

MASON CREEK UTILITY DISTRICT

847 Dominion Dr., Katy, Texas 77450

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 **May 15th, 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, except John Cameron, 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; Hal Gordon, the District's delinquent tax attorney; Derek Davenport of McClennan and Associates, the District's bookkeeper; Benton 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 (and election matters). Ms. Susan 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 April 17th, 2024, and Director Cameron seconded. The motion passed.

The President confirmed that he had signed a "Certificate of Election" for each successful candidate for the May 4, 2024, election. Ms. Saccomen reported that each successful candidate had signed and filed a written statement as required by the Texas Constitution. Each candidate then signed his Oath of Office and Official Bond. Director Cameron moved to: (1) accept and approve the written statements, oaths and bonds filed by the three successful candidates (Brian C. Connolly, Frederick J. Castellano, and John H. Cameron) and (2) find and determine "that that they have duly qualified for the office of Director of Mason Creek Utility District." Director Castellano seconded, and the motion was unanimously adopted. There was a motion to elect and re-elect the existing officers of the District, which were:

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

The motion was seconded and adopted unanimously.

Delinquencies, Etc. Ms. Susan 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 Connolly 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 Cameron and carried by a unanimous vote.

Mr. Gordon reported that four delinquent tax accounts were candidates for water/sewer service termination. He stated that three of four had paid, and the fourth was vacant. Director Cameron moved to accept the delinquent tax report as presented, seconded by Director Connolly, and all voted in favor of the motion.

Bookkeeping, Funds, Etc. Mr. Davenport presented the bookkeeper's report including the cash disbursement report for April 17th, 2024, through May 15th, 2024. Mr. Davenport also presented the investment report for the period ending May 31st, 2024. 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. Director Nordhaus mentioned that a Certificate of Deposit at Stellar Bank was set to expire in June, and he would investigate options for renewal. After further discussion, Director Cameron moved to adopt a reimbursement resolution indicating the District's intention to reimburse the General Fund from bond proceeds when they become available. The motion was seconded by Director Castellano. 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 Castellano moved to accept the bills as presented (and authorize the checks that had been prepared to pay them). Director Nordhaus seconded. The motion was adopted by a unanimous vote.

Taxes. Ms. Loaiza gave the Tax Assessor Collector report indicating that total TY 2023 taxes collected through April were \$2,648,224.04 leaving TY 2023 taxes receivable on April 30, 2024, at \$103,507.76. Total reported receipts of TY 2023 taxes in April were \$10,158.13. Checks were presented in the total amount of \$13,806.05. The reported percentage of collection of TY 2023 taxes was reported at 98.1%. 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.

Water Supply, Etc., There was no report or action taken.

Engineering, Projects, Etc. Mr. Stamper updated the Board on the Brondesbury Lift Station Conversion Project. He stated that the electrical subcontractor has mobilized and was doing work on the control panels for the "smart valves." He also stated that he was awaiting punch list items to be addressed and the pending amendment to the agreement to be finalized. After further discussion, Mr. Dougherty recommended amending the Board's previous motion (which authorized the Vice President to finalize the amendment) to include the best available warranty in lieu of a seven-year warranty. The motion was seconded and adopted.

Mr. Stamper reported that the Rennie Road Lift Station Conversion project was still underway. He informed the Board that the electrical distribution company, CenterPoint Energy, had informed the contractor that a power pole would need to be moved or upgraded to meet electrical requirements or regulations, and the cost would be billed to the District. He also informed the Board that CenterPoint would begin the work roughly six weeks after receiving the funds. After discussion, Director Connolly moved to authorize the issuance of a check to CenterPoint in the amount of \$21,501.00 per Mr. Stamper's recommendation. Director Cameron seconded, and the motion passed unanimously. He stated that the "smart valves" for the project had been repaired and installed but were not yet operational. He presented, and recommended payment of Pay Application No. 4, from the contractor (Pioneer Construction Services, LLC) in the amount of \$273,150.00 (\$303,500.00 less the 10% retainage), contingent upon the receipt of the required "bills paid" affidavits. After discussion, Director Connolly moved to authorize Pay Application No. 4 as recommended. Director Cameron seconded. The motion was carried by a unanimous vote.

Mr. Stamper also presented Job Assignment 19-013c for added services related to coating inspection. Director Connolly moved to approve Job Assignment 19-013c in the amount of \$6,500 as presented. Director Nordhaus seconded, and all voted in favor of the motion.

Mr. Stamper reported that the bid opening for the Section 6 Sanitary Sewer Rehabilitation project took place on April 25th. He presented six bids to the Board. Mr. Stamper informed the Board that the low bidder (TMS Utility, LLC.) had withdrawn its bid due to a bidding error. After discussion, Director Connolly moved to accept the withdrawal. Director Cameron seconded, and all voted in favor of the motion. Mr. Stamper then recommended that the Board (i) find and determine that PM Construction & Rehab, LLC was a "responsible person" and that awarding it the contract would be the most advantageous to the District and result in the best and most economical completion of the project, and (ii) award the contract to PM Construction & Rehab, LLC on its bid in the amount of \$2,127,183.00 (based on unit prices and estimated quantities). After discussion, Director Connolly moved to make such findings and determinations and award the contract for the Section 6 Sanitary Sewer Rehabilitation project to PM Construction & Rehab, LLC on its bid in the amount of \$2,127,183.00 (based on unit prices and estimated quantities). The motion was seconded by Director Cameron, and all voted in favor of the motion.

Mr. Stamper also reported that the bid opening for the Galleon Oaks Water Plant Improvements 2024 project also took place on April 25th. He mentioned that further investigation would need to be done on the low bidder, and he requested that the Board postpone the award until July to avoid limiting water supply during high consumption months.

Mr. Stamper informed the Board that he had received an updated plat from the engineer for the KOA Group, Inc. for the project on Shillington sometimes (referred to as "Mason Garden Place"). He added that some items still needed to be addressed and that he would send comments to the KOA engineer. Mr. Stamper requested approval to release a rough estimate of the cost of engineering services to be provided by the District for water and sewer facilities, subject to KOA providing a revised plat for the Board to review.

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

Energy & Streetlights. There was no report or action.

STP's. Director Cameron mentioned that there would be expenditures in the coming months due to sections of a trunkline failing at WMMUD's STP.

Recreational Facilities, Etc. Mr. Parrott informed the Board that most food items for the open house at MCCC had been purchased, and the remaining items would be picked up that Friday. He also mentioned that he had received confirmation that the "bounce house" and tent were scheduled for delivery on Sunday morning, and the BBQ rental grill would be picked up Friday morning. He stated that additional generators would be available as backup.

Ms. Lorraine updated the Board on the purchase of pool tags. After discussion, the Board asked Ms. Lorraine to assemble and provide historical data on pool and rental usage, expenditures, and revenue.

System Operations, Rates, Etc. Mr. Parrott reported that the total water pumped from April 1st through April 30th was 24,839,000 gallons, and consumption was 23,882,000 gallons, indicating a possible loss of 957,000 gallons, or 3.85%.

He reported that the TCEQ had performed an inspection of District facilities. He presented a formal report and added that there were four minor issues which he had already addressed.

Mr. Parrott informed the Board that a transfer switch at Well #1 suffered damage from the storms in early April. He added that the HI-Tork company had investigated and found the transfer switch could not be repaired. He stated that he contacted the District's insurance company and was waiting for an adjuster to review the claim.

Mr. Parrott updated the Board on two District trucks that had been involved in accidents. He said the 2019 Ford Ranger was at AutoNation for repairs, estimated to cost about \$22,000. He mentioned that he had received very little communication from the insurance company.

Administrative Matters. Ms. Susan Saccomen informed the Board that she would be expecting notice of a water rate increase from the City of Houston in the coming months.

Next Meeting: Director Connolly moved to approve the regular meeting set for Wednesday, June 12, 2024, at 6:30 PM at the District's office. Director Castellano seconded, and the motion 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

6.12.2024

SIGNED:

