



The Board of Directors of New Caney Municipal Utility District of Montgomery County, held a Regular Meeting, open to the public, January 15, 2026, 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-ASST. SECRETARY/ASST. TREASURER

Thus, constituting a quorum.

Not Present - Matt Peterson-Treasurer/Asst. Secretary

Also, present: Ricky McDonald- General Manager, Cory DeSpain-Assistant General Manager, Lisa Latham-Office Manager, Kassidy Permenter-Office Assistant, Zach Petrov – Johnson Petrov, LLP, Jimmy Flowers – LJA Engineering, Bill Blicht-Financial Advisor, Donna Arnett-LJA Engineering, Jonathan Old – Mark W. Todd Architects, Inc.

APPROVAL OF THE MINUTES

A motion was made by Tony Martinez and seconded Anne Vickery to approve the minutes for December 18, 2025 regular meeting. All voted for. Motion carried.

CITIZEN'S PRESENTATIONS

No Citizen's present.

OLD BUSINESS

APPROVE UNCOLLECTIBLE ACCOUNTS

A motion was made by Tony Martinez and seconded by Anne Vickery to approve uncollectible accounts in the amount of \$315.56 for December 2025. All voted for. Motion carried.

DISCUSS POSSIBLE ACQUISITION OF PROPERTY AND APPROVE ANY NECESSARY ACTION TO BE TAKEN, INCLUDING APPROVAL OF ORDERS DECLARING A PUBLIC NECESSITY AND AUTHORIZING THE INSTITUTION OF CONDEMNATION PROCEEDINGS.

Donna Arnett updated the board that the surveyors were out this week for the Oakley's property. She also updated the board on the easements for the Oakley Road Water Line Extension project.

Recess at 6:06 PM

Re-Opened at 6:43 PM

NEW BUSINESS

DISCUSS AND APPROVE PAYMENT OF APPLICATION 1 FOR THE NEW ADMINISTRATION BUILDING FOR PELCO BUILDERS, LLC IN THE TOTAL AMOUNT OF \$238,052.20.

A motion was made by Tony Martinez and seconded by Anne Vickery to approve payment application 1 for The New Administration Building for Pelco Builders, LLC in the total amount of \$238,052.20. All voted for. Motion carried.

DISCUSS AND APPROVE TO ADD \$78,750.00 IN ADDITIONAL FUNDS FOR THE NEW ADMINISTRATION BUILDING FOR FUTURE CONTINGENCY NEEDS TO BRING THE PROJECT CONTINGENCY TO \$100,000.00 TOTAL.

Jonathan Old updated the board that when signing the contract there was a change in the metal building bid and this took a lot of the project contingency. He asked that we bring the contingency up from \$75,000 to \$100,000.00.

A motion was made by Jerry Vernon and seconded by Tony Martinez to approve to add \$78,750.00 in additional funds for The New Administration Building for future contingency needs to bring the project contingency to \$100,000.00 total. All voted for. Motion carried.

AUTHORIZE ANNUAL EMINENT DOMAIN FILING WITH THE TEXAS COMPTROLLER AS REQUIRED BY LAW.

A motion was made by Tony Martinez and seconded by Jerry Vernon to authorize annual eminent domain filing with the Texas Comptroller. All voted for. Motion carried.

DISCUSS AND AUTHORIZE ANY NECESSARY ACTION REGARDING CORRESPONDENCE FROM SJRA ON PROPOSAL AMENDMENTS TO GROUNDWATER REDUCTION PLANNING AND ALTERNATIVE WATER SUPPLY CONTRACT.

A motion was made by Anne Vickery and seconded by Tony Martinez to direct the attorney to pursue additional contacts with the SJRA attorneys and other muds who may be able to discuss the amendments. All voted for. Motion carried.

Election Agenda

UPDATE ON MAY 2, 2026 DIRECTORS ELECTION MATTERS, AND TAKE ANY NECESSARY ACTIONS ON SAME.

Zach Petrov went over the election matters with the board. Anne Vickery and Tony Martinez positions are up for election.

ADOPT ORDER CALLING DIRECTORS ELECTION SCHEDULED FOR SATURDAY MAY 2, 2026.

A motion was made by Jerry Vernon and seconded by Tony Martinez to adopt the order calling the director's election scheduled for Saturday May 2, 2026. All voted for. Motion carried.

AUTHORIZING DISTRICT TO CONDUCT A JOINT ELECTION WITH MONTGOMERY COUNTY AND AUTHORIZE CONTRACT FOR SAME.

A motion was made by Jerry Vernon and seconded by Anne Vickery to authorize the District to conduct a joint election with Montgomery County and authorize contract for same. All voted for. Motion carried.

ENGINEER'S REPORT

Jimmy Flowers stated that they have completed the foundation and today they poured the concrete ring for the pedestal for the Elevated Storage Tank. The permit renewal for WWTP was submitted at the end of November and was declared administrative complete in December and the NORI was received in advertisement. He said that he is hoping to get the Geotech company on site for the Water Plant as soon as possible and will be submitting to TCEQ next week for the new property. The WWTP Bar screen project will be pushed out for advertising at the end of the month.

ATTORNEY'S REPORT

Nothing further to report.

FINANCIAL ADVISOR'S REPORT

Bill Blitch mentioned that he will be bringing the studies for setting the 2026 homestead exemptions at the next meeting.

TAX ASSESSOR/COLLECTOR'S REPORT

Bill Smith went over the J.R. Moore Tax Assessor's report for New Caney MUD.

BOOKKEEPER'S REPORT

Ricky McDonald went over the 12/31/2025 New Caney MUD budget with the board.

SAFETY REPORT

No accidents or close calls.

GENERAL MANAGER'S REPORT

Ricky McDonald mentioned to the board that the Oakley Rd Water Line Extension Project is about 90% complete. He also mentioned that Water Plant 2 is fully operational and works great. A list of repairs that were needed in the Hendricks Defined Area was made and they were repaired. Ricky mentioned that Cory talked to LoneStar because we had turned in our amendment to pump more water from 485mil to 705mil and this would last about 5 years before we having to ask to pump more. The district over pumped about 20 million gallons of water and may have to pay a fine of around \$20,000.

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 **\$468,669.85**. All voted for. Motion carried.

A motion was made by Jerry Vernon and seconded by Tony Martinez to Approve the **Capitol Project** accounts payable in the amount of **\$260,021.42**. All voted for. Motion carried.

BOARD OF DIRECTOR'S REPORTS AND/OR PROPOSALS

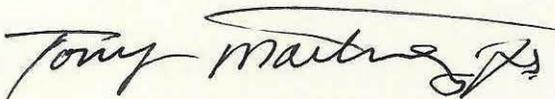
Bill Smith went over the water loss.

ADJOURNMENT

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

Adjourned at 7:41 PM.

Respectfully,

A handwritten signature in cursive script that reads "Tony Martinez". The signature is written in black ink and includes a stylized flourish at the end.

Tony Martinez, Secretary