



The Board of Directors of New Caney Municipal Utility District of Montgomery County, held a Regular Meeting, open to the public, November 17th, 2022, at 6:00 p.m., and the roll was called of the duly constituted officers to wit:

**BILL SMITH-PRESIDENT
JERRY VERNON-VICE PRESIDENT
TONY MARTINEZ JR.-SECRETARY
ANNE VICKERY -ASSISTANT SECRETARY/ASSISTANT TREASURER**

Thus, constituting a quorum.

Matthew Peterson – Treasurer/ Asst. Secretary Not Present

Lisa Latham – Office Manager Not Present

Also, present: Ricky McDonald-General Manager, Jan Rice – Former Office Manager, Cory DeSpain-Asst. General Manager, Jackie Orrick – Office Assistant, Alan Petrov with Johnson Petrov LLP, Bill Blich – Financial Advisor, Kevin Arnet and Jay Norris – LJA Engineering

Approval of the Minutes

A motion was made by Tony Martinez and seconded by Anne Vickery to approve the Minutes for October 20th, 2022. All voted for. Motion carried.

Citizen's Presentations

No citizens present.

Old Business

Approve uncollectible accounts October 2022.

A motion was made by Tony Martinez and seconded by Jerry Vernon to approve uncollectable accounts in the amount of \$1068.10 for October 2022. All voted for. Motion carried.

Discuss Possible Acquisition of Easements and Approve any Necessary Action to be taken, including approval of Orders Declaring a Public Necessity and Authorizing the Institution of Condemnation Proceedings.

Jay Norris updated the board on all 18 current pending, funding requested, and closed parcels. Per Bill Smith, the process seems to be moving faster than he anticipated.

Recess at 6:19pm

Re-open at 6:53pm.

New Business

Discuss and Take Necessary Action on the Recommendation of Award Letter from LJA Engineering for the Bond SER 2021 Projects – Waterline Extensions – Phase “A” – (Lawsuit Ln, Kidd Cemetery Rd, Gabriel Rd, & Easement)

A motion was made by Jerry Vernon and seconded by Anne Vickery to award the Recommendation of Award Letter from LJA Engineering for the Bond SER 2021 Projects – Waterline Extensions – Phase “A” – (Lawsuit Ln, Kidd Cemetery Rd, Gabriel Rd, and Easement) to Reddico for \$680,945.30 with a contract time of 45 days. All voted for. Motion carried.

Discuss and Take Necessary Action on the Proposal from LJA Engineering to perform a Water Usage Re-Rating Study for submittal to the TCEQ.

A motion was made by Anne Vickery and seconded by Tony Martinez to accept the Proposal from LJA Engineering to perform a Water Usage Re-Rating Study for submittal to the TCEQ. All voted for. Motion carried.

Discuss and Approve Estimate #7 for (E208-0490) for District Wide Water Meter System Upgrades for Accurate Utility Supply in the amount of \$211,764.50.

A motion was made by Jerry Vernon and seconded by Tony Martinez to Approve Estimate #7 for (E208-0490) for District Wide Water Meter System Upgrades for Accurate Utility Supply in the amount of \$211,764.50. All voted for. Motion carried.

Discuss and Approve Estimate #1 for (E208-0510) for Waterline Extension Phase “B” for Reddico Construction Company in the amount of \$273,875.50.

A motion was made by Tony Martinez and seconded by Anne Vickery to Approve Estimate #1 for (E208-0510) for Waterline Extension Phase “B” for Reddico Construction Company in the amount of \$273,875.50. All voted for. Motion carried.

Discuss and approve opening the Hendricks Defined Area Maintenance Account at Chase Bank.

A motion was made by Jerry Vernon and seconded by Tony Martinez to Approve Opening the Hendricks Defined Area Maintenance at Chase Bank. All voted for. Motion carried.

Discuss and approve Interconnect with EMCMUD NO.3.

Failed for lack of motion.

Sale of Hendricks Defined Area Unlimited Tax Bonds, Series 2022, including: Receive and Accept Bids for the purchase of the Districts’ \$1,370,000 Unlimited Tax Bonds, Series 2022;

A motion was made by Jerry Vernon and seconded by Anne Vickery to Accept the bid of 5.447% from GMS for the purchase of the Districts’ \$1,370,000 Unlimited Tax Bonds, series 2022. All voted for. Motion carried.

Approve the Attorney General's Bond Transcript Fee;

A motion was made by Tony Martinez and seconded by Anne Vickery to Approve the Attorney General's Bond Transcript Fee. All voted for. Motion carried.

Approve final form of the Official Statement and Adopt an Order Authorizing Issuance of \$1,370,000 Unlimited Tax Bonds, Series 2022; and

A motion was made by Tony Martinez and seconded by Anne Vickery to Approve the final form of the Official Statement and Adopt and Order Authorizing Issuance of \$1,370,000 Unlimited Tax Bond, Series 2022. All voted for. Motion carried.

Letter to TCEQ Regarding Rate Increase.

A motion was made by Tony Martinez and seconded by Anne Vickery to Approve Letter to TCEQ Regarding Rate Increase. All voted for. Motion carried.

Approve Amended and Restated District Information Form

A motion was made by Jerry Vernon and seconded by Tony Martinez to Approve Amended and Restated District Information Form. All voted for. Motion carried.

Approve Auditor Engagement Letter to Prepare Agreed Upon Procedures for Developer Reimbursement related to the Defined Area Bonds

A motion was made by Anne Vickery and seconded by Tony Martinez to Approve Auditor Engagement Letter to Prepare Agreed Upon Procedures for Developer Reimbursement related to the Defined Area Bonds. All voted for. Motion carried.

Discussion on Potential Bond Election in 2023.

Ricky McDonald updated the board that he has reached out to a couple people in the community to discuss how they approached and advertised an education program. Bill Smith stated that we need to put an education program together for the bond Election in 2023. Jimmy Flowers and Jay Norris said they will follow up with LJA in regards to finding out if their company has utilized a company or group to aid in educating the public. Zachary Petrov suggested holding the election in the office ourselves.

The last day to call the election is February 17th, 2023.

Acquisition of Property directly adjacent to new water office and authorize any necessary action.

Discussed Acquisition of Property directly adjacent to new water office and authorize any necessary action discussed in Executive Session.

A motion was made by Anne Vickery and seconded by Jerry Vernon to authorize our right of way agents to proceed as discussed during Executive Session with the acquisition of the parcel to the south of the office building. All voted for. Motion carried.

Discussion on Easement for Entergy and authorize any necessary action

A motion was made by Jerry Vernon and seconded by Tony Martinez to Accept the Letter of No Objection and Notice of Confidentiality Rights and to Accept the Easement for Entergy. All voted for. Motion carried.

Engineer's Report

Jimmy updated the board that Phase D (Thelma and Patricia) will be the next waterline extension but is still a couple months out, they are waiting on the City of Houston.

Water Plant No. 1 does not have an invoice this month, they are trying to complete the last few tasks, including waiting on the arrival of the well motor that is expected to arrive anytime but cannot provide a tracking number.

Attorney's Report

Zachary and Ricky McDonald explained to the board that a legal letter was received in NCMUD's response regarding a \$1,100 bill for a damaged AT&T cable. NCMUD did not damage this cable and can provide photos and GPS coordinates etc. to effectively prove so.

Per Ricky, had we cut the cable, we would pay for the repairs. Our response was that it was possible that the homeowner's plumber may have damaged/cut the cable, but AT&T's damage control team sent an attorney's letter that Ricky forwarded to Zachary Petrov.

Financial Advisor's Report

Bill Blitch had nothing in addition to add.

Tax Assessor/Collector's Report

Bill Smith updated the board that we received \$52,636.72 in taxes for October 2022.

Bookkeeper's Report

Ricky reviewed the current budget, explaining higher electric bills due to pumping more water etc.

Safety Report

Ricky stated no updates, all is good.

General Manager's Report

Ricky updated the board on Water Plant No. 3 and presented the idea to hold a Christmas lunch this year as opposed to a Christmas dinner.

A motion was made by Tony Martinez and seconded by Anne Vickery to approve a Christmas lunch for 2022 for staff and spouses. All voted for. Motion carried.

Board of Directors' Reports and/or Proposals

Jerry Vernon asked that everyone keep his pastor in his prayers as he is recovering from a motorcycle accident.

Anne Vickery mentioned clients that had questions about NCMUD servicing areas and previous deposit procedures from the 1980's.

Bill Smith reviewed the Water Usage Report and Bank Balances.

Approve Monthly Accounts Payable

A motion was made by Jerry Vernon and seconded by Tony Martinez to approve the General Fund accounts payable in the amount of \$406,169.21. All voted for. Motion carried.

A motion was made by Jerry Vernon and seconded by Tony Martinez to approve the Capital Project accounts payable in the amount of \$517,795.50. All voted for. Motion carried.

A motion was made by Jerry Vernon and seconded by Tony Martinez to approve the Debt Service accounts payable in the amount of \$0. All voted for. Motion carried.

Closed for Executive Session at 8:30pm
Re-Opened from Executive Session at 8:45pm

Convene in executive session to discuss personnel matters pursuant to Open Meetings Act Section 551.074 of the Texas Government Code, and/or Section 551.071 of the Texas Government Code for consultation with Attorney for pending or contemplated litigation or matters related to attorney-client privilege, and/or Section 551.072 of the Texas Government Code for deliberations about real property, and/or Section 551.076 of the Texas Government Code for deliberations regarding security related matters.

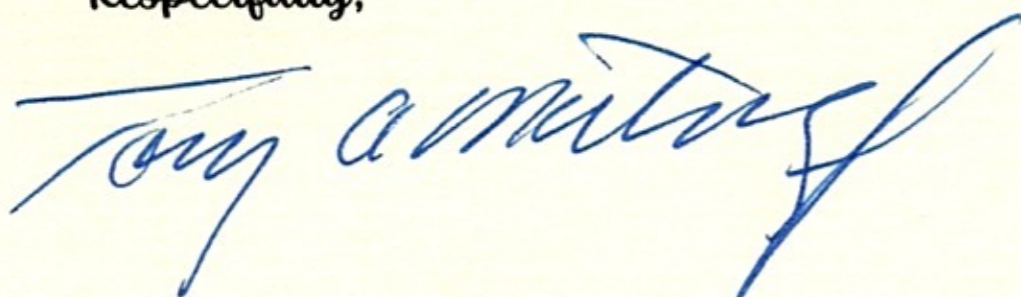
Re-convene in open session and authorize any necessary action concerning personnel matter and/or pending or contemplated litigation or matters related to attorney-client privilege and/or deliberations about real property and/or security matters

Adjournment

A motion was made by Jerry Vernon and seconded by Anne Vickery to adjourn. All voted for. Motion carried.

Meeting adjourned at 8:46pm.

Respectfully,

A handwritten signature in blue ink that reads "Tony Martinez". The signature is written in a cursive style with a long, sweeping underline.