

MASON CREEK UTILITY DISTRICT

L.R. Forsyth
J.H. Cameron
B.C. Connolly
J.K. Nordhaus
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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 **special meeting** on August 11, 2023, at 11:30 AM. at the Mason Creek Community Center, 20201 Kingsland Blvd., Katy, Texas 77450. The duly elected members of the Board of Directors were:

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

and all the members were present, except Brian Connolly, thus constituting a quorum. Also, present were James L. Dougherty, Jr., attorney for the District; Susan Saccomen and Jamie Parrott of the MCUD staff; and Brenton Stamper of Venturi Engineers LLC. The meeting was called to order, 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. There were no previous meeting minutes to approve.

Payments, Investments, Etc., There was no report or action.

Bills, Etc. Ms. Saccomen presented payroll, invoices and their related checks for authorization and signatures. After discussion, 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.

Engineering, Projects, Etc., Mr. Stamper reported that he had regularly tried to contact Walsh Construction Co., LLC regarding the Brondesbury Lift Station project, but no one had responded. He added that approximately two weeks before, a gentleman with M7 Land Developers (the previous vendor hired by Walsh Construction Co., LLC to work on the project) contacted Mr. Parrott to get access to the project site to finish the project. Mr. Stamper said he again called Walsh Construction Co., LLC to find out what was happening, but there was no response. He said he then contacted the gentleman from M7 Land Developers, who informed Mr. Stamper that Walsh Construction Co., LLC had defaulted on five or six projects, and that the bonding company had hired M7 Land Developers to complete those projects. Mr. Stamper said he notified Mr. Dougherty, who contacted the bonding company, which advised that Walsh Construction Co., LLC had voluntarily defaulted on the project.

Mr. Dougherty reminded the Board that there were three bonds for the project: the payment bond, the performance bond, and the maintenance bond. He added that the bonding company was recognizing all three bonds, and that the bonding company wanted to complete the project. Mr. Dougherty explained the there were two ways for the bonding company to handle completion of the project: (i) a "take-over agreement," where the bonding company takes control of the project and hires a company to finish the project, such that the District would have a contract with the bonding company, not the contractor; or (ii) by a "tender agreement," where the bonding company would tender a contractor to the District, and the District would hire the contractor directly. He said the bonding company apparently preferred a takeover agreement.

Mr. Stamper asked Mr. Dougherty to get clarification from the bonding company regarding the maintenance bond about whether the new contractor was responsible for the entire project, or just the portion they have taken over.

After discussion, Director Cameron moved to authorize Mr. Dougherty and President Forsyth to draw up and execute t an agreement with the bonding company (a so-called takeover agreement) for the completion of the Brondesbury Lift Station project. Director Castellano seconded, and the motion was unanimously carried.

Mr. Stamper opened a discussion regarding the Section 1 Cleaning and Televising project. . He noted that the low bidder's insurance was still not in compliance with the insurance specifications. He added that Chief Solutions, Inc. had submitted a request for variation from the insurance specifications. Mr. Stamper said that from an engineering standpoint, the variation request was adequate. Mr. Dougherty added that Chief Solutions, Inc. insurance policy was deficient in workmen's compensation and pollution coverage. Mr. Dougherty said that the District could accept the request for variation or send Chief Solutions, Inc a notice of a hearing on revocation since the company was awarded the contract but has not provided the agreed upon insurance coverage. After discussion, Director Cameron moved to authorize Ms. Saccomen to sign and deliver of a Notice of Hearing

Regarding Performance by Bidder, Revocation of Award, Bid Security, New Award, Etc. to Chief Solutions, Inc. Director Nordhaus seconded, and the motion was unanimously carried. The hearing was scheduled for the regular Board meeting scheduled for Wednesday, August 16, 2023.

Operations & System Matters, Etc., There was no report or action.

Inquiries; Next Meeting. Inquiries and matters relating to the next meeting or items to be placed on the agenda.

Adjournment. Director Cameron moved to adjourn. Director Castellano seconded, and all voted in favor, thus passing the motion.

REVIEWED AND APPROVED BY THE BOARD on September 13, 2023

SIGNED: 