

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 **regular meeting** at 20201 Kingsland Blvd., Katy, Texas 77450, on **December 11, 2024**, at **6:00 P.M.** The duly elected members of the Board of Directors were:

Brian C. Connolly	President
James K. Nordhaus	Vice President
Fredrick J. Castellano	Assistant Treasurer
John H. Cameron	Director
Joe M. Adams	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; Jose de Leon and Brenton Stamper of Venturi Engineers LLC; and Susan 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. Susan Saccomen reported that the notice of the meeting had been posted as required by the Texas Open Meetings Act. Director Cameron moved to approve meeting minutes for the regular meeting on November 13th, 2024, and the special meeting on November 20th, 2024. Director Castellano seconded, and all voted in favor.

Delinquencies, Etc. 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 Connolly 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 Nordhaus and carried by a unanimous vote.

Bookkeeping, Etc. Mr. Davenport presented the bookkeeper’s report including the cash disbursement report for November 13th, 2024, through December 11th, 2024.

Mr. Davenport then presented the investment report for the period ending November 30th, 2024. Director Castellano moved to accept the investment report, as presented, and to order that a written instrument be adopted, as shown in the report, stating that the Board 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 Cameron seconded, and all voted in favor of the motion.

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

Taxes. Ms. Loaiza gave the Tax Assessor-Collector report indicating the total TY 2024 taxes collected during November were \$200,867.87 leaving TY 2024 taxes receivable on November 30, 2024, at \$2,671,699.72. Total reported receipts of TY 2024 taxes were \$196,539.39. Checks were presented in the total amount of \$191,931.84. The reported percentage of collection of TY 2024 taxes was 6.97%. Director Adams moved to accept 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 informed the Board that he was still waiting for outstanding documents previously requested by the District for final payment on the Brondesbury Lift Station project, but some of the operation manuals were received. Mr. Dougherty recommended that the Board approve a partial payment (for the new work that was done), subject to receiving the specified supporting documents. After discussion, Director Cameron moved to approve a partial payment (for the new work that was done) in the calculated amount for the new work, less 10%

retainage (net payment of \$11,669.35), contingent on the District receiving the proper documents and approval by the engineer. Director Castellano seconded, and all voted in favor of the motion.

Mr. Stamper reported that the contractor for the Rennie Lift Station project was addressing final punch list items and had submitted Pay Application No. 8, which he presented and recommended. It was for \$81,317.73 (after deducting ten percent retainage). After discussion, Director Cameron moved to approve Pay Application No. 8 as presented. Director Nordhaus seconded, and all voted in favor of the motion.

Mr. Stamper also reported that work on the Section 6 Sanitary Sewer Rehabilitation project was approximately 75% complete. He presented and recommended Contractor's Pay Application No. 3 in the amount of \$373,98.20 (after deducting ten percent retainage). After discussion, Director Adams moved to approve Pay Application No. 3 as presented. Director Cameron seconded, and all voted in favor of the motion.

Mr. Stamper informed the Board that work was underway for the Galleon Oaks GST Improvement project. He presented and recommended a proposed Change Order No. 1 for the Galleon Oaks GST Improvement project which increased the contract price by \$12,500 and extended the contract time by 21 days. After discussion, Director Nordhaus moved to approve Change Order No. 1 as presented. Director Castellano seconded, and all voted in favor of the motion.

Mr. Stamper noted that the surveys and design for the Section 1 and 3 Sanitary Sewer Rehabilitation project were being finalized. He said the necessary applications were scheduled to be submitted to the City of Houston and Harris County by the end of the year.

Mr. Stamper reported that he had met with the electrical engineer for the Dominion Well Motor Replacement Project during a site visit, in order to get the information needed for electrical upgrades for the motor replacement.

Regarding the Sherfield Ridge and Park Bend Waterline Replacement Project, Mr. Stamper said that the plans had been submitted to Harris County that day, and he was awaiting the County's approval.

Mr. Stamper reported that the repair at the intersection of Houghton and Kingsland Blvd was underway, and he would coordinate with Harris County to provide the required documentation related to the repair.

Mr. de Leon reported that he was in discussions with the working group for the Mason Garden project (on Shillington Drive), and an engineer for the City of Houston had said that the easements shown on the proposed plat were not wide enough to meet requirements of the City's *Infrastructure Design Manual* (even though they would apparently comply with requirements of the Department of Planning & Development). Mr. Dougherty explained that the District rate order specified that water and sewer services should be directly supplied to each customer, and, to do that, the engineer for the City was requiring that the easements be made wider than shown on the proposed plat. He added that the District could allow the services be supplied to customers indirectly (through an intermediary, using a "master meter"), but the rate order would have to be amended, and he recommended that the District require a written agreement with a proper intermediary to provide for ownership, operation, maintenance, repair, replacement, payment, etc. After discussion, Director Cameron made a motion to:

- A. Amend the "Point(s) of Connection" provision in the Rate Order, Section 5(g), to read as follows;

Point(s) of connection. Each existing or new water or sewer connection to District facilities must have been designated in writing by the District's engineer. No connection or service through joint or shared facilities is allowed, and no intermediary facilities are allowed. Instead, service may only be provided directly to the customer (alone) from District facilities at a duly designated point of connection. Exception: Service through joint or shared facilities may be allowed if there is a written agreement with appropriate persons or entities and with appropriate provisions for maintenance, operation, repair, and replacement of those facilities and payment for services, all as approved by the Board.

- B. Authorize a letter to KOA Group, Inc. regarding the development parcel on Shillington Drive (approx. 62,378 square feet to:

- (1) *Other plats.* Allow KOA Group, Inc. to submit alternate subdivision plats for approval by the Board.
- (2) *Design and construction of facilities.* Allow necessary water and sewer facilities or fixtures (either District-side facilities or Customer-side facilities, or both) to be:
 - (i) designed by a licensed professional engineer, selected by KOA Group, Inc. and approved by the Board, who must obtain reviews and written approval of the plans and specifications by the District's engineer and must comply with all conditions of such approval; and
 - (ii) constructed and completed by a contractor selected by KOA Group, Inc. and approved by the Board, in accordance with the plans and specifications approved by the District's engineer, if:
 - i. completion is certified in writing, signed and sealed by a licensed professional engineer selected by KOA Group, Inc. and approved by the Board;

- ii. the facilities are inspected by the District's representative(s) and passed, and approved in writing by District representative(s); and
 - iii. for any such facilities that would become District-side facilities, the facilities are conveyed to the District free and clear of liens and encumbrances, by instruments with supporting documents approved by the District's Board, accepted by the District's Board; and placed in service by the District.
- (3) *Written agreement.* If service through joint or shared facilities is proposed, require a written agreement with appropriate persons or entities and with appropriate provisions for maintenance, operation, repair, and replacement of those facilities and payment for services, all as approved by the Board.
- (4) *Connection Period.* Extend the Connection Period through September 30, 2025 and make other appropriate revisions to the prior letter dated February 14, 2024.

Director Cameron seconded, and the motion passed unanimously.

Energy & Streetlights. Director Cameron presented a recent report from the Public Power Pool. There was no action taken. President Connolly informed the Board that MUD 346 was asking the District to pay the monthly charges for four new streetlights that were planned to be installed on Fry Rd. He noted that the District would not pay for parts, installation or maintenance, and the monthly fees for the four additional lights would be approximately \$80. Ms. Saccomen added that the additional monthly cost of \$20 per light was in line with current charges for streetlights. After discussion, Director Nordhaus moved to authorize the President to sign an agreement stating that the District was only responsible for the monthly charges for the additional streetlights. Director Cameron seconded, and all voted in favor of the motion.

Multi-Agency Matters. There was no action taken.

STP's. Director Nordhaus reported that WMMUD had a catwalk collapse. He said that there were no injuries, but the catwalk would have to be replaced.

Recreational Facilities, Etc. Ms. Saccomen reported that the Kingsland Room sound system had stopped working. She said she would bring repair/replacement costs to the January meeting. Director Nordhaus reported that Ms. Saccomen had sent a proposed permit providing for use of the tennis courts (and fees) for Mr. Meyer to teach tennis at the community center, but Mr. Meyer did not accept. The Board asked Ms. Saccomen to contact Mr. Kelly about his contract and the fee increase to \$1,500 per month.

Mr. Nordhaus reported that the volleyball courts at Rennie Park needed new nets and the sand needed grating. He also asked the Board to consider installing lights for the courts. After discussion, the Board asked Director Nordhaus reach out to the NCCIA regarding the nets, court maintenance, and lights.

Operations & System Matters, Development, Etc. Mr. Parrott reported that the total water pumped from October 16th through November 15th was 33,498,000 gallons, and consumption was 30,649,000 gallons, indicating a possible loss (or unaccounted-for amount) of 2,849,000 gallons, or 8.50%. He mentioned that much of the loss was due to the large main break that occurred at the intersection of Houghton and Kingsland Blvd.

Mr. Parrott informed the Board that well testing for all well sites would be performed once Well #3 was up and operational.

Administrative Matters. President Connolly presented a recommendation for the annual payment for the District's SEP/IRA program in the amount of 10% of individual annual salaries for full time employees of the District and a one-time payment of \$350 for the part-time employees. After discussion, Director Adams moved to authorize the annual payment for the District's SEP/IRA program in the amount of 10% of individual annual salaries for full-time employees of the District and a one-time payment of \$350 for the part-time employees but asked Ms. Saccomen to present the actual amounts at the January meeting. The motion was seconded by Director Castellano and passed unanimously. Ms. Saccomen reported that the 2025 holiday schedule would be presented at the January meeting, but January 1st would be a District holiday.

Next Meeting: Director Cameron moved to approve the regular meeting set for Wednesday, January 15, 2025, at 6:00 PM at the District's office. Director Castellano seconded, and the motion passed unanimously.

Adjournment. There being no further business to discuss, Director Cameron moved to recess the meeting to the annual holiday party that was starting at the meeting place (Mason Creek Community Center). Director Castellano seconded, and all voted in favor, thus passing the motion. At the party, the meeting resumed informally with some public comments and incidental discussion of matters on the agenda, but there was no action taken by the Board, and the party ended shortly before 10:00 PM.

REVIEWED AND APPROVED BY THE BOARD on January 15, 2025.

SIGNED: 