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 847 Dominion Dr., Katy, Texas 77450, on **August 12, 2026,** at **6:30 P.M**. The duly elected members of the Board of Directors were:

Brian C. Connolly	President
James K. Nordhaus	Vice President
Fredrick J. Castellano	Secretary/Treasurer
Joe M. Adams	Assistant Secretary/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; Hal Gordon, delinquent tax attorney for the District; Derek Davenport of McClennan and Associates; Jose de Leon and Chloe Herrera of Venturi Engineers LLC; and Susan Saccomen, 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, with President Connolly presiding:

Notices & Minutes. Ms. 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 July 15, 2026. Director Nordhaus seconded, and the motion passed.

Delinquencies, Etc. Ms. Samantha 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. As no one else was present to be heard, Director Cameron made a motion to: (i) find and determine that the amount shown on the list for each account was correct and delinquent, and (ii) authorize discontinuation of utility service for those accounts, 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 adopted by a unanimous vote.

Mr. Gordon reported that the District office received a complaint about him that had been filed by the daughter of a taxpayer. He confirmed that there had been a contentious conversation, and the complainant had become belligerent and hung up on him mid-sentence. He added that he hadn't received a complaint in his 50 years of practice. He noted that he contacted Ms. Loaiza regarding the account and decided to put a 90-day hold taking any action on the account. President Connolly said that he appreciated that Mr. Gordon came to address the problem, and in his 20 years on the Board had never heard of any complaints toward Mr. Gordon. Mr. Gordon added that the delinquent amount was under review by HCAD for any possible refunds.

Bookkeeping, Etc. Mr. Davenport presented the bookkeeper's report including the cash disbursement report for July 16th, 2026, through August 12th, 2026. He also presented the investment report for the period ending July 31st, 2026. 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 further discussion, Director Nordhaus moved to accept the bookkeeper's report as presented. Director Adams 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 that the total taxes collected through July were $3,290,478.69, leaving total taxes receivable on July 31st, 2026, at $125,876.25. The reported percentage of collection of TY 2025 taxes was 98.5%. Reported receipts of TY 2025 taxes during July were $11,784.81. Checks were presented in the total amount of $6,273.75. Director Cameron moved to accept the Tax Assessor-Collector's report as presented (and authorize the checks presented). Director Adams seconded, and all voted in favor of the motion.

Ms. Loaiza presented an amended contract for BLICO, INC. She noted that it called for a 10 percent increase, however, there had not been an increase in 20 years. She added that there were slight increases in the costs related to consulting, clerical, storage and auditing preparation and consultation. After discussion, Director Cameron moved to authorize the amended BLICO INC. contract as presented. Director Castellano seconded the motion. The motion was unanimously passed.

Bonds, Notes, Etc. The Board received the Federal Tax Receipt, Treasurer's Receipt, and Closing Certificate that had been prepared by bond counsel for the pending bond sale. Mr. Dougherty noted that the signature blocks were set up for the District, so it would be appropriate for the Board to adopt a motion to authorize an officer to sign for the District (rather than for just the officer). The President asked to have the certificates checked out before being signed. After discussion, Director Cameron moved to authorize the certificates to be signed on behalf of the District, subject to being checked out before being signed. Director Castellano seconded the motion. The motion passed unanimously.

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

Engineering, Projects, Etc. Mr. de Leon reported that three additional manholes and a relocated line segment had been installed near 20203 Pittsford, as an emergency addition to Sections 1 & 3 Sanitary Sewer Rehabilitation project. He stated that the manholes were tested; one passed, and two failed. He said the two manholes that failed would be recoated and tested again. He added that he was working on a punch list for the Pittsford addition to the project. Mr. de Leon also mentioned that that a missing section of pipe off Fry Rd had been discovered, and it had been installed and completed the day before. He noted that no pay application had been received by the contractor for the prior two months, but since the project was near completion, he expected a pay application by the next meeting. Mr. Dougherty reported on Mr. Powell's damage claims. He said the contractor's attorney was trying to make contact with Mr. Powell to discuss the claims, and he recommended that the Board wait for the outcome of that discussion. Director Cameron moved to authorize Mr. Dougherty and Mr. de Leon to participate in multi-party discussions with PM Construction, their insurance companies, and Mr. Powell (in case that approach would be helpful). . Director Castellano seconded, and the motion was unanimously carried.

Mr. de Leon reported that necessary equipment had not yet been delivered for the Dominion Water Plant Electrical Improvement Project, and construction was pending. Regarding the Section 1 waterline rehabilitation (reconstruction) project, he reported; (i) the plans were updated to include the open cuts and were under engineering final review; (ii) the plans would be submitted for approval by the City of Houston; and (iii) there had been discussion regarding the scope of the project with Director Adams, the project liaison.

Mr. de Leon noted that advertising for the Section 2 Sanitary Sewer Rehabilitation project was on hold until the completion of the Section 1 & 3 Sanitary Sewer Rehabilitation project and the end of hurricane season. He reported that he and the operator would need to address the problem of not being able to bore underneath the road to replace the line for the Castle Bend and Laurel Lock Waterline repair, also that the application for a Water Supply & Infrastructure Grant from TWDB was submitted to TWBD, with the District's water conservation plan.

Mr. de Leon reported that he would need to prepare an exhibit for the Taylor High School project. He said he was coordinating with Mr. Dougherty regarding conveying some of the facilities to the District.

He also reported that the vault was completed for a new connection for Kingsland Baptist Church. He said that he and Mr. Parrott had inspected the vault that day, and it had passed inspection. He noted that the work was almost complete, but he would be coordinating with Mr. Dougherty for an easement for the vault. Mr. de Leon also reported that the developer for the Mason Gardens development had contacted him to request a time extension for the project's utility letter. He said he had informed the developer that there were still 180 days left before the letter would expire.

Director Cameron moved to approve the engineering report as presented. Director Adams seconded, and the motion carried unanimously.

Energy & Streetlights. Director Cameron reported that under Governor Abbott's directive, new data centers must complete a regulatory review of the proposed energy and water consumption prior to operating in the state. He added that all data center projects were therefore on hold.

Multi-Agency Matters. There was no report or action taken.

STP's. Director Nordhaus reported that he had requested the Inframark (operator) contract with WMMUD for review. He said would keep the Board updated. Director Nordhaus stated he had a discussion with the attorney for WMMUD regarding cybersecurity training, and asked Mr. Dougherty what the District's requirements were. After discussion, Director Cameron moved to designate the District office staff, operations manager, and Erin Parrott (District compliance) as the persons required to take the cybersecurity/AI training for the District and authorized them to take the training. Director Adams seconded, and the motion carried unanimously.

Recreational Facilities, Etc. Ms. Samantha Saccomen informed the Board that rentals had continued to increase in comparison to the previous five years, but pool registrations decreased.

Operations & System Matters, Development, Etc. Mr. Parrott reported that the total water pumped from June 16th through July 14th was 20,770,000 gallons, and consumption was 25,877,00 gallons, which was a negative total pumpage. He said that the Houghton Well meter was found to be defective, and it would be replaced by the City of Houston. He added that the reads would fall back into line in August.

Mr. Parrott reported that the cost of repairing the broken sewer line for the District administrative and maintenance offices had increased. He noted that the Board approved repairs quoted at approximately $17,000, but the damage was more extensive. Mr. Parrott received an updated quote of $32,725 from the contractor. Mr. Parrott received a second quote for $34,500. After discussion, Director Cameron moved to authorize the increase in the initial quote to $32,725. Director Nordhaus seconded, and the motion was unanimously passed.

Mr. Parrott reported that arsenic levels had been tested for all District wells, and he had received the results. He said he would be testing for arsenic every six months at 10 homes within the District and all the well sites. President Connolly added that the District had begun blending the water to reduce the overall arsenic levels. Mr. Parrott also said that Ms. Parrott contacted TCEQ and they would be providing other methods to reduce the arsenic levels. He said he would bring that information back to the Board.

Administrative Matters. Ms. Saccomen reported that after receiving the City of Houston GWR increase and looking at what the District was currently charging the residents, she recommended tabling the rate increase until next May.

Vice President Nordhaus informed the Board that he met with a representative form a company that provides cameras, security, and alarm systems to water districts and sewage treatment plants. He noted that the District has four independent systems, and that company could provide the same protection with one system. He said would bring further information and costs to the Board next month.

Next Meeting: Director Cameron moved to approve the regular meeting set for Wednesday, September 16th, 2026, at 6:30 PM at the District's office. Director Nordhaus seconded, and the motion passed unanimously.

Adjournment. There being no further business to discuss, the meeting was adjourned.

REVIEWED AND APPROVED BY THE BOARD on September 16, 2026.

SIGNED: _____