



The Board of Directors of New Caney Municipal Utility District of Montgomery County, held a Regular Meeting, open to the public, August 21, 2025, 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
MATT PETERSON-TREASURER/ASST. SECRETARY
ANNE VICKERY-ASST. SECRETARY/ASST. TREASURER

Thus, constituting a quorum.

Also, present: Ricky McDonald-General Manager, Cory DeSpain-Assistant General Manager, Lisa Latham – Office Manager, Kassidy Permenter-Office Assistant, Zach Petrov with Johnson Petrov LLP, Jimmy Flowers with LJA Engineering, Kelly Landry with LJA Engineering, Bill Blitch – Financial Advisor, Josh Rambo-McCall Gibson Swedlund Barfott.

APPROVAL OF THE MINUTES

A motion was made by Jerry Vernon and seconded Matt Peterson to approve the minutes for July 17, 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 Jerry Vernon and seconded by Anne Vickery to approve uncollectible accounts in the amount of \$332.52 for July 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.

Kelly Landry updated the board that the Oakley's properties adverse possession is going well and is about 4 weeks out from being wrapped up. The Strickland property condemnation was filed, and possession was awarded, but according to Mike Beller's, the condemnation attorney said that the attorney ad-litem filed objection to the award. Mr. Beller's is working on getting this straightened out. He also let the board know that Rebecca Shane has not gotten back with him regarding selling their property.

Kelly told the board that he is retiring and Donna Arnett with LJA will be taking over our account.

Recess at 6:08 PM

Re-Opened at 6:51 PM

Ricky McDonald and Zach Petrov discussed with the board options regarding the .07 acres of land next to the new administration office property that belongs to New Caney MUD that the church next door has some of their belongings on. The board asked Zach to look into the possibility of conveyance of the property under prescriptive right away.

NEW BUSINESS

DISCUSS AND APPROVE AUDIT REPORT FOR FISCAL YEAR ENDED MAY 31, 2025.

Josh Rambo went over the Audit Report with the board.

A motion was made by Anne Vickery and seconded by Jerry Vernon to approve the Audit Report for Fiscal Year ended May 31, 2025. All voted for. Motion carried.

OPEN AND APPROVE BIDS FOR THE SALE OF PERSONAL PROPERTY OF NEW CANEY MUNICIPAL UTILITY DISTRICT.

A motion was made by Jerry Vernon and seconded by Tony Martinez to approve the sale of the following items to the highest bidder. All voted for. Motion carried.

- 2011 Kubota ZD326 S-60 Zero Turn Mower sold to John Bowden for \$2,673.00
- 2013 Kubota ZD326 S-60 Zero Turn Mower sold to Kevin Arnett for \$2,505.00

DISCUSS AND APPROVE ESTIMATE #19 FOR (E208-0520) RENOVATIONS TO WATER PLANT NO. 2 FOR SCHIER CONSTRUCTION COMPANY IN THE AMOUNT OF \$123,178.90.

A motion was made by Anne Vickery and seconded by Matt Peterson to approve Estimate #19 for (E208-0520) Renovations to Water Plant No. 2 for Schier Construction Company in the amount of \$123,178.90. All voted for. Motion carried.

DISCUSS AND APPROVE ESTIMATE #4 FOR (E208-0600) WATERLINE EXTENSION PHASE "F" FOR REDDICO CONSTRUCTION COMPANY IN THE AMOUNT OF \$136,752.77.

A motion was made by Matt Peterson and seconded by Anne Vickery to approve Estimate #4 for (E208-0600) Waterline Extension Phase "F" for Reddico Construction Company in the amount of \$136,752.77. All voted for. Motion carried.

DISCUSS AN ADOPT A RESOLUTION CONCERNING DISTRICT AND DEFINED AREA CHARACTERIZATION FOR THE 2025 TAX YEAR.

Zach Petrov discussed the different types of characterizations with the board.

A motion was made by Tony Martinez and seconded by Matt Peterson to adopt the resolution to characterize the district and the defined area as a developing district for the 2025 tax year. All voted for. Motion carried.

DISCUSS AND PROPOSE A 2025 TAX RATE FOR THE ENTIRE DISTRICT, CONSIDER FINANCIAL ADVISOR'S RECOMMENDATION, ESTABLISH PUBLIC HEARING DATE REGARDING THE 2025 DISTRICT TAX RATE, AND AUTHORIZE PUBLICATION OF THE NOTICE OF PUBLIC HEARING ON THE 2025 TAX RATE AND RELATED TAX RATE INFORMATION.

Bill Blitch gave his recommendation for the tax rate to be .43 for the 2025 District Tax Rate.

A motion was made by Anne Vickery and seconded by Matt Peterson to establish a public hearing date regarding the 2025 district tax rate on September 18, 2025. All voted for. Motion carried.

DISCUSS AND PROPOSE AN ADDITIONAL 2025 TAX RATE FOR THE HENDRICKS DEFINED AREA, CONSIDER FINANCIAL ADVISOR'S RECOMMENDATION, ESTABLISH PUBLIC HEARING DATE REGARDING THE 2025 HENDRICKS DEFINED AREA TAX RATE AND RELATED TAX RATE INFORMATION.

Bill Blitch gave his recommendation for the tax rate to be .18 for the Debt Tax Rate and .32 for the Maintenance Tax Rate with a total tax rate of .50 for The Hendricks Defined Area 2025 Tax Rate.

A motion was made by Tony Martinez and seconded by Jerry Vernon to establish a public hearing date regarding the 2025 Hendrick's Defined Area tax rate on September 18, 2025. All voted for. Motion carried.

ENGINEER'S REPORT

Jimmy Flowers mentioned that the pre-construction meeting for the Elevated Storage Tank is next week and that the pre-bid for the Administration building was on August 20th and there were 8 bidders.

Water plant #2 project had some issues with Lone Star Groundwater when they came out to commission the meter, they said that we were in violation because there was not an approval for the increased well and the district is unable to utilize this well until the issues are resolved. Jimmy is working with Lone Star to resolve this issue.

ATTORNEY'S REPORT

Zach Petrov went over the recent Legislative update.

FINANCIAL ADVISOR'S REPORT

Nothing

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 7/31/2025 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 Health Insurance plan that we currently have is not going away as discussed previously.

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 **\$451,621.45.** 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 **\$483,273.22.** All voted for. Motion carried.

BOARD OF DIRECTOR'S REPORTS AND/OR PROPOSALS

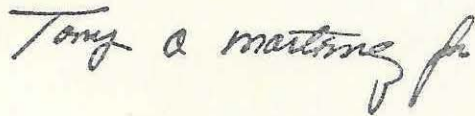
Bill Smith went over the water loss and the bank balances.

ADJOURNMENT

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

Adjourned at 8:43 PM.

Respectfully,

A handwritten signature in cursive script that reads "Tony A. Martinez". The signature is written in dark ink and is positioned below the word "Respectfully,".

Tony Martinez, Secretary