

**SPRING CREEK UTILITY DISTRICT**  
**Minutes of Meeting of Board of Directors**  
**August 18, 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, except Director Sunderman, who entered later in the meeting, thus constituting a quorum.

Also present were Lisa Sustaita of Utility Tax Services, LLC (the “District’s Tax Assessor”); Mason Mueller, Amber Hurd, and Rachel Broom\* 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, Jessica Gentry, and Jewel Wheeler of Roach & Associates, PLLC (the “District’s Attorney”); Eric Gonzalez of Clarity Consulting Corporation (the “District’s Bookkeeper”); Aric Braddock, who entered later in the meeting, of ASB Services, Inc. (the “District’s Inspector”); Calep Estes and Danae Dehoyos of Touchstone District Services (the “District’s Communications Consultant”); Sergeant Carswell, who entered later in the meeting, of Montgomery County Constable, Precinct 3; Anthea Moran of Municipal Financial Services, LLC; Ryan Fortner\* of Revenue Management Services (the “District’s Sales Tax Consultant”); Brian Grossman\* of Grossman Design Build; and Pierre Perry of Riley Fuzzel Holdings. [\*Remote Attendees]

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

**PUBLIC COMMENTS**

There were no public comments.

**ADMINISTRATION BUILDING UPDATES**

Mr. Mueller presented Change Order No. 4 in the amount of \$11,842.00, payable to Grossman Design Build (“GDB”), for the District’s administration building. He also provided an updated two-week look-ahead schedule and the overall project timeline prepared by GDB. The Board discussed amenity options for the building and considered Americans with Disabilities Act (“ADA”) compliance with respect to the attic space. Mr. Grossman clarified that the attic would be spray-foamed only and not intended for occupancy but instead used solely for document preservation. He

further noted that during the ADA inspection, inspectors would be advised accordingly. After some discussion, Director Sterling motioned to approve Change Order No. 4. This motion was seconded by Director Gourley and passed unanimously.

Messrs. Fortner and Braddock entered the meeting during the discussion.

Director Sterling inquired whether the Information Technology scope includes security systems, to which Mr. Grossman confirmed it does. Next, Mr. Grossman shared updates on lighting levels, confirming the 12-gauge wiring. He also distributed access codes for the site locks to the Directors and the District Inspector's use.

Next, Mr. Grossman shared information from Green Springs Landscape, presenting landscaping and plant material options to both high and low temperatures. He advised that the Board may elect to include drip irrigation at no additional cost, or alternatively, install only sprayers in the grass and plant area. Mr. Grossman further noted that his team remains on schedule, with framing and concrete crews currently on site and a pre-slab inspection for the riser room scheduled for the following morning. He also confirmed that he will provide a biweekly two-week look-ahead schedule moving forward.

#### **REVIEW OF DEVELOPER REQUESTS AND PUBLIC UTILITY FUNDING/REIMBURSEMENT OPTIONS**

Mr. Perry noted that the force main installation is complete, and storm infrastructure is nearly finished. He further noted that construction on the first building and clubhouse is progressing, with an expected completion date around January 2026. He stated that the commercial site layout would be reviewed with the District's Engineer, with their intent to attract restaurants and businesses that align with community interests.

Mr. Grossman exited the meeting.

Next, Mr. Perry reported that the invoice for property line staking appeared unusually high. Mr. Mueller clarified that the original charge was incorrect, as it included surveyors working in two separate areas, and confirmed that the corrected amount is approximately half the initial cost. The Board then discussed land clearing and tree replacement, during which Mr. Perry confirmed that the general contractor has maintained a tree replacement budget from the outset and is committed to removing as few trees as possible. Further discussion ensued regarding the separation of utility meters for each business, with the Board emphasizing the importance of ensuring that service can be shut off individually if needed.

Sergeant Carswell entered the meeting.

#### **SECURITY REPORT**

Sergeant Carswell presented the Security Report, attached hereto as **Exhibit "A"**, noting upcoming expenditures including the replacement of patrol vehicle #3071 and staff position rotations. He further reported that population growth has occurred due to new apartment

developments in the area and recommended that the Precinct Captain attend a future meeting to discuss the potential addition of a designated detective for the District. Director Fusca inquired about the issue of illegal U-turns at the intersection of Rayford Road and Legends Run. Sergeant Carswell noted that crash reports exist that would support the installation of a "No U-Turn" sign at that location. Finally, a brief discussion ensued regarding the presence of police officers and related entities at the District's upcoming National Night Out ("NNO").

Director Sunderman entered the meeting.

Mr. Perry and Sergeant Carswell exited the meeting.

#### **FINANCIAL ADVISOR'S 2025 TAX RATE RECOMMENDATION**

Ms. Moran presented and reviewed the 2025 Tax Rate Recommendation, a copy of which is attached as **Exhibit "B"**. She recommended levying a \$0.55 tax rate for debt service ("DS"), and a \$0.33 tax rate for maintenance and operations ("M&O"), for a total tax rate of \$0.88.

Mr. Roach & Ms. Broom exited virtually during this report.

After some discussion, Director Fusca motioned to authorize the tax assessor to publish notice of a proposed tax rate of \$0.88 per \$100 of assessed valuation (comprised of \$0.55 for DS and \$0.33 for M&O). Director Gourley seconded the motion, which passed unanimously.

Ms. Moran exited the meeting.

#### **CONSENT AGENDA: CONSULTANT REPORTS**

After some discussion, Director Sterling motioned to approve the following consultant reports: (1) Garbage Collection Report, attached hereto as **Exhibit "C"**; (2) Security Report; (3) Tax Assessor's Report, attached hereto as **Exhibit "D"**; and (4) Communications Report, attached hereto as **Exhibit "E"**. Director Gourley seconded the motion, which passed unanimously.

#### **CONSENT AGENDA: COMMITTEE REPORTS**

There was nothing new to report.

#### **CONSENT AGENDA: MINUTES**

The Board considered approval of the regular meeting minutes from July 21, 2025, special Administration Building meeting minutes for July 29, 2025, and special Joint Facility Advisory Committee meeting minutes for July 29, 2025. After some discussion, Director Humbert motioned to approve the July 21, 2025, regular meeting minutes, subject to revisions. Director Sterling seconded the motion, which passed unanimously. Next, Director Sunderman motioned to approve both sets of special meeting minutes for July 29, 2025, subject to revisions. Director Gourley seconded the motion, which passed four-to-zero (4-0) with Director Humbert abstaining.

## **CONSENT AGENDA: PENDING BUSINESS**

There was nothing new to report.

## **BOOKKEEPER'S REPORT**

Mr. Gonzalez presented the Bookkeeper's Report, attached hereto as **Exhibit "F"**. He reported that the financial institution processing bond payments will no longer accept checks, and that all future transactions will therefore be conducted via Automated Clearing House (ACH) transfers. He further advised that the minimum transfer thresholds will be adjusted as needed during ongoing fund transfers. Next, Mr. Gonzalez noted that the District's Frost Bank account will remain open temporarily in order to allow clearance of a few outstanding checks related to unclaimed property, which is scheduled to be submitted to the Texas Comptroller's Office in March of 2026. Finally, the Board held a discussion regarding the reimbursement amounts for the Fieldhouse developer.

After discussion, Director Fusca motioned to approve the: (1) Bookkeeper's Report and payment of invoices; and (2) authorization of the Fieldhouse reimbursement, subject to final legal review and execution of the required receipt and indemnity documentation. The motion was seconded by Director Sunderman, which carried unanimously.

Mr. Roach re-entered the meeting virtually.

## **ANNUAL AUDIT REPORT FOR FYE APRIL 30, 2025**

Mr. Roach noted that the District's Auditor is still awaiting the requested documentation from the District's consultants.

Ms. Sustaita exited the meeting.

## **SALES TAX REPORT AND STRATEGIC PARTNERSHIP AGREEMENT ("SPA") UPDATES**

Mr. Fortner presented the Sales Tax Report. The Board discussed the inclusion of the Fieldhouse development in future SPA reports, and Mr. Fortner indicated that it should hopefully be included beginning in November. After discussion, Director Sunderman motioned to approve the Sales Tax Report. The motion was seconded by Director Gourley and passed unanimously.

Messrs. Fortner and Gonzalez exited the meeting.

## **ENGINEER'S REPORT**

Mr. Mueller presented the Engineer's Report, attached hereto as **Exhibit "G"**. He first presented a proposal for a waterline extension along Rayford Road to complete a waterline loop and

requested Board authorization. He then presented a proposal for sanitary sewer rehabilitation in the Fox Run neighborhood, in the amount of \$200,750.00, also requesting Board approval.

Mr. Mueller noted that a progress meeting was held on August 14, 2025, with GDB regarding the District's Administration Building and reviewed the items discussed. He then presented Construction Pay Estimate No. 6 in the amount of \$171,788.50, payable to GDB, and recommended payment.

Next, Mr. Mueller reported that final approval of the Right-Of-Way ("ROW") for Water Plant No. 3 is pending from the Commissioner's office. He advised that Schier Construction Company, Inc. ("SCC") is anticipating the installation of taps and valves on August 21, 2025. After discussion, the Board concurred to authorize SCC to proceed once the ROW is fully approved.

Mr. Braddock then presented the current color selections for painting the District's water tanks. After discussion, the Board concurred to approve the District's Inspector to paint all District water tanks tannery.

Following discussion, Director Sunderman motioned to approve the Rayford Road Waterline Extension proposal. Director Sterling seconded the motion, which passed unanimously. Next, Director Sterling motioned to approve the Fox Run Sanitary Sewer Rehabilitation proposal. Director Gourley seconded the motion, which passed unanimously. Then, Director Humbert motioned to approve Construction Pay Estimate No. 6. Director Fusca seconded the motion, which passed four-to-zero (4-0), with Director Sunderman abstaining. Finally, Director Fusca motioned to approve the Engineer's Report. Director Gourley seconded the motion, which passed unanimously.

#### **REVIEW CAPITAL IMPROVEMENT PLAN ("CIP")**

Mr. Mueller presented an overview of the CIP and the Board ensued in further discussion.

Mr. Roach re-entered the meeting.

#### **STATUS OF THE BOND APPLICATION REPORT ("BAR")**

There was nothing new to report.

#### **OPERATOR'S REPORT**

Mr. Wright presented the Operator's Report, attached hereto as **Exhibit "H"**. A lengthy discussion ensued regarding the Drought Contingency Plan ("DCP") tiers and the DCP violations. After the discussion, Director Gourley motioned to approve the following multiplier within each stage of the DCP: (1) Stage 2 at 1.5; (2) Stage 3 at 2; and (3) Stage 4 at 4. The motion was seconded by Director Sterling and passed unanimously.

Next, Mr. Wright presented a quote to install a meter head assembly with long-term evolution capability at Water Plant No. 1 Well No. 1. Director Fusca motioned to authorize the

District's Operator to replace the well meter. Director Gourley seconded the motion, which passed unanimously.

Mr. Roach exited the meeting during the discussion.

### **INSPECTOR'S REPORT**

Mr. Braddock presented the Inspector's Report, attached hereto as **Exhibit "I"**. After some discussion, Director Sunderman motioned to approve the Inspector's Report. Director Fusca seconded the motion, which passed unanimously.

Mr. Roach re-entered the meeting.

### **JOINT FACILITIES ADVISORY COMMITTEE MATTERS**

Director Fusca reported on several topics from the July 29, 2025, JFAC meeting. After discussion, the Board concurred to: (1) decline contributing toward expenses related to Paul Cote's attendance at an upcoming conference on statewide conservation district operations; and (2) to decline funding for fees associated with hiring an Environmental Protection Agency attorney.

### **DIRECTOR'S REPORT**

Director Sunderman presented an update on the coastal water protection plan.

### **NATIONAL NIGHT OUT ("NNO")**

Director Fusca provided an update on preparations for NNO. Ms. Dehoyos noted that the District's Communications Consultant would begin distributing notifications to the community in September to promote the event. Director Fusca inquired about creating event signage and posters. Ms. Danae indicated that signage could take a couple of weeks to design and produce. Director Fusca confirmed that he would send design options to the Communications Committee. Director Gourley suggested that larger signage would be more effective in promoting the event. Following discussion, the Board concurred to host NNO at Spring Creek District Park.

### **INSURANCE RENEWAL OPTIONS (*EXPIRES SEPTEMBER 30, 2025*)**

Director Fusca noted that the Board needs to add a crime policy to the District's insurance coverage.

### **ATTORNEY'S REPORT**

Ms. Wheeler distributed copies of the 2025 Legislative Session Summary Report to the Board members, and Mr. Roach provided a brief update, noting that the second Special Legislative Session began today.

Director Gourley exited the meeting.

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

The Board did not enter an executive session.

DISCUSS PENDING BUSINESS AND MATTERS FOR FUTURE AGENDAS

The Board concurred to reconvene for their next regular meeting on September 15, 2025, at 5:00 p.m. There being no further business to discuss, Director Sunderman motioned to adjourn the meeting. Director Fusca seconded the motion, which passed four-to-zero (4-0) with Director Gourley absent from the vote.

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Passed and approved this 15<sup>th</sup> day of September 2025.

/s/ Frederick Sunderman  
Secretary, Board of Directors

[SEAL]



#### LIST OF EXHIBITS

- Exhibit A - Security Report
- Exhibit B - 2025 Tax Rate Recommendation
- Exhibit C - Garbage Collection Report
- Exhibit D - Tax Assessor's Report
- Exhibit E - Communications Report
- Exhibit F - Bookkeeper's Report
- Exhibit G - Engineer's Report
- Exhibit H - Operator's Report
- Exhibit I - Inspector's Report