SPRING CREEK UTILITY DISTRICT
Minutes of Meeting of Board of Directors
June 15, 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"); Amber Hurd, who entered later in the meeting, of Cobb, Fendley & Associates, Inc. (the "District's Engineer"); Lonnie Wright, Claudia Garza, and Dale DeLatte, all whom entered later in the meeting, of Municipal Operations & Consulting, Inc. (the "District's Operator"); Jonathan Roach, who entered later in the meeting, Ray Arce, Jewel Wheeler, and Kirsten Womack of Roach & Associates, PLLC (the "District's Attorney"); Brian Desilets 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"); Ryan Fortner of Revenue Management Services (the "District's Sales Tax Consultant"); Patrick Byrne* and Lindsay Adams* of BCS Capital Group ("BCS"); Harry Thompson* of Allen Boone Humphries Robinson LLP; Ryan Nokelby, who entered later in the meeting, of HDR Engineering; Lindsey DeLong, Dorothy White, Bruce Gourley, and Jodie Caesar, all whom entered the meeting at various times, members of the public.

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

DIRECTOR CYBERSECURITY/ARTIFICIAL INTELLIGENCE ("AI") TRAINING

The Directors completed the required Cybersecurity and AI Training.

Mr. Roach entered the meeting during the training.

PUBLIC COMMENTS

Ms. White addressed the Board regarding the District's current water restrictions, noting that she needs to re-sod her yard, which requires additional watering beyond the current allowable schedule. She requested an update on the District's water supply and the status of the aquifers. The Board thanked Ms. White for attending the meeting and commended her thoughtful question. Director Fusca explained that the District primarily relies on the Evangeline Aquifer and discussed the reasons for the current water restrictions. The Board then engaged in further discussion regarding the District's water supply, including reclaimed water ("purple pipe"), aquifer water levels, and the use of rain barrels for water conservation.

Messrs. Braddock, DeLatte, Ms. Hurd, and Ms. DeLong entered the meeting.

Ms. Caesar requested an update regarding the previously proposed meeting between the District, BCS, and the Lockeridge Farms Homeowners Association ("LFHOA"). The Board reported that, following additional discussions with LFHOA's attorney, such meeting was no longer necessary. Mr. Braddock confirmed that BCS has submitted updated plans, incorporating the previously discussed revisions, to the District's Engineer for review. The Board then discussed the proposed detention pond expansion, fencing, landscaping, and the proposed car wash development.

Messrs. Nokelby, Wright, Gourley, and Ms. Garza entered the meeting.

Mr. Gourley expressed concern that information previously presented by BCS to the Board had not been consistent with the proposed development plans. He further questioned whether the District should prioritize drilling an additional water well before approving a proposed car wash and inquired about potential penalties for excessive commercial water usage.

Mr. Byrne entered the meeting, and Ms. Caesar exited the meeting.

Mr. Arce further explained that the commercial water rates are established by the District's Rate Order. Ms. Hurd noted that the only recent development request received by the District was for a proposed McDonald's restaurant, which had requested only nine (9) water connections. Mr. Gourley also inquired about the Board's responsibility in the event of flooding from Spring Creek. Mr. Roach explained that the District does not possess regulatory authority over drainage matters and that responsibility for drainage infrastructure and flood management rests with the City of Houston or Montgomery County, as applicable. The Board then engaged in further discussion regarding potential flooding concerns.

HB500 GRANT FUNDING TASK ORDER AND RELATED APPROVALS

Mr. Nokelby provided an update regarding the joint waterline project between the District and Montgomery County Municipal Utility District Nos. 88 ("MC88"), and 89 ("MC89"). He reported that the District is responsible for one-third of the project costs and noted that the grant application is intended to offset a portion of the District's share. Mr. Nokelby further reported that he and the District's Attorney had conferred with representatives of MC89 regarding certain project requirements necessary to ensure compliance with the grant application. He stated that MC89 had expressed its willingness to cooperate in meeting those requirements. The Board then discussed the project and the proposed approval of Task Order No. 1. After discussion, Director Gourley motioned to approve Task Order No. 1. Director Sterling seconded the motion, which passed unanimously.

CONSENT AGENDA: MINUTES

The Board considered the minutes of the May 18, 2026, regular meeting. After discussion, Director Gourley motioned to approve the May 18, 2026, regular meeting minutes, subject to revisions. Director Dougherty seconded the motion, which passed unanimously.

CONSENT AGENDA: CONSULTANT REPORTS

Following discussion, Director Gourley 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 Fusca seconded the motion, which passed unanimously.

CONSENT AGENDA: COMMITTEE REPORTS

1. Communications Committee. Director Humbert reported that the District's promotional efforts for the EyeOnWater and WaterSmart programs have been successful. Ms. Dehoyos then reviewed the District's website, noting that it provides access to public documents, contact information, and the District's quarterly newsletter. She further explained that residents with additional questions may submit an inquiry through the website's "Contact Us" form, which she will direct to the appropriate parties for response.

BOOKKEEPER'S REPORT

Mr. Desilets presented the Bookkeeper's Report, attached hereto as **Exhibit "E"**. Following some discussion, Director Fusca motioned to approve the Bookkeeper's Report and payment of invoices. Director Sterling seconded the motion, which passed unanimously.

Mr. Nokelby exited the meeting.

ENGINEER'S REPORT

Ms. Hurd presented the Engineer's Report, attached hereto as **Exhibit "F"**, and reported on the following matters: a) Walmart Detention Pond study, presenting a proposal for the study phase and requesting authorization to proceed; b) Fox Run Sanitary Sewer Rehabilitation, reporting that the construction proposal from SKE Construction, LLC for Phase 1 has been finalized and submitted for Board review and approval. She further presented the Phase 2 proposal for the closed-circuit television inspection and engineering design of the remaining sanitary sewer rehabilitation areas; c) Fox Run Drainage and Water Reuse Phase 1, reminding the Board that it had previously selected the Full Pavement Replacement alternative, with an estimated construction cost of $7,558,592. She reported that the plans have been resubmitted to Montgomery County for review and approval and requested authorization to advertise the project for bids; d) Water Plant No. 3 Improvements, reporting that painting of the above-ground piping is ongoing, the gas line has been partially installed, and the well drilling rig has remobilized to the site to complete construction. She noted that drilling activities are expected to continue for approximately seven (7) weeks and that the well contractor is coordinating with the Lone Star Groundwater Conservation District regarding the required inspections. Ms. Hurd also presented Pay Estimate No. 11 in the amount of $61,256 for Board approval; and e) BCS Locke Tract Pond Expansion and Utility Extension, reporting that the construction contracts have been fully executed and presenting a proposal for construction administration and inspection services for Board consideration.

After discussion, Director Gourley motioned to approve: (1) the Engineer's Report; (2) the Walmart Detention Pond study proposal; (3) the Fox Run Sanitary Sewer Rehabilitation Phase 1 contract and Phase 2 engineering services; (4) authorization to advertise the Fox Run Drainage and Water Reuse Phase 1 project for bids; (5) Pay Estimate No. 11 in the amount of $61,256; and (6) the proposal for construction administration and inspection services for the BCS Locke Tract project. Director Fusca seconded the motion, which passed unanimously.

Next, Ms. Hurd presented a proposed letter from the District to the San Jacinto River Authority ("SJRA") requesting 500,000 gallons per day of surface water to Water Plant No. 1. After discussion, Director Fusca motioned to approve the letter as presented. Director Dougherty seconded the motion, which passed unanimously.

OPERATOR'S REPORT

Mr. Wright presented the Operator's Report, attached hereto as **Exhibit "G"**, and reported on the District's monthly operations, including pumpage totals, well performance testing, and the status of Well No. 1. After discussion, Director Sterling motioned to approve the Operator's Report. Director Gourley seconded the motion, which passed unanimously.

Director Humbert then noted that the Rate Order Committee is expected to meet in the near future to discuss potential updates to the District's Rate Order.

NOVAGUARD AGREEMENT

This item was deferred.

JOINT FACILITIES ADVISORY COMMITTEE ("JFAC") MATTERS

There was nothing new to report.

DIRECTORS REPORT

Director Humbert inquired about the status of the District's response to the SJRA regarding the proposed amendment to the Groundwater Reduction Plan. Mr. Roach reported that a draft response letter had been prepared for the Board's review. Director Fusca indicated that he had reviewed the draft and believed it was ready for submission. After discussion, Director Fusca motioned to approve the letter and authorize the District's Attorney to send it to the SJRA. Director Sterling seconded the motion, which passed unanimously.

REVIEW CONSULTANT AND VENDOR CONTRACT OPTIONS

This item was deferred.

ATTORNEY'S REPORT

Mr. Roach reported that representatives from Arthur J. Gallagher are scheduled to attend the August 2026 Board meeting to present information regarding the District's Crime insurance policies.

Mr. Roach next reminded the Board that the District is required to file an annual voting system report with the Secretary of State identifying the voting system(s), if any, used by the District during the preceding year. He requested authorization for the District's Attorney to prepare and file the required report on the District's behalf, as necessary.

Mr. Roach then requested the Board's authorization to destroy outdated copies of prior Board meeting notes in accordance with applicable records retention laws. He reminded the Board that the District's Attorney maintains electronic copies of virtually all District records and that the official Board meeting minutes are retained permanently. After discussion, Director Gourley motioned to authorize: (1) filing the voting system annual filing form; and (2) the destruction of old copies of prior Board meeting notes. Director Dougherty seconded the motion, which passed unanimously.

Mr. Roach then briefly discussed the District's compliance with statutory agenda posting requirements and noted that the homeowners associations ("HOAs") should likewise ensure appropriate posting of their meeting notices. Ms. Dehoyos suggested providing the District's website information to the HOAs so they could include a link on their respective websites for residents seeking District information.

The Board next discussed the Strategic Partnership Agreement and related matters. Finally, Mr. Roach introduced Ms. Womack, a summer legal intern working with the District Attorney.

Messrs. Gourley and DeLatte exited the meeting.

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

The Board entered an executive session at 8:29 p.m. with the District's Attorney and Operator.

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

The Board reconvened in an open session at 9:16 p.m.

Director Fusca temporarily exited the meeting.

INSPECTOR'S REPORT

Mr. Braddock presented the Inspector's Report, attached hereto as **Exhibit "H"**, presenting various updates. After discussion, Director Sterling motioned to approve the Inspector's Report. Director Gourley seconded the motion, which passed four-to-zero (4-0) with Director Fusca absent from the vote.

Director Fusca re-entered the meeting.

DISCUSS PENDING BUSINESS AND MATTERS FOR FUTURE AGENDAS

The Board briefly discussed the upcoming Association of Water Board Directors Summer 2026 Conference and the acoustics in the administration building. Next, the Board concurred to reconvene for their next regular meeting on July 20, 2026, at 5:00 p.m. There being no further business to discuss, Director Dougherty motioned to adjourn the meeting. Director Fusca seconded the motion, which passed unanimously.

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Passed and approved this 20th day of July 2026.

/s/ Leslie Gourley
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