

MINUTES  
MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90

August 11, 2022

The Board of Directors (the "Board") of Montgomery County Municipal Utility District No. 90 (the "District") met in regular session, open to the public, on the 11th day of August, 2022, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2400, Houston, Texas outside the boundaries of the District, and the roll was called of the members of the Board:

Wayne McLane	President
Tim Kurtin	Vice President
Perri D'Armond	Secretary
Richard Fisher	Assistant Vice President
Danny Golden	Assistant Secretary

and all of the above were present except Directors McLane and Golden, thus constituting a quorum.

Also attending the meeting were Stephen Eustis of Robert W. Baird & Co.; Lawrence Kupstas of Aurous Development Services, Ltd.; Ron Dechert of Costello, Inc. ("Costello"); Marissa Iguess of Myrtle Cruz, Inc. ("Myrtle Cruz"); Robin Goin of Bob Leared Interests ("BLI"); Garrett Robertson of Storm Water Solutions LLC ("SWS"); and Greer Pagan and Kerri Houck of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the March 30, 2022, regular meeting. After review and discussion, Director Fisher moved to approve the minutes of the March 30, 2022, regular meeting, as presented. Director D'Armond seconded the motion, which passed unanimously.

2022 DIRECTORS ELECTION

The Board considered approving a Certificate of Election, reflecting the reelection of Tim Kurtin, Richard Fisher, and Danny Golden to the Board of Directors of the District each for a four-year term.

Mr. Pagan reviewed the Sworn Statements and Oaths of Office for Directors Kurtin, Fisher, and Golden.

After review and discussion, Director D'Armond moved to (1) approve the Certificate of Election and the distribution of same to Directors Kurtin, Fisher, and Golden, and direct that the Certificate of Election be filed appropriately and retained in the District's official records; and (2) approve the Sworn Statements and Oaths of Office

and direct that the documents be filed appropriately and retained in the District's official records, and that the Oaths of Office be filed with the Secretary of State, as required by law. Director Fisher seconded the motion, which passed unanimously.

REORGANIZE THE BOARD

The Board considered reorganizing the Board. After discussion, Director D'Armond moved to reorganize the Board as following:

Tim Kurtin	President
Richard Fisher	Vice President
Perri D'Armond	Secretary
Wayne McLane	Assistant Vice President
Danny Golden	Assistant Secretary

Director Fisher seconded the motion, which passed unanimously.

DISTRICT REGISTRATION FORM

The Board considered authorizing filing of an updated District Registration Form with the Texas Commission on Environmental Quality ("TCEQ"), reflecting the terms of the newly elected directors. Following review and discussion, Director D'Armond moved to authorize filing of the updated District Registration Form with the TCEQ and direct that the District Registration Form be filed appropriately and retained in the District's official records. Director Fisher seconded the motion, which passed unanimously.

DISCUSS 2022 TAX RATE, ADOPT RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2022 TAX YEAR, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

The Board considered the District's 2022 tax rate. Mr. Pagan discussed the "truth-in-taxation" property tax calculations and tax levy process for water districts and stated that Chapter 49 of the Texas Water Code establishes three main categories for water districts, based on a district's development status and/or tax rate. He reviewed the definitions for each of the three categories and said the Board must annually determine the District's category for that tax year and follow the associated notice and levy provisions in the Texas Water Code.

Discussion ensued regarding the District's development status. After fully considering relevant data, information, and statutory definitions, the Board determined that the District is a Developing District for the 2022 tax year.

Mr. Eustis distributed and reviewed a debt service tax rate analysis reflecting the recommendation for the District to levy a 2022 water, sewer, and drainage debt service tax rate of \$0.31 per \$100 of assessed valuation, based on the District's initial 2022 certified value of \$177,637,354.00, plus \$12,057,080.00 representing 80% of the uncertified value under protest. A copy of the debt service tax rate analysis is attached. The Board then discussed the District's operation and maintenance tax rate. Mr. Pagan discussed the two-step process for setting the District's tax rate.

Following review and discussion, Director Fisher moved to: (1) adopt a Resolution Regarding Development Status for 2022 Tax Year establishing the District as a Developing District for the 2022 tax year, pursuant to Section 49.23603, Texas Water Code, and direct that the Resolution be filed appropriately and retained in the District's official records; (2) set the public hearing date for September 8, 2022; and (3) authorize the tax assessor/collector to publish notice in the Conroe Courier of the District's meeting on September 8, 2022, to set the proposed 2022 total tax rate of \$0.58 per \$100 of assessed valuation, with \$0.31 allocated for debt service on water, sewer, and drainage bonds, and \$0.27 allocated for operations and maintenance. Director D'Armond seconded the motion, which passed unanimously.

#### TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Goin reviewed the tax assessor/collector's report, including the delinquent tax roll and checks presented for payment from the tax account. A copy of the tax assessor/collector's report is attached. She stated 99.77% of the District's 2021 taxes were collected as of July 31, 2022. Following review and discussion, Director D'Armond moved to approve the tax assessor/collector's report and payment of the tax bills. Director Fisher seconded the motion, which passed unanimously.

#### AUTHORIZE DELINQUENT TAX ATTORNEY TO PROCEED WITH COLLECTION OF DELINQUENT TAXES

The Board considered authorizing Perdue, Brandon, Fielder, Collins & Mott, LLP ("Perdue") to proceed with the collection of 2021 real property taxes that are delinquent on July 1, 2022. After discussion, Director D'Armond moved that the Board authorize Perdue to proceed with the delinquent tax collection when appropriate. Director Fisher second the motion, which passed unanimously.

#### REPORT FROM STORM WATER SOLUTIONS

Mr. Robertson reviewed a facility report of the north, middle, and south detention ponds, a copy of which is attached, and updated the Board on general maintenance of the ponds.

Mr. Robertson discussed with the Board updating the maintenance schedule and pricing. He noted the price increase is due to increased pricing in labor and materials

needed for maintenance. Discussion ensued regarding overseed for the detention ponds. Mr. Robertson then presented and reviewed an amendment to the Master Service Agreement between the District and SWS.

Following review and discussion, Director Fisher moved to (1) approve the facility report; and (2) approve the amendment and direct that it be filed appropriately and retained in the District's official records. Director D'Armond seconded the motion, which passed unanimously.

#### ENGINEERING MATTERS

Mr. Dechert reviewed the engineer's report, a copy of which is attached, and updated the Board on pending construction projects in the District.

Mr. Dechert updated the Board regarding construction of the following projects, none of which had any items for the Board's approval: (1) the water, sewer, and drainage facilities to serve Stewarts Ranch, Section 1; (2) the water, sewer, and drainage facilities to serve Stewarts Ranch, Section 2; and (3) the water, sewer, and drainage improvements to serve Stewarts Forest Section 1A.

Mr. Dechert stated that bids were received for the clearing and grubbing to serve Stewarts Ranch. Mr. Dechert recommended that the Board award the contract to Prime Trees, Inc. ("Prime Trees") in the amount of \$427,825.00. The Board concurred that, in its judgment, Prime Trees was a responsible bidder who would be most advantageous to the District and would result in the best and most economical completion of the project.

Following review and discussion, Director Fisher moved to (1) approve the engineer's report; and (2) award the contract to Prime Trees in the amount of \$427,825.00, based upon the engineer's recommendation and subject to approval of the payment and performance bonds and review of the certificate of insurance and endorsements, if any, provided by the contractor. Director D'Armond seconded the motion, which passed unanimously.

#### DEVELOPMENT IN THE DISTRICT

Mr. Kupstas generally reported on development matters in the District, including the 72-acre tract that is being developed by Meritage Homes. Discussion ensued.

#### ADOPT ORDER ADDING LAND

There was no discussion on this item.

#### EXECUTION OF AMENDMENT TO INFORMATION FORM

There was no discussion on this item.

## FINANCIAL AND BOOKKEEPING MATTERS

Ms. Iguess reviewed the bookkeeper's report, budget comparison, and schedule of investments and presented the District's bills for payment. A copy of the bookkeeper's report is attached. Following review and discussion, Director Fisher moved to approve the bookkeeper's report and authorize payment of the bills. Director D'Armond seconded the motion, which passed unanimously.

## BUDGET FOR FISCAL YEAR END SEPTEMBER 30, 2023

Ms. Iguess reviewed a draft of the budget for fiscal year ending September 30, 2023, a copy of which is attached to the bookkeeper's report. Following review and discussion, Director D'Armond moved to adopt the budget for fiscal year ending September 30, 2023. Director Fisher seconded the motion, which passed unanimously.

## AMENDMENT FOR BOOKKEEPING SERVICES

Ms. Iguess presented and reviewed an amended Agreement between the District and Myrtle Cruz for bookkeeping services in the District (the "Amended Agreement"). Following review and discussion, Director Fisher moved to approve the Amended Agreement, effective August 11, 2022, and direct that the Amended Agreement be filed appropriately and retained in the District's official records. Director D'Armond seconded the motion, which passed unanimously.

## AMENDED RESOLUTION ESTABLISHING ADDRESSES AND METHODS FOR TEXAS PUBLIC INFORMATION ACT REQUESTS

Mr. Pagan reviewed with the Board an Amended Resolution Establishing Addresses and Methods for Texas Public Information Act Requests ("Amended Resolution") to clarify the addresses and methods for receipt of requests for public information under the Texas Public Information Act ("TPIA Requests"). After review and discussion, Director D'Armond moved to: (1) adopt the Amended Resolution to (a) designate the address of the District's official office and mailing address as the designated mailing address and [mon090@txdistricts.info](mailto:mon090@txdistricts.info) as the designated email address for receipt of TPIA Requests to the District and (b) direct that the designated addresses and methods be printed on the sign displayed by the District under Section 552.205, Texas Government Code; and (2) direct the Amended Resolution to be filed appropriately and retained in the District's official records. Director Fisher seconded the motion, which passed unanimously.

There being no further business to consider, the meeting was adjourned.

*Terri D'Amico*

Secretary, Board of Directors

(SEAL)



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