

SPRING CREEK UTILITY DISTRICT
Minutes of Meeting of Board of Directors
July 21, 2025

The Board of Directors (the “Board”) of Spring Creek Utility District (the “District”) held its regular monthly meeting in accordance with the duly posted notice of meeting and the Texas Open Meetings Act. The roll was called of the duly constituted officers and members of said Board, as follows:

Claude Humbert	-	President
Mark Fusca	-	Vice President
Frederick Sunderman	-	Secretary
Leslie Gourley	-	Assistant Secretary
Paul Sterling	-	Director

All the said members were present, thus constituting a quorum.

Also present were Monica Pena of Utility Tax Services, LLC (the “District’s Tax Assessor”); Mason Mueller and Amber Hurd of Cobb, Fendley & Associates, Inc. (the “District’s Engineer”); Lonnie Wright and Claudia Garza of Municipal Operations & Consulting, Inc. (the “District’s Operator”); Jonathan Roach, Ray Arce, and Jewel Wheeler of Roach & Associates, PLLC (the “District’s Attorney”); Brian Desilets and Eric Gonzalez of Clarity Consulting Corporation (the “District’s Bookkeeper”); Aric Braddock, of ASB Services, Inc. (the “District’s Inspector”); Calep Estes and Danae Dehoyos of Touchstone District Services (the “District’s Communications Consultant”); and Norma Willcockson, Danielle Fussell, Melvin Stewart, and Jacob Rowland, members of the public.

Call to Order: President Humbert called the meeting to order.

PUBLIC COMMENTS

There were no public comments.

REVIEW OF DEVELOPER REQUESTS AND PUBLIC UTILITY FUNDING/REIMBURSEMENT OPTIONS

Mr. Roach reported that the District’s Attorney held a productive meeting with the District’s Engineer and Bookkeeper on July 18, 2025, regarding the Fieldhouse request. While there is nothing ready for submission at this time, he anticipates that certain items may ultimately not qualify for reimbursement.

CONSENT AGENDA: MINUTES

The Board considered approval of the regular meeting minutes from June 16, 2025. After some discussion, Director Gourley motioned, seconded by Director Fusca, the Board voted

unanimously to approve the minutes, subject to revisions.

CONSENT AGENDA: CONSULTANT REPORTS

Mr. Roach reviewed tax rate adoption procedures for special districts under Chapter 49 of the Texas Water Code. He noted that the procedures applicable to a district depend, in part, upon whether it is classified as “developed” or “developing” under the Senate Bill 2 requirements, which could impact the District’s tax rate and potential election requirements.

Following discussion, Director Sunderman motioned to approve the following consultant reports: (1) Garbage Collection Report, attached hereto as **Exhibit “A”**; (2) Security Report, attached hereto as **Exhibit “B”**; (3) Tax Assessor’s Report, attached hereto as **Exhibit “C”**; (4) Delinquent Tax Report, including authorization to send delinquency notices to property owners whose taxes are either (a) three (3) years or older, or (b) \$2,000 or more in arrears; (5) Communications Report, attached hereto as **Exhibit “D”**; and (6) Attorney’s Report, including recognition of the District as a developing district and adoption of the corresponding Resolution. Director Fusca seconded the motion, which passed unanimously.

Ms. Pena exited the meeting.

CONSENT AGENDA: COMMITTEE REPORTS

There was nothing new to report.

CONSENT AGENDA: PENDING BUSINESS

There was nothing new to report.

BOOKKEEPER’S REPORT

Mr. Desilets presented the Bookkeeper's Report, attached hereto as **Exhibit “E”**. Next, a discussion ensued regarding arbitrage matters, whereby Director Gourley motioned to approve the Bookkeeper’s Report and payment of invoices, excluding Check #10101 for arbitrage reporting, pending further legal review. Director Sterling seconded the motion, which passed unanimously.

SALES TAX REPORT AND STRATEGIC PARTNERSHIP AGREEMENT (“SPA”) UPDATES

There was nothing new to report.

ENGINEER’S REPORT

Mr. Mueller presented the Engineer’s Report, attached hereto as **Exhibit “F”**, and reviewed the following matters:

1. Administration Building

The Board reviewed Design Pay Estimate No. 4 for \$6,200 and Construction Pay Estimate No. 5 for \$176,233.12, payable to Grossman Design Build for the District Administration Building. Directors Sunderman and Gourley expressed concerns about the completion and acceptance of the Administration building without prior Board approval. The Board discussed issues related to the building's completion, including (a) the absence of the patio as originally planned; (b) the building's orientation not matching the original site plan; and (c) general dissatisfaction with the construction quality and process. After discussion, Director Sunderman, seconded by Director Gourley, the Board voted three to two (3-2) to withhold Construction Pay Estimate No. 5 (\$176,233.12 for the District Administration Building), with Directors Humbert and Fusca opposed. Director Fusca, seconded by Director Gourley, motioned to approve Design Pay Estimate No. 4. The motion passed unanimously.

2. Water Plant Projects

Water Plant No. 2 Booster Pump Addition – Pay Estimate No. 5 and Final for \$65,725, was presented for approval. Motion by Director Sunderman, seconded by Director Sterling, passed unanimously.

Water Plant No. 3 – The District's Engineer has received approval from Lone Star Groundwater Conservation District, Texas Commission on Environmental Quality ("TCEQ"), City of Houston, and Montgomery County. Final comments from County Right-of-Way have been addressed and are awaiting final approval.

Reclaimed Water Treatment Plant – Notice to proceed is expected in mid-August. Director Sunderman asked whether the District could take water from DD6, treat it, and blend it for reuse. Mr. Roach said this research has not started yet.

3. Fox Run CCTV Review

Extensive footage was reviewed of areas not yet rehabilitated, including sections in relatively good condition. Mr. Mueller recommended repair or replacement of all televised segments due to pipe age and type, even where no major defects were found, to ensure long-term reliability. Director Sunderman emphasized the immediate repair of any separations discovered. Upon motion by Director Sunderman, seconded by Director Sterling, the Board unanimously approved proceeding with all repairs at once and amending the Engineer's Report to include Pay Estimates Nos. 1 and 3.

4. Rayford Road Waterline Extension

The District's Engineer will prepare a formal proposal that includes DD6's engineer's initial feedback on the first proposed crossing.

5. Site Selection for Future Projects

The District's Engineer asked the Board for feedback on potential project sites, mostly within District boundaries. The Board agreed to review the report further and consider their preferences. Director Gourley highlighted the importance of making the right decision for long-term benefit.

6. **Fox Run Coordination with County**

Discussion focused on the need for a formal committee meeting with Montgomery County regarding Fox Run Road and park improvements. No formal motion was made, but there was consensus to request a meeting before submitting the final plans.

7. **BCS Lock Track & Walking Path**

Plans for the BCS Lock Track project have been submitted to Montgomery County for review. The District's Engineer provided a separate proposal for an additional survey to support a walking path around the south side of the detention center. Upon motion by Director Fusca, seconded by Director Gourley, the Board unanimously approved the survey proposal.

8. **Other Matters Discussed**

Maintenance Responsibility - Director Sunderman asked who is responsible for maintaining the pump station. Director Gourley confirmed that it is the District's Operator's responsibility. Director Sunderman requested that the District's Engineer add pump maintenance to the Capital Improvement Plan.

Pedestrian Lane Concerns - Director Sunderman mentioned public concern about the possible removal of the pedestrian lane due to the Birnham Woods expansion. The Board agreed to meet with Commissioner Wheeler as soon as possible.

After no further discussion, Director Sterling, seconded by Director Gourley, motioned to approve the Engineer's Report. The motion carried unanimously.

STATUS OF THE BOND APPLICATION REPORT ("BAR")

Mr. Mueller presented an updated draft of the BAR, noting the inclusion of additional information from the San Jacinto River Authority. He then stated that the revised version, along with all attachments, would be sent to the District's Attorney for review, advising that after legal review and approval, the District's Engineer would submit the BAR to the Texas Commission on Environmental Quality. After some discussion, Director Gourley motioned to authorize the Order for the BAR, subject to legal review. This motion was seconded by Director Fusca and passed unanimously.

OPERATOR'S REPORT

Mr. Wright presented the Operator's Report, attached hereto as Exhibit "G", noting 3,878 current connections, with the number expected to increase after the correction of defective meters. Director Fusca expressed concern over excessive water usage by neighboring HOAs and recommended enforcement of stricter drought stage regulations.

After further discussion, Director Fusca motioned to approve: (1) the Operator's Report; (2) moving nine (9) renter accounts to the uncollectible roll; (3) the delinquent cut-off list; (4) repainting all fire hydrants in the District; and (5) posting six (6) new signs at the District's lift stations. Director Gourley seconded the motion, which passed unanimously.

Next, Ms. Garza discussed the late fees for the Vista account. After a lengthy discussion, Director Sterling moved to waive the late fees for the Vista account. Director Fusca seconded the motion, which passed four to one (4-1) with Director Gourley abstaining.

NATIONAL NIGHT OUT (“NNO”)

Ms. Willcockson expressed concern about potential liability to the Fox Run HOA if National Night Out is held at HOA facilities. Mr. Roach confirmed that the District’s Attorney will prepare a liability agreement for the HOA’s review.

INSPECTOR’S REPORT

Mr. Braddock presented the Inspector’s Report, attached hereto as Exhibit “H”, noting that a site visit to the joint facility and channel was conducted with the District’s Engineer to assess the separation between the vertical wall and slope paving. He reported that structurally, the concrete remains sound with no signs of integrity issues observed in the vertical wall and recommended the District’s Inspector seal the joint to prevent water infiltration and maintain long-term stability.

JOINT FACILITIES ADVISORY COMMITTEE (“JFAC”) MATTERS

The Board confirmed the JFAC meeting for July 29, 2025, at 6:30 p.m. Director Humbert reported that he would not be attending and recommended that the Board discuss the water usage of Montgomery County Municipal Utility District No. 88 and Montgomery County Municipal Utility District No. 89, as well as the Drought Contingency Plans of all three districts.

DIRECTOR’S REPORT

Director Humbert reported that SJRA announced a forthcoming five-cent (\$0.05) rate reduction.

Next, Director Sunderman reported from Region 6 flood planning discussions that Houston was identified as the most affected area due to aging wastewater treatment plants, with estimated corrective costs exceeding \$2 billion, and expects legislative action on this issue.

Then, the Board discussed the potential installation of sirens, depth monitors, and cameras along creeks. Mr. Roach noted these may fall under future emergency management mandates and could possibly qualify for legislative funding.

EXECUTIVE SESSION PURSUANT TO TEXAS GOVERNMENT CODE, SECTIONS 551.071, 551.074, ET. SEQ.

The Board entered into Executive Session at 8:34 p.m. pursuant to applicable provisions of the Texas Government Code for legal consultation with the District’s Attorney, Operator, Bookkeeper, Engineer, and Inspector.

Mr. Wright and Ms. Garza participated in the session and exited following their discussion.

The District's Bookkeeper then entered, participated in the discussion, and exited thereafter.

Subsequently, the District's Engineer and Inspector entered and participated in the session.

RECONVENE IN OPEN SESSION AND AUTHORIZE ANY ACTION RESULTING FROM EXECUTIVE SESSION

The Board reconvened in open session at 9:55 p.m.

Upon motion by Director Sterling, seconded by Director Sunderman, the Board authorized the Bookkeeper to proceed as discussed in Executive Session and directed the Attorney to schedule a special meeting with Grossman Design Build for July 29, 2025, at 4:00 p.m. The motion passed unanimously.

DISCUSS PENDING BUSINESS AND MATTERS FOR FUTURE AGENDAS

The Board confirmed the following meeting schedule: a special meeting will be held on July 29, 2025, at 4:00 p.m.; the JFAC meeting is scheduled for July 29, 2025, at 6:30 p.m.; and their next regular meeting will be on August 18, 2025, at 5:00 p.m. With no further business to discuss, Director Humbert motioned to adjourn the meeting.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Passed and approved this 18th day of August 2025.

/s/ Frederick Sunderman
Secretary, Board of Directors

[SEAL]



LIST OF EXHIBITS

- Exhibit A - Garbage Collection Report
- Exhibit B - Security Report
- Exhibit C - Tax Assessor's Report
- Exhibit D - Communications Report
- Exhibit E - Bookkeeper's Report
- Exhibit F - Engineer's Report
- Exhibit G - Operator's Report
- Exhibit H - Inspector's Report