



*The Board of Directors of New Caney Municipal Utility District of Montgomery County, held a Regular Meeting, open to the public, October 20<sup>th</sup>, 2022, at 6:00 p.m., and the roll was called of the duly constituted officers to wit:*

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**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

Also, present: Ricky McDonald-General Manager, Lisa Latham- Office Manager, Cory DeSpain-Asst. General Manager, Jackie Orrick – Office Assistant, Alan Petrov with Johnson Petrov LLP, Bill Blicht – Financial Advisor, Kevin Arnet and Jay Norris – LJA Engineering, Mike Others – Auditor, Gloria Zapata

### Approval of the Minutes

A motion was made by Jerry Vernon and seconded by Tony Martinez to approve the September 15<sup>th</sup>, 2022 Regular Meeting and September 21<sup>st</sup>, 2022 Special Meeting. All voted for. Motion carried.

### Citizens Presentations

Gloria Zapata asked the board if there was an update on where we were on the SJRA Fee on customer's water bills. The board explained that the City of Conroe are dealing with legalities of that situation and we will be updated as updates happen.

### **Old Business**

#### Approve uncollectible accounts September 2022.

A motion was made by Tony Martinez and seconded by Jerry Vernon to approve the uncollectible accounts of \$19.13 for September 2022. All voted for. Motion carries.

#### 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 the current 18 parcels using a handout for board reference. He summarized that the survey and title process were slowing some parcel progress down but all in all, good progress is being made.

Recess at 6:21pm  
Re-open at 7:06pm

## **New Business**

Discuss and Approve Estimate #21 Final and Final Documents (E208-0390) for the 0.75 MG Elevated Storage Tank at Leonard and Penny for Phoenix Fabricators & Erectors in the amount of \$144,059.22.

A motion was made by Jerry Vernon and seconded by Tony Martinez to approve Estimate #21 Final and Final Documents (E208-0380) for the 0.75 MG Elevated Storage Tank at Leonard and Penny for Phoenix Fabricators and Erectors in the amount of \$144,059.22. All voted for. Motion carried.

Discuss and Approve Estimate #11 (E208-0380) for the Renovations to Water Plant No. 1 for Gemini Contracting Services in the amount of \$132,047.15.

A motion was made by Tony Martinez and seconded by Jerry Vernon to Approve Estimate #11 (E208-0380) for the Renovations to Water Plant No.1 for Gemini Contracting Services in the amount of \$132,047.15. All voted for. Motion carried.

Discuss and Approve Estimate #6 for (E208-0490) for Accurate District Wide Water Meter System Upgrades in the amount of \$25,274.75.

Jimmy Flowers updated the board that Accurate is 68% complete on work items and 59% complete on time.

A motion was made by Jerry Vernon and seconded by Tony Martinez to Approve Estimate #6 for (E208-0490) for Accurate District Wide Meter System Upgrades in the amount of \$25,274.75. All voted for. Motion carried.

Discuss and Take Necessary Action on the Change Order Proposal from LJA Engineering for the change in site, mechanical, and electrical configurations on the Water Plant No. 2 Renovations Project.

A motion was made by Jerry Vernon and seconded by Tony Martinez to Accept the Change Order Proposal from LJA Engineering for the change in site, mechanical, and electrical configurations on the Water Plant No.2 Renovations Project. All voted for. Motion carried.

Discuss and take action on potential property acquisition adjacent to the southern property line of the New Caney Municipal Utility District office site.

Bill Smith stated the board had already discussed this topic. No motion was made.

Discuss and take action on potential property acquisition adjacent to the Water Plant No. 2 site.

Per Bill Smith, he stated the board had already discussed this topic. No motion was made.

Discuss and take action on application to TCEQ for Change in Scope/Change in Use of bond funds and Release of Escrowed Funds.

A motion was made by Anne Vickery and seconded by Tony Martinez to accept the application to TCEQ for Change in Scope/Change in Use of bond funds and Release of Escrowed Funds.

Annual review of Investment Policy.

Alan Petrov discussed the Annual review of the Investment Policy to the Board. He summarized that at times, the Legislative changes the Investment Policy but that would not apply until next year, if changes were to be made. At this time, the board is voting to keep the Investment Policy as is.

A motion was made by Jerry Vernon and seconded by Tony Martinez to Accept the Annual Review of the Investment Policy as is. All voted for. Motion carried.

Discuss and take action on Sale of 2022 Hendricks Defined Area Tax Bonds, including approval of Preliminary Official Statement and Notice of Sale, and authorize action related to same.

Bill Blitch updated the board using a handout, discussing the sections that are specific to the Hendrick Defined Area. He will have the current bids at the November 2022 meeting.

A motion was made by Anne Vickery and seconded by Tony Martinez to Approve the Official Statement and Notice of Sale and Authorize action related to same on the Sale of the 2022 Hendricks Defined Area Tax Bonds. All voted for. Motion carried.

Discuss and take any action necessary on a request by Entergy Texas, Inc. for a utility easement

Ricky and Jimmy updated the board that Entergy was previously asking for an easement parallel to 494 across New Caney's Mud property that mirrored our water line easement. They are now asking to move the power line North about 22 +/- ft, about 18 ft off the property line.

No motion was made to accept the 494 Easement as already negotiated subject to a Reversion Clause giving New Caney MUD the North Easement back once Entergy is no longer using it. Once the final document is ready for review from Petrov's office, a Special Meeting will be held for a final vote.

Engineer's Report

Jimmy Flowers updated the board that PH B Reddico/Antique is 50% done, the Storage Tank has been finalized, The Hendricks Defined Area is currently working on Strickland Extension, and the Water Line Extension PH A Gabriel opened bids today and will have more information by November/December 2022 Meeting.

Attorney's Report

Alan Petrov had nothing additional to add.

Financial Advisor's Report

Bill Blitch had nothing additional to report.

Tax Assessor/Collector's Report

Bill Smith reviewed the Tax assessor and Collector's report.

Bookkeeper's Report

Ricky reviewed the Budget as of 09/30/2022. No concerns as of now and all looks to be running on track.

Safety Report

Two days ago, a resident backed up into Nick's work truck while he was delivering a board member's packet. The resident was apologetic and insurance information was collected and we will be dropping the truck off for necessary repairs.

General Manager's Report

Ricky and Jimmy asked our attorney about impact fees as the district grows. Alan Petrov discussed that process. Ricky also asked if we could host the 2022 Christmas Party at a venue/restaurant this year to give the staff a break from preparing/hosting/cleaning. Board approved.

Board of Directors' Reports and/or Proposals

Bill Smith reviewed the Water Usage report and current Bank Balances.

Approve Monthly Accounts Payable

A motion was made by Jerry Vernon to and seconded by Tony Martinez to approve the General Fund amount of \$534,685.38. All voted for. Motion carried.

A motion was made by Jerry Vernon and seconded by Tony Martinez to approve the Capital Project amount of \$374,746.20. All voted for. Motion carried.

A motion was made by Jerry Vernon and seconded by Tony Martinez to approve the Debt Service amount of \$322.46. All voted for. Motion carried.

Closed for Executive Session at 8:27 PM  
Re-opened from Executive Session at 8:57PM.

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

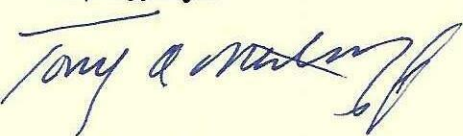
A motion was made by Anne Vickery and seconded by Jerry Vernon to proceed as discussed per Executive Session. All voted for. Motion carried.

#### Adjournment

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

Meeting adjourned at 8:58PM.

*Respectfully,*

A handwritten signature in black ink, appearing to read "Tony Martinez", written in a cursive style.

Tony Martinez, Secretary