

# MASON CREEK UTILITY DISTRICT

L.R. Forsyth  
J.G. Hamblet III  
B.C. Connolly  
J.K. Nordhaus  
J.H. Cameron

Katy, Texas 77450  
Phone 281-578-7272  
Fax 281-578-1419

## MINUTES

### Meeting of the Board of Directors

The Board of Directors (“Board”) of Mason Creek Utility District of Harris County, Texas (“District”) convened in a **scheduled regular meeting** at the Mason Creek Community Center, 20201 Kingsland Blvd., Katy, Texas 77450, on **September 14, 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 of the members were present, thus constituting a quorum.

Also, present were James L. Dougherty, Jr., Attorney for the District; Lina Loaiza of BLICO, Inc., the District’s tax assessor-collector; Derek Davenport of McClennan and Associates; Jose de Leon and Brenton Stamper of Venturi Engineers LLC; Bill Blich of Blich Associates, Inc., the District’s financial advisor; Kim Courte of Arthur J. Gallagher and Co.; Susan Saccomen, Kasey Lorraine, and Jamie Parrott of the MCUD staff; and Frederick Castellano, a resident of the District. 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 September 14, 2022, regular meeting minutes as presented, and Director Connolly seconded. Director Cameron abstained due to his absence. The motion passed.

**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 Hamblet 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 Nordhaus and carried by a unanimous vote.

**Bookkeeping, Funds, Etc.** Mr. Davenport presented the bookkeeper’s report including the cash disbursement report from August 17th, 2022, through September 14<sup>th</sup>, 2022.

Mr. Davenport presented the investment report for the period ending August 31<sup>st</sup>, 2022. Director Hamblet moved to accept the investment report, as presented, and to 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. Director Cameron seconded. The motion passed unanimously.

After discussion, Director Connolly moved to accept the bookkeeper’s report as presented. Director Cameron seconded, and all voted in favor of the motion.

**Bills, Etc.** Director Hamblet moved to accept the bills as presented (and authorize the checks prepared to pay them). Director Cameron 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 August were \$2,421,701.15, leaving TY 2021 taxes receivable on August 31, 2022, at \$62,320.66. Total reported receipts in August were \$13,993.45. Checks were presented in the amount of \$5,155.06. The reported percentage of collection of TY 2021 taxes was 99.04%. Director Hamblet 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. Bill Blich presented proposed 2022 tax rate options, including both Debt Service and M&O tax rates. The Board also reviewed the status of the District’s development under the 2019 tax law, as described in a certificate signed by the engineer. After discussion by the Board, Director Connolly moved to adopt the following measure: “ORDER AND RESOLUTION MAKING FINDINGS AND DETERMINATIONS REGARDING DISTRICT STATUS; DESIGNATING OFFICER TO CALCULATE AND PUBLISH TAX RATES AND TAKE OTHER ACTIONS IN CONNECTION WITH THE LEVY OF A TAX; PROPOSING A TAX

RATE; CALLING A PUBLIC HEARING; ETC.” which included a determination of the District’s development status and a proposed tax rate of \$0.312 per \$100, of which \$0.031 would be for debt service and \$0.281 would be for maintenance and operations. The order also called a public hearing on the proposed tax rate for October 12, 2022. Director Cameron seconded the motion, and, the motion, carrying with it the adoption of the measure, passed, and carried by the following vote:

FOR: Directors Forsyth, Hamblet, Connolly, Nordhaus, Cameron

AGAINST: (none)

ABSENT/NOT VOTING: (none)

A true copy of the measure, as adopted, was filed with records of the meeting. Ms. Loaiza indicated the notice of the public hearing was to be published in the *Katy Times* on Thursday, September 29, 2022.

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

**Water Supply & Regulations and Agreements.** President Forsyth reported that the agreement with Green Trails MUD had been signed and delivered to Green Trails MUD. He stated that the District’s wells are operable and would be able to sufficiently provide water supply to Green Trails MUD with no issues, beginning in the later part of October.

**Engineering, Projects, Etc.** Mr. de Leon informed the Board that construction for the Brondesbury Lift Station conversion project was near completion. He stated that the startup could be as early as the following week.

He also provided a Bid Phase schedule for the Rennie Drive Lift Station project. He said the pre bid meeting was held the previous week, and there had been several inquiries regarding the project.

Director Hamblet reported that remaining punch-list items for the pool deck project were still pending and would be near completion.

Mr. de Leon reported that the contractor for Dominion Plant GST Recoating project had addressed all punch list items and presented the Certificate of Completion and Acceptance and the final Pay Application No. 5 in the amount of \$53,321.00. After discussion, Director Cameron moved to approve the (i) Certificate of Completion and Acceptance and (ii) final Pay Application No. 5 as presented. Director Nordhaus seconded, and all voted in favor of the motion.

Mr. de Leon informed the Board that he was waiting for contracts to be finalized and executed for the Ellingham Sanitary Sewer Rehabilitation Project. He stated that upon receiving the documents, he would schedule a pre-construction meeting.

He reported that he addressed comments from the Project Liaison and the District Operator for the Drought Contingency Plan. Mr. Stamper added that the next step would be to submit the plan to the District’s attorney for final review.

Mr. de Leon informed the Board that the report for the Green Trails MUD interconnection had been submitted to TCEQ for interim approval, and he was expecting a response by early October.

Mr. de Leon informed the Board that he had received approval from Harris County for the Waterline Replacement Project at the intersection of Rustic Knolls Drive and Prince Creek Drive. He stated that work on the contract documents was underway, and he expected solicitation of bids by the following Friday

He also mentioned that he was awaiting approval from Harris County for the Waterline Replacement Project located at Rennie Road and Wickham Court and stated that work on those contract documents was also underway.

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

**Energy & Streetlights.** Director Cameron provided an update on the Public Power Pool. He stated that natural gas production was improving. He mentioned that Texas Supreme Court was scheduled for an appeal against ERCOT during the outages from the 2021 winter storm. He also mentioned that ERCOT was claiming sovereign immunity.

**Regional Matters.** There was nothing to report.

**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 Cinco Regional STP would be providing a reuse agreement that would be brought to the Board at a later time.

**Recreational Facilities.** President Forsyth stated the pickleball courts had been installed, and he had received positive feedback. Director Hamblet informed the Board that he had received an email from the Sweetwater firm regarding the pool closure the previous weekend. He stated that Sweetwater had offered an increase in pay for lifeguard coverage. He stated that Sweetwater did not have enough coverage to allow the pool to be open, but he was confident that the pool would be open and available the following weekend.

**System Operations, Rates, Etc.** Mr. Parrott reported that, in August, the District had pumped 43,754,000 gallons of water and had total consumption 43,326,400 gallons, leaving a net water loss of 427,600. Mr. Parrott presented a well report that provided information on

static levels, pumping levels and capacities for each well site. He stated that he had spoken with G & M Services personnel about testing well sites monthly while the interconnect is open to Green Trails MUD.

Mr. Parrott informed the Board that TCEQ was requiring lead and copper sampling every three years. He mentioned that, out of 20 homes sampled, one failed. He stated that additional samples would be required, and that TCEQ could provide additional feedback.

Mr. Parrott also informed the Board that he had asked the AAA firm to televise a damaged sewer line on Kempsford. He said he had also reached out to a contractor to view a 300-ft. section of ten-inch line and provide a quote for sliplining.

President Forsyth informed the Board that he had authorized an additional purchase of chlorine to ensure that the plants can remain operational in case of potential shortages.

Mr. Parrott stated that he and the engineer had been contacted by Harris County regarding proposed improvement of a turn lane and median on Westgreen Boulevard. He mentioned said details had not yet been provided. Director Connolly added that he went to a County meeting where improvements were discussed. He said the Westgreen improvement mentioned by Mr. Parrott was scheduled at the end of 2023.

**Administrative Matters.** Ms. Courte presented the annual District insurance and cyber security policy renewal proposal from AJ Gallagher. She noted that there was an increase in the premium cost of \$92,178. She mentioned there was a change in carrier. After discussion, Director Cameron moved to approve the annual district insurance policy renewal as presented. Director Connolly seconded, and the motion was unanimously carried.

Ms. Saccomen presented a contract from MVITWORKS LLC to perform regular maintenance on the hardware for the District Office. After discussion, Director Hamblet moved to approve a work order, subject to clarification of the name of the company. Director Cameron seconded, and all voted in favor of the motion.

Ms. Lorraine presented a quote from the AVR firm to switch to a cloud-based system. After discussion, President Forsyth stated he would work with Ms. Lorraine to further negotiate the quote and present it to the Board at a later date.

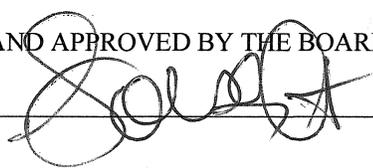
Ms. Lorraine also approached the Board regarding the annual Christmas Party. It was decided that the annual party would be held, and no action was required.

Mr. Dougherty reported that the current landscaping contractor had formed a corporation. After discussion, Director Hamblet moved to authorize an agreement to assign and transfer the existing agreement to the new corporation. Director Connolly seconded, and all voted in favor of the motion.

**Next Meeting:** The September regular meeting was scheduled for Wednesday, October 12, 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 Connolly seconded, and all voted in favor, thus passing the motion.

REVIEWED AND APPROVED BY THE BOARD on October 12, 2022

SIGNED:  \_\_\_\_\_