

MINUTES  
MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 142

August 9, 2023

The Board of Directors (the "Board") of Montgomery County Municipal Utility District No. 142 (the "District") met in regular session, open to the public, on the 9<sup>th</sup> day of August, 2023, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, TX, outside the boundaries of the District, and the roll was called of the duly appointed members of the Board:

|                  |                |
|------------------|----------------|
| Dillon Mills     | President      |
| Fritz Fowler     | Vice President |
| David J. Patrick | Secretary      |
| Connor Lynch     | Director       |
| Cameron Feehan   | Director       |

and all of the above were present, thus constituting a quorum.

Also present at the meeting were: Cody Carden, resident of the District; Steve Townsend of Academy Development, Inc.; Rick Van den Bosch of Davidson Homes; George Kawaja with A-1 Monument Enterprises, Inc.; Shane Stuckey of Stuckey's LLC ("Stuckey's"); Rahi Patel of Municipal Accounts & Consulting LP; Debbie Arellano of Bob Leared Interests; Spencer Day of Masterson Advisors LLC; Michael Sullivan of Bleyl & Associates Project Engineering and Management ("Bleyl"); and Angie Lutz and Arlene Catalan of Allen Boone Humphries Robinson LLP.

PUBLIC COMMENT

Ms. Lutz offered any members of the public attending the meeting the opportunity to make a public comment. There being no members of the public requesting to make a public comment, Ms. Lutz moved to the next agenda item.

MINUTES

The Board considered approving the minutes of the July 12, 2023, meeting. After review and discussion, Director Mills moved to approve the minutes of the meeting, as presented. Director Feehan seconded the motion. Upon hearing no objections or abstentions from directors, the motion passed unanimously.

PROPOSAL AND SERVICE AGREEMENTS FOR MAINTENANCE OF DISTRICT DETENTION FACILITIES

Mr. Stuckey updated the Board on the maintenance of the 0.77-acre tract. He noted that Stuckey's is working Bleyl on the preparation of a proposal for the

maintenance of additional tracts of land owned by the District for the Board's consideration at the next regular Board meeting.

#### FINANCIAL AND BOOKKEEPING MATTERS

Mr. Patel presented and reviewed a bookkeeper's report, a copy of which is attached, including a list of checks presented for payment. Following review and discussion, Director Fritz moved to approve the bookkeeper's report and pay the bills. Director Patrick seconded the motion. Upon hearing no objections or abstentions from directors, the motion passed unanimously.

#### DISCUSS ENTERING INTO AN AGREEMENT WITH HR&P, INC. FOR PAYROLL SERVICES, AND APPROVE APPROPRIATE ACTION

Mr. Patel presented and recommended approval of a client services agreement with HR&P, Inc. ("HR&P") for payroll administration services (the "Agreement"). Discussion ensued regarding HR&P's services and account set up.

After review and discussion, Director Patrick moved to approve the Agreement, and direct that the Agreement be filed appropriately and retained in the District's official records. Director Mills seconded the motion. Upon hearing no objections or abstentions from directors, the motion passed unanimously.

#### TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Arellano presented and reviewed the tax assessor/collector's report, a copy of which is attached. After review and discussion, Director Mills moved to approve the tax assessor/collector's report and payment of the tax bills. Director Patrick seconded the motion. Upon hearing no objections or abstentions from directors, the motion passed unanimously.

#### DISCUSS WATER CODE TAX PROVISIONS AND 2023 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

The Board considered the District's 2023 tax rate. Mr. Day distributed and reviewed a debt service tax rate analysis reflecting the recommendation for the District to levy a 2023 water, sewer, and drainage debt service tax rate of \$0.70 per \$100 of assessed valuation, based on the District's initial 2023 certified value of \$88,717,918, plus \$9,588,204 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. Ms. Lutz discussed the two-step process for setting the District's tax rate.

Following review and discussion, Director Feehan moved to: (1) set the public hearing date for September 13, 2023; and (2) authorize the tax assessor/collector to publish notice in The Conroe Courier of the District's meeting on September 13, 2023, to

set the proposed 2023 total tax rate of \$1.00 per \$100 of assessed valuation, with \$0.70 allocated for debt service on water, sewer, and drainage bonds, and \$0.30 allocated for operations and maintenance. Director Mills seconded the motion. Upon hearing no objections or abstentions from directors, the motion passed unanimously.

### ENGINEERING MATTERS

The Board reviewed the engineer's report, a copy of which is attached, and updated the Board on ongoing District projects.

Mr. Sullivan requested the Board authorize Bleyl to begin design of the Mackenzie Creek, Section 4 water, sewer and drainage and roads. Additionally, he requested the Board authorize him to advertise for bids for the construction

After review and discussion, and based on the engineer's recommendation, Director Feehan moved to: (1) approve the engineer's report; (2) made a motion to authorize the engineer to begin design of Mackenzie Creek, Section 4 water, sewer and drainage and roads; and (3) authorize the engineer to advertise for bids for the Mackenzie Creek, Section 4 water, sewer and drainage and roads. Director Mills seconded the motion. Upon hearing no objections or abstentions from directors, the motion passed unanimously.

### ANNEXATION MATTERS

Ms. Lutz discussed the proposed annexation of Mackenzie Creek Section 4 and the Courtyards at Barton Park into the District.

The Board considered accepting the Petition for Addition of Certain Land into the District.

Ms. Lutz reviewed an Order Adding Land to add the tract into the District. She then reviewed an Amendment to Information Form and stated that the Texas Water Code requires that the District file the Amendment to the Information Form with Montgomery County and the Texas Commission on Environmental Quality, reflecting the new boundaries of the District.

The Board considered accepting the respective Waivers of Special Appraisal for the Benefit of the District ("Waivers") from Mackenzie Creek, LTD and A-1 Monument Enterprises, Inc.

The Board next considered approving a Development Financing Agreement with Mackenzie Creek, LTD and A-1 Monument Enterprises, Inc, respectively.

Following review and discussion, Director Mills moved to: (1) accept the Petition for Addition of Certain Land into the District; (2) adopt the Order Adding Land; (3) authorize execution of the Amendment to Information Form; (4) authorize acceptance of

the Waivers; (5) authorize execution of the Agreement with Mackenzie Creek, LTD; and (6) authorize execution of the Agreement with A-1 Monument Enterprises, Inc. Director Feehan seconded the motion. Upon hearing no objections or abstentions from directors, the motion passed unanimously.

DEVELOPMENT IN THE DISTRICT

Mr. Van den Bosch updated the Board regarding development in Caney Creek Place.

Mr. Kawaja updated the Board regarding the development of the Courtyards at Barton Park.

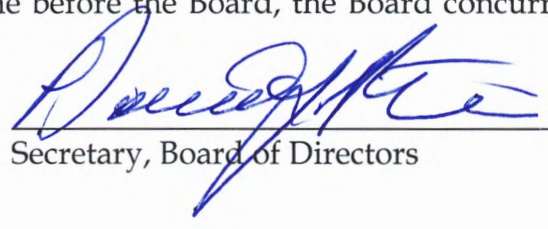
JOIN THE ASSOCIATION OF WATER BOARD Directors ("AWBD")

The Board considered joining the AWBD. Following discussion, the Board concurred to not join the AWBD.

NEXT MEETING DATE

The Board concurred to meet on September 13, 2023.

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

  
Secretary, Board of Directors



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