

MASON CREEK UTILITY DISTRICT

L.R. Forsyth
J.H. Cameron
B.C. Connolly
J.K. Nordhaus
F.J. Castellano

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 **February 15, 2023**, 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, 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; Brenton Stamper of Venturi Engineers LLC; and Kasey Lorraine, 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. Lorraine reported that the notices of the meeting had been posted as required by the Texas Open Meetings Act. Director Connolly moved to approve the January 11, 2023, regular meeting minutes and February 1, 2023, special meeting minutes as presented, and Director Cameron seconded, and the motion was 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). 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 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 Connolly and carried by a unanimous vote.

Bookkeeping, Funds, Etc. Mr. Davenport presented the bookkeeper’s report including the cash disbursement report for January 12th, 2022, through February 15th, 2023.

Mr. Davenport also presented the investment report for the period ending January 31st, 2023. Director Cameron 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.

Mr. Davenport advised that monies in the Allegiance Money Market account be moved to TexPool due to and increased interest rate. After discussion Director Connolly moved to authorize the necessary wire transaction to TexPool. Director Cameron seconded, and all voted in favor of the motion.

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

Bills, Etc. Director Connolly 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 2022 taxes collected at the end of January were \$2,572,785.60, leaving TY 2022 taxes receivable on January 31, 2023, at \$360,617.91. Total reported receipts of TY 2022 taxes in January were \$1,478,449.37. Checks were presented in the amount of \$1,353,805.74. The reported percentage of collection of TY 2022 taxes was 92.8%. Director Cameron moved to approve the Tax Assessor Collector’s report as presented (and authorize the checks presented). Director Nordhaus 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, Connolly, Castellano, Nordhaus and Cameron
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, Connolly, Castellano, Nordhaus and Cameron
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, Connolly, Castellano, Nordhaus and Cameron
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, Connolly, Castellano, Nordhaus and Cameron
Nays: None
Absent: None

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

Water Supply & Regulations and Agreements. President Forsyth reported that the Green Trails MUD had completed its ground storage tank repair, and the interconnect was closed.

Engineering, Projects, Etc. Mr. Stamper informed the Board that the delivery of the replacement valves for the Brondesbury Lift Station had been delayed further than anticipated. He, Director Connolly, and the attorney provided the Board with options to move forward with the project. After discussion, Director Cameron moved to approve (i) additional investigation to avoid possible further delay and (ii) authorize the President to enter into an amendment to ensure delivery of the replacement valves directly to the District. Director Connolly seconded, and all voted in favor of the motion.

Mr. Stamper also reported that the pre-construction meeting for the Rennie Lift Station Conversion project was completed and that the engineers were reviewing submittals from the contractor. Mr. Connolly mentioned that the contractor had requested the use of District property off-site for the duration of the project. There was a discussion. Mr. Connolly mentioned the need for assumptions/releases of liability. The attorney concurred and mentioned compensation a provision for updated endorsements for the contractor’s insurance policies. After discussion, Director Connolly moved to authorize the engineers and attorney to draft an amendment to the contract to allow use of District property. Director Cameron seconded, and all voted in favor of the motion.

Mr. Stamper presented Pay Application Nos. 3 and No. 4 for the Ellingham Sanitary Sewer Rehabilitation Project. He stated that all punch list items had been addressed. After discussion, Director Connolly moved to authorize Pay Application No. 3 and the final Pay Application No. 4. Director Cameron seconded, and the motion was passed unanimously.

Mr. Stamper also stated that he had addressed comments for the Drought Contingency Plan and had submitted the plan to the District’s attorney for review and final draft of the plan. After discussion, Director Connolly moved to rescind (terminate) Stage 1 of the drought contingency that was in place. Director Nordhaus seconded, and all voted in favor of the motion.

Mr. Stamper reported that the majority of concrete work had been completed for the repair at the intersection of Rustic Knolls and Prince Creek. He mentioned that the emergency waterline repair at the intersection of Rennie Drive and Wickham are pending completion. He stated that both projects would have the curb line repaired the following week.

Mr. Stamper presented Job Assignment 23-017 for miscellaneous tasks that required engineering services surrounding Section 1 of the Sanitary Video coordination. He stated that this would decrease costs in major change orders. After discussion, Director Nordhaus moved to approve Job Assignment 23-017, Director Castellano seconded, and the vote passed unanimously.

Further, Mr. Stamper informed the Board that the Dominion Elevated Storage Tank was due for inspection and possibly recoating based on its age. He stated that the storage tank would be drained and inspected. After discussion, Director Connolly moved to approve the engineering report as presented. Director Cameron seconded, and all voted in favor of the motion.

Energy & Streetlights. Director Cameron reported that P3 recorded January as one of the warmest months since 2006. He also mentioned that there could be a mandated energy conservation report based on the Districts expenditures. He also informed the Board that the Districts projected/allowed 2023 usage would be roughly 2 million kWh.

Regional Matters. Director Cameron reported that rehabilitation would be done along Mason Creek in the near future.

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

STP's. President Forsyth reported that he would have more information the following month, because the Cinco Regional STP meeting would be the following evening. He noted that WMMUD had a new bar screen installed at the West Memorial plant, and it was in the final inspection stages.

Recreational Facilities, Etc. Mr. Parrott informed the Board that the siding work for the west side of the Community Center was completed. He said the electrical work was still pending completion.

Mr. Parrott also stated that he had discovered that one of the gazebos had begun rotting and was a safety concern--and that additionally, the concrete step had been removed and new concrete had been installed to smooth out the area.

Ms. Lorraine proposed May 21st for the Annual Open House. She also stated that the towels were always a commodity and suggested only towels be provided upon registration. Director Connolly moved to approve the date for the Open House. Director Cameron seconded, and all voted on favor of the motion.

System Operations, Rates, Etc. Mr. Parrott reported that the total water pumped for the first half of January was 9,810,000 gallons and consumption was 9,383,218 gallons, leaving a water loss of 426,782 or 4.35%.

Mr. Parrott reported that G&M Services had provided a performance report for the District's wells. He stated that the report would be beneficial for the Board as a reference document.

Mr. Parrott informed the Board that there had been a leak at intersection of Vanderwick and Sherfield Ridge, and he had discovered he could not stop the leak. After investigation, he said service lines were not installed properly. He stated that in addition, he had hired a contractor to assist with the repair.

Mr. Parrott also informed the Board that between Tilstock and Prince Creek,2 he had discovered service lines not installed properly. He stated that the material for the repair had been bought and letters have been issued to residents informing them of the repair. He stated that the same contractor would also assist with this repair.

Director Cameron moved to approve the operator's report as presented. Director Connolly seconded, and all voted in favor of the motion.

Administrative Matters. Mr. Dougherty presented and amended rate order that had changes that discussed at the special meeting, and he reviewed the changes with the Board. Ms. Lorraine also informed the Board that the current rate order did not specify how many pool fills can be done per year. After discussion, Director Connolly moved adopt the rate order, as amended to authorize a pool fill adjustment when notice is given to the District in advance and to include the changes discussed at the special meeting, as reviewed. Director Cameron seconded, and all voted in favor of the motion.

After further discussion, Director Cameron then moved to authorize the purchase of food related items to be made available effective the following regularly scheduled meeting. Director Castellano seconded, and all voted in favor of the motion.

Next Meeting: After discussion, Director Connolly moved to approve the March regular re-scheduled meeting for Wednesday, March 8, 2023, at 6:30 PM at the District Main Office. Director Nordhaus seconded, and the vote passed unanimously.

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

REVIEWED AND APPROVED BY THE BOARD on March 8, 2023
SIGNED: 