Mr. Stamper provided a bid phase schedule for the Rennie Drive Lift Station project. After discussion, Director Connolly moved to revert back to a single-phase construction contract, in lieu two-phase contract previously discussed. Director Hamblet seconded, and all voted in favor of the motion.

Mr. Stamper reported that he had performed the final walk-through inspection (with the contractor) of the pool deck replacement project. Director Hamblet reported that remaining punch-list items were still pending.

Mr. Stamper stated that the final walk through for the Dominion Plant GST Recoating project was held on August 15th and that the contractor was addressing punch list items. Mr. Stamper presented: (i) Pay Application No. 4 in the amount of \$66,525.00 and (ii) his recommendation for payment in the amount of \$59,572.50 (amount of pay application less 10% retainage). After discussion, Director Hamblet moved to authorize payment in the amount of \$59,572.50 as presented. Director Nordhaus seconded, and all voted in favor of the motion.

Mr. Stamper informed the Board that the bid opening for the Ellingham Sanitary Sewer Rehabilitation Project was held July 28th. He presented two bids to the Board. Mr. Stamper recommended that the Board (i) find and determine that T Construction, LLC was a "responsible person" and that awarding it the contract would be the most advantageous to the District; and (ii) award the contract to T Construction, LLC on its bid in the amount of \$530,425.25. After discussion, Director Hamblet moved to make such findings and determination and award the contract for the Ellingham Sewer Rehabilitation Project to T Construction, LLC in the amount of \$530,425.25. The motion was seconded by Director Connolly, and all voted in favor of the motion. After further discussion, Director Connolly moved to authorize the project liaison (Mr. Hamblet) to approve any insurance variations. Director Nordhaus seconded, and all voted in favor of the motion.

Mr. Stamper reported that he was coordinating with the Operator on the review and update of the current Drought Contingency Plan. He also informed the Board that the report for the Green Trails MUD Interconnect project had been submitted to TCEQ for interim approval, and he would expect a response by early October.

Mr. Stamper also reported that two replacement projects had become necessary because of broken waterlines. He said one was located at the intersection of Rustic Knolls Drive and Prince Creek Drive, and the other was located at the intersection of Rennie Road and Wickham Court. He mentioned he had been coordinating with a colleague on obtaining emergency approval from TCEQ, and he provided a work order for engineering services for each project. After discussion Director Connolly moved to (i) approve both work orders and (ii) appoint President Forsyth as a liaison for both projects. Director Connolly seconded, and all voted in favor of the motion. After further discussion, Director Forsyth.

After further discussion, Director Hamblet moved to approve the engineering report as presented. Director Connolly seconded, and all voted in favor of the motion.

Energy & Streetlights. There was no report or action.

Regional Matters. There was no report or action.

Drainage, Detention/Retention. There was no report or action.

STP's. President Forsyth reported that both the Cinco Regional STP and the WMMUD STP were operating in compliance. He reported that WMMUD was waiting to receive a new bar screen.

Recreational Facilities. Ms. Saccomen reported that the doors at the Mason Creek Community Center had been refinished. Director Hamblet reported that he received an inquiry regarding pickleball. After discussion, Director Connolly moved to accept the

Recommendation for converting/utilizing two existing courts for pickleball. Director Hamblet seconded, and all voted in favor of the motion.

System Operations, Rates, Etc. Mr. Parrott reported that, in July, the District had pumped 46,485,000 gallons of water and had total consumption 44,601,600 gallons, leaving a net water loss of 1,800,000, or 4.05%. Mr. Parrott informed the Board that the previously mentioned broken waterlines will require a contractor. He stated that valves were immediately purchased to isolate the leak and allow normal flow to surrounding residential homes.

Mr. Parrott informed the Board that the part-time employee reached the 90-day probationary period and asked the Board for a pay increase from \$12/hour to \$15/hour. After discussion, Director Connolly moved to approve the pay increase. Director Hamblet seconded, and all voted in favor of the motion.

Administrative Matters. Ms. Saccomen presented a quote for IT services from MVWORKS-IT. She mentioned that MVWORKS-IT would provide services for the District in conjunction with AVR's services. After discussion, it was decided to postpone action until the September meeting.

Mr. Parrott informed the Board that there was a discrepancy between the Employee Handbook and the current Rate Order for hours allotted between full-time or part-time employees. After discussion, Director Hamblet moved to amend both the Rate Order and the Employee Handbook to incorporate a definition of "full-time employee" like the one shown on the Texas Workforce Commission's website:

Full-time employees are those who are regularly assigned to work at least 40 hours each week. Part-time employees are those who are regularly assigned to work less than full-time. While part-time employees may occasionally work 40 or more hours in a particular workweek, or in a series of workweeks, that by itself will not change their regular schedule. However, the District reserves the right to change the regular schedules of employees at any time. In such a case the District will give affected employees as much advance notice as possible of their new regular schedules and will advise employees of the effect of such changes on their eligibility for District benefits.

The motion was seconded by Director Connolly, and all voted in favor.

Next Meeting: The September regular meeting was scheduled for Wednesday, September 14, 2022, at 7:30 PM at the Mason Creek Community Center.

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

REVIEWED AND APPROVED BY THE BOARD on September 14, 2022

SIGNED: 