

MASON CREEK UTILITY DISTRICT

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J.H. Cameron
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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 **scheduled regular meeting** at the Mason Creek Utility District 847 Dominion Dr., Katy, Texas 77450, on **July 12, 2023**, at 6:30 P.M. The duly elected members of the Board of Directors were:

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

and all the members were present except James K. Nordhaus, thus constituting a quorum.

Also, present were James L. Dougherty, Jr., Attorney for the District; Lina Loaiza of BLICO, Inc., Jose de Leon and Brenton Stamper of Venturi Engineers LLC; and Susan Saccomen, Kasey Lorraine 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 Cameron moved to approve the June 14, 2023, regular scheduled meeting minutes as presented, and Director Connolly seconded. The motion was 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 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 was carried by a unanimous vote.

Bookkeeping, Funds, Etc. Mr. Davenport presented the bookkeeper’s report including the cash disbursement report for June 14th, 2023, through July 12th, 2023.

Mr. Davenport also presented the investment report for the period ending June 30th, 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.

After discussion, Director Connolly moved to accept the bookkeeper’s report as presented. Director Cameron seconded, and all voted in favor of the motion. Director Connolly also moved to authorize a new account at TexPool with a new “bank information form,” and to approve transfers of funds (by the Investment Officer) into the new account. Director Cameron seconded, and all voted in favor.

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

Mr. Dougherty discussed payment of the bills in between regular scheduled Board meetings. After discussion, Director Connolly moved to adopt a revised “master resolution” for Stellar Bank that would authorize the Treasurer or Secretary/Assistant Treasurer to approve and sign checks less than \$20,000.00 each. Director Cameron seconded, and the vote passed unanimously.

Taxes. Ms. Loaiza gave the Tax Assessor Collector report indicating total TY 2022 taxes collected at the end of June were \$2,562,075.30, leaving TY 2022 taxes receivable on June 30, 2023, at \$75,278.99. Total reported receipts of TY 2022 taxes in June were \$16,531.49. Checks were presented in the amount of \$18,328.76. The reported percentage of collection of TY 2022 taxes was 98.8%. Director Connolly 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.

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 he was awaiting word from Walsh Construction Company about completing punch list items and the check valves for the Brondesbury Lift Station Conversion Project. There was a discussion about a paying agent agreement (sometimes called “funds control” agreement) as suggested by the surety. After discussion, there was a motion to authorize the attorney, engineer, and Vice President to work out such an agreement and authorize the Vice President to sign it. The motion was seconded and adopted. Mr. Stamper reported that the contractor for the Rennie Lift Station Conversion project was waiting to receive materials, and construction was scheduled to begin in January 2024.

Mr. Stamper informed the Board that contract documents for the Section 1 Sanitary Sewer Cleaning & Televising project were waiting to be corrected and executed. He mentioned that the survey and preliminary design for the Sanitary Sewer Rehabilitation Project for Section 6 was still underway.

Mr. Stamper stated that he had been in communication with the developer for Mason Garden Place, also that he would be receiving the annual insurance value inquiry from the A. J. Gallagher firm. After further discussion, Director Connolly moved to accept the engineering report. Director Cameron seconded, and the motion passed unanimously.

Energy & Streetlights. Director Cameron reported that, in June, the Texas Supreme Court ruled that ERCOT was entitled to sovereign immunity. He also stated that there was record breaking volumes of renewable energy and that natural gas prices remained stagnant. He mentioned that there would be twelve new well rigs being built. He also mentioned that Mp2 Shell would be raising electric costs (because of distribution fee authorized to be passed through), and the District would receive that increase within a 30-day period. He informed the Board about an AWBD presentation on HB 2815, which increased the limit on per diem fees to \$221. Director Connolly moved to amend the rate order to increase the per diem to \$220. Director Castellano seconded, and all voted in favor of the motion. Director Cameron also stated that there was discussion at AWBD regarding official versus personal email use for business related matters. After discussion, Director Cameron moved to authorize Ms. Saccomen to create an email account on the District’s server for each Director. Director Connolly seconded the motion. The motion passed unanimously.

Regional Matters. There was no report or action.

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

STP’s. There was nothing to report.

Recreational Facilities, Etc. Mr. Parrott presented a quote from the Three Colors firm in the amount of \$14,350 per set for regular maintenance and repair for two sets of tennis courts. After discussion, Director Connolly moved to approve the quote as presented. Director Cameron seconded. All voted in favor of the motion.

Mr. Parrott also reported that during a recent event, there was sheetrock damage to the ceiling at the Mason Creek Community Center. He also stated that after further investigation, there were foundation issues. He recommended to have a company survey the foundation and provide a written report. He also informed the Board that the insulation needs to be removed and replaced and also recommended an investigation of the structure while in the meantime avoiding further damage. He stated that he would get quotes and possibly begin work in the winter.

System Operations, Rates, Etc. Mr. Parrott reported that the total water pumped in June was 30,883,000 gallons, and consumption was 30,186,000 gallons, leaving a water loss of 693,000 or 2.26%.

Mr. Parrott informed the board that a contractor had backed into one of the District vehicles. He stated the contractor would pay for the damages, and the truck would be sent in to be repaired.

Mr. Parrott also informed the Board that Green Trails MUD was planning to replace the water line for the apartment complex on Houghton and requested that Mason Creek Utility District supply water for the duration of the repair. Mr. Parrott stated that he was still investigating and would report back at a later date.

Mr. Parrott mentioned that one of the utility vehicles was near completion, and the District could take possession in the near future. He also mentioned that the second utility vehicle was scheduled to enter production the following week, and the District would take possession in the coming months.

Administrative Matters. President Forsyth discussed options for a restroom at Rennie Park. No action was taken. He then opened a discussion regarding overtime pay. After that discussion, Director Cameron moved to appoint Director Castellano, the attorney, Mr. Parrott, and Ms. Saccomen to review the employee handbook and present recommended changes updates. Director Connolly seconded, and all voted in favor of the motion.

Next Meeting: After discussion, Director Cameron moved to approve the regular meeting for Wednesday, August 17, 2023, at 6:30 PM at the District’s office. Director Connolly seconded, and the vote passed unanimously.

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

REVIEWED AND APPROVED BY THE BOARD on August 14, 2023

SIGNED: 