

# MASON CREEK UTILITY DISTRICT

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## 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 **re-scheduled regular meeting** at the Mason Creek Community Center, 20201 Kingsland Blvd., Katy, Texas 77450, on **November 10, 2022**, at 7:30 P.M. The duly elected members of the Board of Directors were:

Len Forsyth	President
Brian C. Connolly	Secretary/Treasurer
James K. Nordhaus	Assistant Secretary/Treasurer
John H. Cameron	Assistant Treasurer
Frederick Castellano	Director

and all the members were present, except Len Forsyth and James Nordhaus, 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; Alyssa Saccomen of McCall Gibson Swedlund & Barfoot PLLC; Brenton Stamper of Venturi Engineers LLC; Susan Saccomen, Kasey Lorraine, Samantha Saccomen and Jamie Parrott of the MCUD staff. The meeting was called to order by Mr. Connolly, as acting presiding officer, and in accordance with notice posted pursuant to law, the following business was transacted:

**Notices & Minutes.** Ms. Susan Saccomen reported that the notices of the meeting had been posted as required by the Texas Open Meetings Act. Director Cameron moved to approve the October 12, 2022, regular meeting minutes as presented, and Director Castellano seconded. The motion passed.

**Delinquencies, Etc.** Ms. Lorraine presented a list of delinquent accounts proposed for service discontinuation (for which notices, including an opportunity to be heard, had been sent). Mr. Connolly provided an opportunity for anyone to be heard regarding the delinquencies or discontinuations. After it appeared that no one wanted to be heard, Mr. Cameron 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 Castellano and carried by a unanimous vote.

**Bookkeeping, Funds, Etc.** Mr. Davenport presented the bookkeeper’s report including the cash disbursement report for October 12<sup>th</sup>, 2022, through November 10<sup>th</sup>, 2022.

Mr. Davenport presented the investment report for the period ending November 30<sup>th</sup>, 2022. Director Castellano 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 Connolly seconded. The motion passed unanimously.

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

**Audits, Financial Reports, Management Letters.** Miss. Saccomen presented the draft audit report and a representation letter for 2022. After discussion by the Board, Director Cameron moved to approve (i) the 2022 audit report and letter as presented, with any further changes submitted, (ii) filing of the audit, and (iii) a representation letter to the auditors. The motion was seconded by Director Castellano, and all voted in favor.

**Bills, Etc.** Director Cameron moved to accept the bills as presented (and authorize the checks prepared to pay them). Director Castellano 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 October were \$2,524,946.51, leaving TY 2021 taxes receivable on October 31, 2022, at \$2,488,492.06. Total reported receipts of TY2022 taxes in October were \$34,500.04. The reported percentage of collection of TY 2021 taxes was 1.37%. Director Cameron moved to approve the Tax Assessor Collector’s report as presented (and authorize the checks presented). Director Castellano 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.** There was no report or action.

**Engineering, Projects, Etc.** Mr. Stamper informed the Board that the temporary valves had been installed, and the bypass pumps had been removed at the Brondesbury Lift Station. He added that the lift station was operational, and he had provided a punch list to the Walsh Construction firm, the contractor for the project. He said Walsh was addressing the punch item list. He indicated that Walsh was awaiting delivery of the special valves specified for the project, but it was still scheduled to be completed sometime in January.

Mr. Stamper informed the Board that the bid opening for the Rennie Drive Lift Station project had taken place on September 16<sup>th</sup>. He presented seven bids to the Board. Mr. Stamper recommended that the Board (i) find and determine that Pioneer Construction Services, 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 Pioneer Construction Services, LLC on its bid in the amount of \$2,032,545. After discussion, Director Cameron moved to adopt a resolution to make such findings and determination and to award the contract for the Rennie Drive Lift Station Project to Pioneer Construction Services, LLC in the amount of \$2,032,545.00. The motion, carrying with it the adoption of the resolution, was seconded by Director Castellano, and adopted by unanimous vote.

Mr. Stamper reported that construction for the Ellingham Sanitary Sewer Rehabilitation Project was underway. He presented Pay Application No. 1 from T Construction, LLC in the amount of \$209,513.50 and his recommendation for payment in the amount of \$188,562.15 (amount of pay application less 10% retainage). Mr. Stamper noted that he had received an updated project schedule and request from T Construction to extend the Project Time by 20 days. He mentioned that the change order included a Contract Price increase of \$42,895.00 for replacement of an additional 16- linear feet of sanitary line to be replaced and one manhole rehabilitation beyond the original scope. After discussion, Director Cameron moved to authorize Pay Application No. 1 in the amount of \$188,562.15 and Change Order No. 1 as presented. Director Castellano seconded, and all voted in favor of the motion.

Mr. Stamper reported that he had addressed comments from the Project Liaison and the District Operator for the Drought Contingency Plan and had submitted the plan to the District’s attorney for final review.

Mr. Stamper stated that the emergency waterline repair at the intersection of Rustic Knolls Drive and Prince Creek Drive was underway. He also mentioned that he had received approval from Harris County and TCEQ emergency approval for the emergency waterline repair located at Rennie Road and Wickham Court. He noted he was waiting for the contracts to be executed, and a pre-construction meeting would follow (with Tackle Construction, Inc.). After discussion, Director Castellano 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 electricity procurement. He stated that P3 had executed a three-year agreement with MP2 Energy Texas LLC for 2023–2025, and the projected cost increase would be 33.9% compared to 2022. He also stated that the FY23 budget was 1.5% less than that of the preliminary report.

**Regional Matters.** There was no report or action.

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

**STP’s.** There was no report or action.

**Recreational Facilities, Etc.** Mr. Parrott informed the Board that the French doors at the community center had damage to them.

**System Operations, Rates, Etc.** Mr. Parrott reported that, in October, the District had pumped 39,001,000 gallons of water and had total consumption of 36,980,100 gallons, leaving a net water loss of 2,020,900 gallons, or 5.18 percent.

Mr. Parrott informed the Board that a booster pump had failed and would need to be rebuilt. He also reported that the operations building had experienced foundation issues. He provided quotes for foundation repair. After discussion, Director Castellano moved to authorize the issuance of a work order to accept the lowest quote (\$16,375), which had been submitted by Precision Foundation Service Inc., subject to getting a Form 1295, etc. Director Cameron seconded, and all voted in favor. After further discussion, Director Castellano moved to authorize the Venturi Engineers to review the specifications. Director Castellano seconded, and all voted in favor of the motion.

Mr. Parrott recommended that the District replace two of the District’s older trucks; the 2010 Ford F350 and the 2012 Toyota. He recommended two one-ton trucks as replacements. He noted that it would take approximately six months to receive the trucks once they were ordered. Mr. Parrott presented quotes from Buy Board. After discussion, Director Castellano moved to authorize the purchase of both one-ton trucks in the amount of \$109,976, through BuyBoard. Director Cameron seconded, and all voted in favor of the motion.

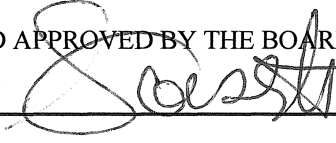
**Administrative Matters.** There was a question about the gratuity for the Christmas event caterer. After a brief discussion, Director Castellano moved to authorize a 20% gratuity, to be added to the bill. Director Cameron seconded, and all voted in favor of the motion.

**Next Meeting:** The December regular meeting was rescheduled for Wednesday, December 14, 2022, at 6:00 PM at the Mason Creek Community Center.

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

REVIEWED AND APPROVED BY THE BOARD on December 14, 2022.

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

A handwritten signature in black ink, appearing to read "S. Castellano", is written over a horizontal line. The signature is stylized and somewhat cursive.