

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 847 Dominion Dr., Katy, Texas 77450, on **January 17, 2024**, 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 J. Castellano	Assistant Treasurer
John H. Cameron	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 and Leigh Vitols of McClennan and Associates; Doug Diehl of Green Trails MUD; Jose de Leon and Brenton Stamper of Venturi Engineers LLC; and Susan Saccomen, Kasey Lorraine, Samantha Saccomen and Jamie Parrott of the District’s 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 notice of the meeting had been posted as required by the Texas Open Meetings Act. Director Connolly moved to approve the regular meeting minutes for December 23, 2023, and Director Cameron 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). 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 Castellano and was carried by a unanimous vote.

Bookkeeping, Funds, Etc. Mr. Davenport introduced Ms. Vitols and mentioned that she would be presenting the Bookkeepers report for the February meeting. He then presented the bookkeeper’s report including the cash disbursement report for December 14th, 2023, through January 17th, 2024. Mr. Davenport also presented the investment report for the period ending December 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 Nordhaus seconded. The motion passed unanimously. After discussion, Director Cameron moved to accept the bookkeeper’s report as presented. Director Nordhaus seconded, and all voted in favor of the motion.

Bills, Etc. Director Connolly moved to accept the bills as presented and authorize the checks that had been prepared to pay them. Director Cameron seconded. The motion was carried by a unanimous vote.

Water Supply, Etc. Mr. Diehl proposed adding a sidewalk south of Kingsland along Shillington as a safety measure. He stated he had spoken with representatives of the homeowner’s association, St. Peters Church, Precinct 4, and residents along Shillington. He also mentioned that HCMUD #346 had offered to put up funds for the project but opted out of further involvement. After Discussion, Director Cameron moved to authorize the attorney to work with the engineer and HCMUD #346 to discuss the interlocal agreement for the project. Director Connolly seconded, and all voted in favor of the motion.

Mr. Diehl also informed the Board that during the meeting of “Fry 5” water district representatives, it was reported that conversion to surface water would likely not occur until 2035 or after. He stated that the City of Houston’s options to convert to surface water were limited and unorganized. He mentioned that he was still investigating and would provide an update when possible. Mr. Dougherty added that, at the “Fry 5” meeting, two directors had volunteered to serve on the City’s GRP Review Committee, which would include meeting with the City’s Public Works Director. Mr. Dougherty advised that the two members need to be nominated to be included on the ballot. He stated that, in addition, a designated voting member of the Board would need to be selected to cast the District’s votes. After discussion, Director Connolly moved to (i) nominate Brett/Brent Jones and Mike Fitzgerald to represent the GRP Review

Committee and (ii) designate Director Cameron as the voting member for the District. Director Castellano seconded, and all voted in favor of the motion.

Taxes. Ms. Loaiza gave the Tax Assessor Collector report indicating total TY 2023 taxes collected during December were \$755,888.63, leaving TY 2023 taxes receivable on December 31, 2023, at \$2,002,817.67. Total reported receipts of TY 2023 taxes in December were \$551,910.42. Checks were presented in the amount of \$148,446.07. The reported percentage of collection of TY 2023 taxes was 27.9%. Director Connolly 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.

Engineering, Projects, Etc. Mr. Stamper informed the Board that he was waiting for the punch list items and check valves to be addressed for the Brondesbury Lift Station Conversion Project. He also mentioned that the completion contractor was still trying to resolve the integration of the chart recorder to be connected to the mag-meter (which had already been installed). He stated he had been provided options and would be working with the District Operator in hopes to have the integration completed within the coming weeks. He added that the bonding company and the Accurate Meter firm had been assisting with the integration process.

Mr. Stamper said that he was still waiting for the contractor to receive the construction materials for the Rennie Lift Station Conversion Project. He stated the District had received contract amendment calling for advanced delivery of pumping parts (also payment for those parts and an extension of the Contract Time), and Mr. Dougherty stated that there were a few attachments that were missing. Mr. Stamper added that construction should still begin next month contingent on ironing out those details.

Mr. Stamper informed the Board that he had received comments on the plans for Section 6 Sanitary Sewer Rehabilitation and was addressing them. Once approved plans have finalized, he stated he would work with the attorney on contract documents and begin the bidding process.

Mr. Stamper also informed the Board that the preliminary design for the Galleon Oaks Water Plant Improvements was still underway and that he would soon begin the bidding process.

Mr. Stamper said that the engineers for the Mason Garden project (on Shillington) had recently sent plans and had would be working with the attorney to provide feedback on the deficiencies. After discussion, Director Connolly moved to authorize (i) a work order for the engineer to work on the Shillington sidewalk project and (ii) approve Job Assignment NO. 24-001 as presented. Director Cameron seconded, and all voted in favor of the motion.

Director Castellano moved to accept the engineering report. Director Cameron seconded, and the motion passed unanimously.

Energy & Streetlights. Director Cameron reported that four companies were in a position to control 60% of production in the Permian Basin. He added that ERCOT was planning to add additional megawatts of wind, solar and battery storage. He also stated that a solar panel manufacturer was in the early stages of developing a factory in Brookshire, Texas, which was proposed to be the largest solar panel factory in the U.S. Director Cameron moved to approve the report as presented. Director Castellano seconded, and all voted in favor of the motion.

Regional Matters. There was no report or action.

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

STP's. President Forsyth reported that all STPs were working appropriately. He reported that a rehabilitation contract for the Cinco Regional STP (or collection system) was underway.

Recreational Facilities, Etc. Mr. Parrott stated that he was informed that there were no rules posted for use of the pickleball/tennis courts. He presented sample rules that had been proposed by a concerned resident. After discussion, there was a consensus that the District's office staff would prepare wording for new signs.

Mr. Parrott provided a proposal in the amount of \$8,300 from the Custom Scapes firm to remove dying bushes and trim trees on and around the MCCC. Director Castellano moved to approve the quote as presented. Director Connolly seconded, and all voted in favor of the motion.

System Operations, Rates, Etc. Mr. Parrott reported that the total water pumped in December was 373,663,000 gallons, and consumption was 363,199,796 gallons, leaving a water loss of 10,463,204 or 2.80%. He provided a detailed report of the static water levels and pump submergence levels at all well sites. Mr. Parrott said that he and the engineers had decided that an abbreviated test should be run on a quarterly basis to help determine the next course of action.

Mr. Parrott also reported that the Brondesbury List Station required vent and roof repairs above the electronics and transfer switches. He presented a quote from McIlhenny Inc. in the amount \$19,300.00 to remove the old roof, add a new roof, paint, and install

gutters. Mr. Parrott also reported that a pipe had busted in the Operations office. After investigation, he said he was concerned about mold, and he presented photos. He then presented another quote from McIlhenny, Inc. in the amount of \$5,980.00 to replace the sheetrock, cabinets, countertops, and paint. Director Cameron moved to approve both quotes as presented. Director Castellano seconded the motion and it passed unanimously.

Mr. Parrott reported that the new truck beds had been installed, and there would soon be additional miscellaneous items installed on the vehicles. He added that there was some interest in buying used vehicles.

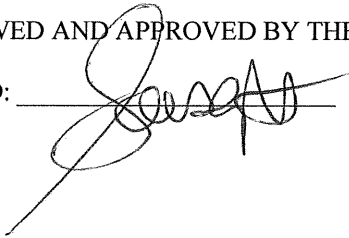
Mr. Parrott requested that gym memberships be made eligible for medical reimbursement. After discussion, Director Cameron moved to approve gym memberships for reimbursement, if receipts are provided. Director Connolly seconded, and all voted in favor of the motion.

Next Meeting: Director Cameron moved to approve the regular meeting set for Wednesday, February 14, 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 Cameron moved to adjourn. Director Castellano seconded, and all voted in favor, thus passing the motion.

REVIEWED AND APPROVED BY THE BOARD on 2-14-2024.

SIGNED: _____

A handwritten signature in black ink, appearing to be "S. Parrott", written over a horizontal line.