

SPRING CREEK UTILITY DISTRICT
Minutes of the Special Meeting of
Board of Directors/Joint Facilities Advisory Committee
August 22, 2024

The Board of Directors (the “Board”) of Spring Creek Utility District (the “District”) met in special session as part of a Joint Facilities Advisory Committee (“JFAC”) meeting, open to the public, in person and via videoconference* 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 Boards as follows:

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

All of the said members were present except Director Humbert, thus constituting a quorum.

Also present were Mason Mueller and Amber Hurd of Cobb, Fendley & Associates Inc. (the “District’s Engineer”); Lindsey Delong, Mike Williams, Henry Journey, and Lonnie Wright of Municipal Operations & Consulting, Inc. (“MC88, MC89, & the District’s Operator”); Calep Estes of Touchstone District Services (the “District’s Communications Consultant”); Jonathan Roach and Jessica Gentry of Roach & Associates, PLLC (the “District’s Attorney”); Andrew Vaughn and Kathryn Blanton* of Allen Boone Humphries Robinson, legal counsel for Montgomery County Municipal Utility District No. 89 (“MC89”); Justin Abshire and Diego Burgos of Quiddity Engineering, LLC (“MC88 & MC89’s Engineer”); Paul Cote, Shawn Goodman, Benjamin Slotnick, Terrence Sookdeo, and Jordan Green, Directors of MC89; Jeremy Davis, Ryan Tsamouris, and Kent Doerries, Directors of MC88; John Kessler, a Director of Montgomery County Municipal Utility District No. 94 (“MC94”); Sarah Kouba, Ella Kouba, Jackie Vat, and Hank Vat, representatives of the Lone Star Groundwater Conservation District; and Karen Nguyen-Cortez*, Kris Kallaway*, Heather Cheung*, Kim Lane*, Moray Lang*, Michael Gainer*, James, Star, Dawn Craig, and Billy Joe Craig, residents in the Districts. [*Remote attendees]

PUBLIC COMMENTS

Mr. Cote welcomed everyone and provided an overview of the JFAC. Next, Mr. Kessler gave a brief introduction to Mr. Slotnick’s presentation of the Montgomery County Municipality Districts east of I-45. Mr. Slotnick gave his presentation regarding limited well data sets, definitive deepening impact and well logs of the Evangeline Aquifer, and U.S. Geological Survey findings from Ramage.

Mr. Gainer, Ms. Lane, and Ms. Lang exited the meeting.

Mr. Cote noted that the JFAC is concerned that a drought could affect the wells and cause a crisis. He further stated that if one (1) well goes down, the other wells could only compensate for

a short period. The JFAC discussed additional water sources and funding from larger entities. Ms. Kouba noted that Region H Planning Group is working on a strategic plan for the pipelines to make the JFAC eligible for SWIFT funding. She explained that the JFAC would have to prove the necessity of funds.

SAN JACINTO RIVER AUTHORITY (“SJRA”) WATER LINE EXTENSION/SURFACE WATER SUPPLY AGREEMENT

Mr. Vaughn thanked the SJRA committee for working with the San Jacinto River Authority regarding the pipeline, noting that the SJRA and Groundwater Reduction Plan Committee will meet again in September.

Ms. Kallaway exited the meeting.

Mr. Vaughn noted that they would negotiate the draft contract once it is received from the SJRA. He further indicated that another entity has shown interest in acquiring SJRA's available capacity. Finally, he noted that he would update the JFAC once the contract is received and reviewed.

PROPOSED COST-SHARING AGREEMENT RELATED TO SJRA WATERLINE EXTENSION/SURFACE WATER SUPPLY AGREEMENT

Mr. Vaughn noted that the SJRA waterline extension and surface water supply cost-sharing agreements can only be generated once the SJRA has set the terms. He said that the two (2) agreements will be circulated to the pipeline committee first, then submitted to the JFAC for approval, and finally sent to the SJRA. Director Sunderman inquired about the small volume of water available from the SJRA. Mr. Vaughn noted that there would be 200,000 gallons per day but indicated that he would include some language in the contracts in case more water becomes available. Director Sunderman inquired what capacity would be designed beyond 200,000. Mr. Burgos noted that they are maximizing the capacity to 7,000,000 gallons per day. The Boards ensued in further discussion regarding the matter.

Ms. Cheung exited the meeting.

Mr. Cote noted that another district interconnected with the Districts surface water use and discussed adding them as a fourth party.

SJRA GRP PUMPAGE FEE CREDIT ALLOCATION AND COMMITTEE MATTERS

Mr. Vaughn stated that the SJRA had a surplus of \$12,000,000 to allocate as a rebate credit to its participants. He further noted that the \$212,000 credited to MC89 has been allocated based on usage during the 2022-2023 drought year. Finally, he said that MC89's Bookkeeper is working to see how the credit will be split between the joint districts. Mr. Burgos noted that the SJRA decreased the groundwater and surface water pumpage rates, effective September 2024.

SJRA GRP ELECTION MATTERS

Mr. Vaughn noted that he has received the ballot for appointment to the SJRA, noting that Mr. Slotnick is listed as a candidate. He further indicated that all votes are due by November 1, 2024.

PROPOSED WATER PLANT EXPANSION AND POSSIBLE AMENDMENT TO WATER FACILITIES CONTRACT

Mr. Burgos presented the cost estimates for the expansion and interconnect at Water Plant No. 2 for improvements and an extension. He further noted that the project should be completed by 2026 and that funds would be available by the time construction begins.

BIRNHAM WOODS PEDESTRIAN BRIDGE CHANNEL CROSSING

Mr. Burgos said he is finalizing the Birnham Woods Pedestrian Bridge proposal and plans to present it at MC88's next meeting. He further noted that MC89 and the District will receive updates throughout the process. Next, Mr. Burgos pointed out that a cost-sharing agreement is needed since MC88 plans to sell bonds for the project. He further stated that he needs a signed letter from MC89 and the District stating that they have agreed to the general terms of the agreement for the Birnham Woods Pedestrian Bridge. Mr. Roach noted that the District's Engineer is working on the Capital Improvement Plan and can discuss the updates at the District's next meeting. Director Fusca stated that they need to review which projects may require bonds. A discussion ensued regarding Swift Funding.

NEXT JOINT MEETING

After some discussion, the Boards collectively decided to reconvene for the next JFAC meeting on March 31, 2025.

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

The Boards did not enter into executive session.

DISCUSSION OF PENDING BUSINESS AND MATTERS FOR FUTURE AGENDAS

Director Fusca noted that Pump No. 4, taken out of the Legends Ranch drainage facility, was in rough shape. He further indicated that the District is looking into repairing the pump, but they will have to replace it if they cannot. Director Fusca also stated that multiple pumps may be in bad shape, and the JFAC may want to create a budget for joint detention pond pump repairs.

Next, Director Sunderman reminded the JFAC that the National Night Out would be on October 1, 2024.

Mr. Cote inquired about whose responsibility it was to maintain the bulkheads at the community amenity pond. Mr. Tsamouris noted that the Homeowners Association would be responsible for the maintenance. Mr. Burgos confirmed that the districts maintain the outfall features and drainage. Then, a discussion ensued regarding Stages 2 and 3 of the drought contingency plan, whereby Director Gourley confirmed that the District had decided to stay in Stage 2. There being no further discussion, Director Fusca motioned to adjourn the meeting. Director Gourley seconded the motion, which passed unanimously.

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Passed and approved this 21st day of October 2024.

/s/ Frederick Sunderman
Secretary, Board of Directors

(SEAL)

