

MINUTES  
GRAND OAKS MUNICIPAL UTILITY DISTRICT OF MONTGOMERY COUNTY

January 25, 2022

The Board of Directors (the "Board") of Grand Oaks Municipal Utility District of Montgomery County (the "District"), met in person, open to the public, at Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Houston, Texas, on the 25th day of January 2022, and the roll was called of the members of the Board:

Joel R. Scott	President
Daniel K. Signorelli	Vice President
Rick Nommensen	Secretary
Mark Nini	Assistant Vice President
Brandon Buell	Assistant Secretary

and all of the above were present except Directors Signorelli and Nini thus constituting a quorum.

Also present at the meeting were Debbie Arellano of Bob Leared Interests ("BLI"); Doug Jeffrey of TNG Utility Corporation ("TNG"); Diego Burgos of Jones & Carter, Inc. ("JC"); Ezekiel Banda of Municipal Accounts & Consulting, L.P. ("MAC"); Perry Miller of Champions Hydro-Lawn, Inc. ("Champions"); Jennifer Hanna of BKD, LLP ("BKD"); Barbara Nussa of Republic Services, Inc. ("Republic"); and Whitney Higgins, Catherine Murray and Erika Smiley of Allen Boone Humphries Robinson LLP ("ABHR").

COMMENTS FROM THE PUBLIC

There were no comments from the public.

MINUTES

The Board considered approving the regular meeting minutes of October 26, 2021. After review and discussion, Director Nommensen moved to approve the regular meeting minutes of October 26, 2021, as presented. Director Buell seconded the motion, which passed by unanimous vote.

APPROVE AUDIT FOR FISCAL YEAR END SEPTEMBER 30, 2021

Ms. Hanna presented the draft audit for the fiscal year ended September 30, 2021. Following review and discussion, Director Buell moved to approve the audit for the fiscal year ended September 30, 2021, subject to final review. Director Nommensen seconded the motion, which passed by unanimous vote.

## ANNUAL REPORT REGARDING POST-ISSUANCE COMPLIANCE POLICY

Ms. Higgins reported on the District's post-issuance compliance activities during the prior calendar year related to bond financings. She stated that no action is required at this time.

## APPROVE ANNUAL REPORT AND AUTHORIZE FILING OF SAME IN ACCORDANCE WITH THE DISTRICT'S CONTINUING DISCLOSURE OF INFORMATION AGREEMENT AND AS REQUIRED BY SEC RULE 15C2-12

Ms. Higgins stated that, as part of the District's continuing disclosure obligations, the District is required to file its annual report with the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access System ("EMMA"), pursuant to SEC Rule 15c2-12. Following review and discussion, Director Scott moved to approve the Annual Report, authorize ABHR to file the Report through EMMA, and direct that the Report be filed appropriately and retained in the District's official records. Director Buell seconded the motion, which passed unanimously.

## ANNUAL REVIEW OF PROCEDURES FOR CONTINUING DISCLOSURE COMPLIANCE

The Board reviewed the District's procedures for continuing disclosure compliance. Ms. Higgins stated that no changes are required at this time.

## GARBAGE COLLECTION MATTERS

Ms. Musa reported that the District has not received any inquiries or calls regarding garbage collections.

## BOOKKEEPER'S REPORT

Mr. Banda presented the bookkeeper's report, including the investment report and bills presented for payment. A copy of the bookkeeper's report is attached.

Ms. Higgins explained that the annual disclosure statements required by the Public Funds Investment Act disclose relationships between the District's Investment Officer and bookkeeper with entities or individuals who are offering, have offered, or may offer to engage in an investment transaction with the District. She also explained that the statements would be filed in the District's permanent records and with the Texas Ethics Commission.

After review and discussion, Director Buell moved to (1) approve the bookkeeper's report and payment of the bills; and (2) accept the disclosure statements from the District's bookkeeper and Investment Officer. Director Nommensen seconded the motion, which passed unanimously.



REVIEW, REVISE, AND ADOPT RESOLUTION ESTABLISHING THE AUTHORIZED DEPOSITORY INSTITUTIONS AND ADOPTING LIST OF QUALIFIED BROKER/DEALERS WITH WHOM THE DISTRICT MAY ENGAGE IN INVESTMENT TRANSACTIONS; CONDUCT ANNUAL REVIEW OF INVESTMENT POLICY AND ADOPT RESOLUTION REGARDING ANNUAL REVIEW OF INVESTMENT POLICY

The Board reviewed a list of authorized Broker/ Dealers provided by the District's bookkeeper. Ms. Higgins then reviewed a Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/ Dealers with Whom the District May Engagement in Investment Transactions.

The Board conducted an annual review of the District's Investment Policy and concurred that no updates are necessary at this time.

After review and discussion, Director Buell moved to (1) adopt the Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/ Dealers with Whom the District May Engagement in Investment Transactions; (2) adopt a Resolution Regarding Annual Review of Investment Policy reflecting that the current policy will remain in effect; and (3) direct that the Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/ Dealers with Whom the District May Engagement in Investment Transactions and the Resolution Regarding Annual Review of Investment Policy be filed appropriately and retained in the District's official records. Director Nommensen seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Arellano distributed the tax assessor/collector's monthly report, a copy of which is attached.

After review and discussion, Director Buell moved to approve the tax assessor/collector's report and the checks presented for payment. Director Scott seconded the motion, which passed unanimously.

ADOPT RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

The Board discussed optional tax exemptions the District may offer its residents, including a general residential homestead exemption and a homestead exemption for disabled persons or persons over 65 years of age. Ms. Higgins then reviewed a Resolution Concerning Exemptions from Taxation for the 2021 tax year. After review and discussion, Director Scott moved to adopt the Resolution Concerning Exemptions from Taxation reflecting that the Board rejects any exemption of residential homesteads from ad valorem taxation. Director Nommensen seconded the motion, which passed unanimously.

OPERATOR'S REPORT; HEARING ON TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS AND AUTHORIZE TERMINATION OF SERVICE

Mr. Jeffrey reviewed the operator's report, a copy of which is attached. He reported that water accountability for the previous month was 101.26%.

Mr. Jeffrey presented a list of delinquent customers and reported the residents on the termination list were delinquent in payment of their water and sewer bills and were given written notification, in accordance with the District's Rate Order, prior to the meeting, of the opportunity to appear before the Board of Directors to explain, contest, or correct their bills and to show why utility services should not be terminated for reason of non-payment.

Mr. Jeffery requested the Board consider an increase to TNG's fee schedule at the next regular meeting. The Board concurred to consider the same, as well as any recommended changes to the District's Rate Order.

Following review and discussion, Director Buell moved to (1) approve the operator's report; and (2) authorize termination of delinquent accounts, in accordance with the District's Rate Order and direct that the delinquent customer list be filed appropriately and retained in the District's official records. Director Scott seconded the motion, which passed unanimously.

AMEND RATE ORDER

Ms. Higgins discussed recently enacted legislation prohibiting certain retail water or sewer providers from imposing late fees or terminating service for nonpayment of water bills that become due during a period when the previous day's highest temperature and the predicted temperature for the next 24 hours is not higher than 28 degrees Fahrenheit. She presented a proposed Amended Rate Order incorporating such provisions. After review and discussion, Director Nommensen moved to adopt the Amended Rate Order. Director Buell seconded the motion, which passed unanimously.

DRAINAGE AND DETENTION FACILITY MAINTENANCE MATTERS

Mr. Miller distributed the drainage and detention facility report, a copy of which is attached.

Mr. Miller noted that the no trespassing signs will be installed in February and overseeding will take place in March.

ENGINEER'S REPORT

Mr. Burgos reviewed the engineer's report, a copy of which is attached.



Ms. Burgos updated the Board on Glen Oaks Section No. 5, as detailed in the Engineer's report, and recommended approval of Pay Estimate No. 1 in the amount of \$755,488.80, submitted by Kenneth Lamb Construction Co., Ltd, ("Kenneth Lamb").

Mr. Burgos updated the Board on the status of bond application no. 3.

Mr. Burgos updated the Board on the Emergency Preparedness Plan, stating he is coordinating with the City of Magnolia regarding the same.

Following review and discussion, and based on the engineer's recommendation, Director Scott moved to approve (1) the engineer's report; and (2) Pay Estimate No. 1 in the amount of \$755,488.80 to Kenneth Lamb. Director Nommensen seconded the motion, which passed unanimously.

#### REPORT REGARDING DEVELOPMENT IN THE DISTRICT

There was no discussion on this item.

#### DISTRICT MEETING SCHEDULE

The Board concurred to hold the next regular meeting on February 22, 2022.

#### 2022 DIRECTORS ELECTION

Ms. Higgins discussed procedures related to the 2022 Directors Election. She reviewed a Resolution Designating an Agent of the Secretary of the Board of Directors During the 2022 Directors Election Period.

Ms. Higgins reported on requirements to file a Notice of Deadline to File Applications for Place on the Ballot for the 2022 Directors Election.

Ms. Higgins stated that the District may contract with Montgomery County (the "County") to conduct the District's 2022 Directors Election.

Ms. Higgins then reviewed an Order Calling Directors Election establishing the procedures for conducting the election.

Ms. Higgins discussed that Notice of Election may be required to be posted or published and provided to the County Clerk and Voter Registrar of the County.

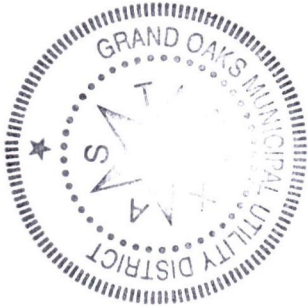
Following review and discussion, Director Buell moved to (1) adopt a Resolution Designating an Agent of the Secretary of the Board During the 2022 Directors Election Period appointing Erika Smiley as the agent of the Secretary of the Board of Directors to perform the duties of the District's Directors Election, authorize the agent to post the related notice as required, and direct that the Resolution be filed appropriately and retained in the District's official records; (2) authorize the Secretary's agent to post the notice as required; (3) contract with the County to administer the District's election; (4) adopt the Order Calling Directors Election and direct that it be filed appropriately and

retained in the District's records; and (5) authorize the Secretary's agent to post or publish and provide to the County Clerk and Voter Registrar Notice of Election, if required. Director Nommensen seconded the motion, which passed unanimously.

There being no further business to come before the Board, the Board concurred to adjourn the meeting.

  
Secretary, Board of Directors

(SEAL)



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