

SPRING CREEK UTILITY DISTRICT
Minutes of Meeting of Board of Directors
January 19, 2026

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
Leslie Gourley	-	Secretary
Paul Sterling	-	Assistant Secretary
MJ Dougherty IV	-	Director

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

Also present were Monica Pena of Utility Tax Service, 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, 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”); Sergeant Carswell of Montgomery County Precinct 3 (the “District’s Security”), who entered later in the meeting; Patrick Byne* of BCS Capital Group (“BCS”); Shane Sullivan of Volare Partners, LP, the Fieldhouse developer (“Fieldhouse”); and Anthony Cerda, who entered later in the meeting, a member of the public. [*Remote Attendees]

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

PUBLIC COMMENTS

There were no public comments.

REVIEW SERIES 2026 BONDS AND RELATED MATTERS

Mr. Roach reported that the District’s bond sale remains on schedule, with pricing anticipated on January 28, 2026, and closing expected in late February 2026.

CONSENT AGENDA: MINUTES

The Board considered approval of the regular meeting minutes from December 15, 2025. After some discussion, Director Sterling motioned to approve the December 15, 2025, regular meeting minutes. Director Gourley seconded the motion, which passed unanimously.

CONSENT AGENDA: CONSULTANT REPORTS

After some discussion, Director Fusca 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”; and (4) Communications Report, attached hereto as Exhibit “D”. Director Gourley seconded the motion, which passed unanimously.

Ms. Pena exited the meeting.

Ms. Garza temporarily exited the meeting.

CONSENT AGENDA: COMMITTEE REPORTS

1. Budget & Finance: Director Humbert recommended that Director Dougherty fill the vacant position on the Budget & Finance Committee. The Board concurred for Director Dougherty to sit on the Budget & Finance Committee.
2. Park: Mr. Braddock noted he has received the new trash cans for the park.
3. Communications: Director Humbert noted that they are working on the newsletter.

Mr. Braddock temporarily exited the meeting.

BOOKKEEPER’S REPORT

Mr. Desilets presented the Bookkeeper’s Report, attached hereto as Exhibit “E”. After a lengthy discussion regarding fiber line damage, Director Gourley motioned to approve the Bookkeeper’s Report and payment of invoices. Director Dougherty seconded the motion, which passed unanimously.

Mr. Gonzalez temporarily exited the meeting.

Mr. Braddock re-entered the meeting.

GRANT EXEMPTIONS FROM TAXATION FOR 2026

Mr. Roach presented and reviewed the Resolution Concerning Exemptions from Taxation for 2026 (the “Resolution”). He then explained that the District’s Financial Advisor recommended adopting a general homestead exemption of twenty percent (20%), which is no change from the prior year. After a brief discussion, Director Sterling motioned to keep the homestead exemption at twenty percent (20%), to keep the 65 years of age and older and federal disability tax exemption at \$55,000 for the tax year 2026, and to adopt the corresponding Resolution. Director Gourley seconded the motion, which passed unanimously.

Ms. Garza re-entered the meeting.

ADDITIONAL PENALTY ON DELINQUENT PERSONAL PROPERTY TAXES

Mr. Roach noted that pursuant to applicable sections of the Texas Tax Code, the District can levy an additional penalty of up to twenty percent (20%) to cover the costs of collections on any delinquent personal property tax accounts as of February 1 each year. After a brief discussion, Director Dougherty motioned to maintain the previously approved twenty percent (20%) additional penalty and to authorize the District's Attorney to proceed with the usual statutory/contractual twenty percent (20%) additional penalty to be effective February 1, 2026. Director Fusca seconded the motion, which passed unanimously.

Mr. Gonzalez re-entered the meeting.

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"**. Mr. Mueller reported that the storm sewer outfall near Fox Run Park had failed and that Montgomery County Drainage District No. 6 ("DD6") completed repairs up to the drainage right-of-way. He then reported he received the updated District boundary map in connection with the proposed annexation of additional acreage for the Locke Tract.

Mr. Braddock temporarily exited the meeting.

Mr. Mueller then reported that coordination with KB Homes regarding the acquisition of the Well No. 4 site continues, including the review of mineral rights and preparation of conveyance documents. He further reported that the design of the Rayford Road waterline extension, intended to close the system loop, is nearing completion, with submittals to Montgomery County (the "County") and DD6 anticipated. Mr. Mueller next advised that County approval has been received for the Locke Tract detention pond expansion and that the District's Engineer is coordinating with CenterPoint regarding relocation of the existing power poles. He stated that comments on the utility extension plan set have been addressed, and the plans are being resubmitted to the County. Mr. Mueller then requested authorization from the Board to advertise for bids for the detention pond expansion project and the utility extension project.

Next, Mr. Mueller reported that a Final Completion meeting for the Administration Building was held on January 7, 2026, and presented the Final Completion Certificate for the Board's consideration. He then presented a Change Order from Grossman Design Build ("GDB") for items requested during project close-out. Mr. Mueller then presented Construction Pay Estimate No. 11, in the amount of \$40,387.30, and Construction Pay Estimate No. 12 and Final, in the amount of \$119,974.51, both of which were recommended for payment.

Mr. Mueller then reported that water well drilling at Water Plant No. 3 commenced in early November 2025, including installation of the sound wall. He advised that Schier Construction Company, Inc. (“SCC”) is actively pumping from selected depth zones of the pilot hole to evaluate water quality and production capacity of each viable sand interval. He further reported that SCC is coordinating with CenterPoint regarding relocation of the electrical service, as requested by the District’s Inspector, which was incorporated into previously approved Change Order No. 1. Mr. Mueller stated that the new pole has been set and CenterPoint is proceeding accordingly; however, generator lead times may result in delivery following substantial completion of the project. Finally, he presented Pay Application No. 6 in the amount of \$129,898.25, payable to SCC, which was recommended for payment.

Finally, Mr. Mueller reported that foundations for the Reclaimed Water Treatment facility equipment and tanks have been completed, with the exception of one (1) pump pad adjacent to the chlorine contact basin. He advised that W.W. Payton Corporation (“WWP”) has completed construction of both ground storage tanks and conducted floor testing, with full testing to occur once water is available to fill the tanks. He further stated that WWP has commenced framing and pouring of the concrete drive areas in coordination with the District’s Inspector. Mr. Mueller then presented Pay Application No. 3 in the amount of \$95,000.00, payable to WWP, which was recommended for payment.

After some discussion, Director Fusca motioned to approve: (1) the Engineer’s Report; (2) authorization to advertise for bids for the Locke Tract detention pond expansion and utility extension projects; (3) the GDB Change Order for close out work; (4) Pay Applications Nos. 11 and 12 and Final; (5) the Administration Building Completion Letter; (6) Pay Application No. 6; and (7) Pay Application No. 3. Director Gourley seconded the motion, which passed unanimously.

Next, Mr. Sullivan addressed the Board regarding delinquent taxes and a maintenance agreement in place for the private lift station serving the Fieldhouse. Mr. Roach advised that a meeting is scheduled with the District’s Bookkeeper and Auditor on January 27, 2026, to discuss the matter further, and that Mr. Sullivan will be provided with a remote invitation to participate.

Mr. Braddock re-entered the meeting.

Director Fusca temporarily exited the meeting.

OPERATOR’S REPORT

Mr. Wright presented the Operator’s Report, attached hereto as **Exhibit “G”**, including Eye on Water leak monitoring and the delinquent cut-off list. Next, the Board ensued a lengthy discussion regarding a daycare variance request, separate metering requirements, and diffuser repair quotes. After no further discussion, Director Humbert motioned to approve the Operator’s Report. Director Gourley seconded the motion, which passed four-to-zero (4-0), with Director Fusca absent during the vote.

Director Fusca re-entered the meeting.

Sergeant Carswell and Mr. Cerda entered the meeting.

SECURITY REPORT

Sergeant Carswell discussed the need to replace a patrol vehicle due to engine failure. He noted that vehicle pricing fluctuates weekly and expressed a desire to proceed promptly while the vehicle is currently in stock. He further explained that certain equipment from the existing vehicle can be reused, reducing overall replacement costs. Director Humbert indicated that the District did not have any money allocated for this in the current budget for the fiscal year ending on April 30, 2026. He then inquired about the delivery timeline, to which Sergeant Carswell responded that the vehicle is readily available. The Board discussed the potential issuance of a Letter of Intent to reimburse the County within approximately four (4) months and requested that the District's Attorney prepare the proposed Letter of Intent. Sergeant Carswell advised that the County will not place the vehicle order without payment in hand, and stated that he would follow up with the County regarding the proposed arrangement.

Sergeant Carswell exited the meeting.

INSPECTOR'S REPORT

Mr. Braddock presented the Inspector's Report, attached hereto as **Exhibit "H"**, and updated the Board on several maintenance and operational matters throughout the District. He provided an update on the recent vandalism at Water Plant No. 2 and advised that identifying information had been provided to law enforcement while repairs are being coordinated. He then discussed ongoing maintenance efforts, including field measurements and material planning for vertical line repairs, landscaping improvements, and irrigation adjustments at the Administration Building. Mr. Braddock also noted his research on an easement near the Kroger Center where a line break occurred. He further requested that the District's Attorney review the easement repair language to ensure the District's interests are protected.

Mr. Braddock then addressed ongoing concerns at the Sun Auto Tire & Service facility related to improper discharge into the District's sanitary sewer system. He reported that inspection of the line revealed significant oil buildup and that a staff member admitted to previously discharging waste into a floor drain connected to the sewer line. Mr. Braddock emphasized the need to review original plans to confirm responsibility for the line. He requested coordination with the District's Operator and Attorney to pursue enforcement, obtain maintenance records, and require proper cleaning of the line. After discussion, Director Gourley motioned to approve the Inspector's Report. Director Dougherty seconded the motion, which passed unanimously.

JOINT FACILITIES ADVISORY COMMITTEE ("JFAC") MATTERS

The Board discussed holding the next JFAC meeting on March 31, 2026.

Ms. Garza temporarily exited the meeting.

DIRECTORS REPORT

There was nothing new to report.

ATTORNEY'S REPORT

Mr. Roach explained that the District can contract with the County for a joint election, in which the County will add the District's 2026 Directors Election to its ballot and handle certain additional details for the election. Mr. Roach then presented the Order Calling Directors' Election. After discussion, Director Fusca motioned to: (1) adopt the Order Calling Directors Election for May 2, 2026; (2) designate the District's Attorney as the District's election agent in conjunction with Montgomery County's handling the necessary election details; and (3) authorize a joint election with the County, subject to the appropriate agreements from the County being acceptable. The motion was seconded by Director Gourley and passed unanimously.

Ms. Garza re-entered the meeting.

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

The Board entered into executive session at 7:19 p.m. with the District's Attorney, Bookkeeper, Engineer, and Inspector.

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

The Board reconvened in open session at 7:58 p.m.

Director Gourley motioned to proceed as discussed in executive session and to authorize the water line repair, along with other repairs as necessary, at the Kroger center. The motion was seconded by Director Dougherty, which passed unanimously.

DISCUSS PENDING BUSINESS AND MATTERS FOR FUTURE AGENDAS

The Board concurred to reconvene for a special meeting on January 28, 2026, at 5:00 p.m., and for their next regular meeting on February 16, 2026, at 5:00 p.m. There being no further business to discuss, Director Gourley motioned to adjourn the meeting. Director Fusca seconded the motion, which passed unanimously.

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Passed and approved this 16th day of February 2026.

/s/ Leslie Gourley
Secretary, Board of Directors

[SEAL]



LIST OF EXHIBITS

- Exhibit A - Garbage 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