

MINUTES
MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 90

September 17, 2024

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 17th day of September, 2024, 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:

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

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

Also attending the meeting were Ron Cutlip, a member of the Public and property owner in the District; Brian Jarrard of Jarrard Development; Mark Welch of David Weekley Homes; Josh Penton of Meritage Homes; Stephen Eustis of Robert W. Baird & Co. Inc.; Ruben Flores of McCall Gibson Swedlund Barfoot PLLC ("McCall"); Joseph Hopper of Storm Water Solutions LLC ("SWS"); Adam Kupstas of Aurous Development Services, Ltd.; Ron Dechert of Costello, Inc. ("Costello"); Tracey Scott of Myrtle Cruz, Inc. ("Myrtle Cruz"); Robin Goin of Bob Leared Interests ("BLI"); and Greer Pagan and Kerri Houck of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the July 11, 2024, regular meeting. After review and discussion, Director Fisher moved to approve the minutes, as presented. Director Golden seconded the motion, which passed unanimously.

DIRECTOR MATTERS

Mr. Pagan introduced Ron Cutlip and stated that he is interested in serving on the Board of Directors. After discussion, Director Fisher moved to appoint Mr. Cutlip to the Board. Director Golden seconded the motion, which passed unanimously.

Mr. Pagan stated that Mr. Cutlip must execute a Sworn Statement, Official Bond, and Oath of Office as required by the Texas Constitution and Texas Water Code.

Mr. Pagan distributed a memorandum regarding Texas Open Meetings Act ("TOMA") and Texas Public Information Act ("TPIA") training requirements, and

encouraged Mr. Cutlip to receive TPIA and TOMA training as soon as possible and forward his certificate of completion to ABHR for inclusion in the District's permanent records.

Mr. Pagan then reviewed with the Board legislation enacting Chapter 176 of the Texas Local Government Code, which requires directors and consultants to disclose certain conflicts of interest. Mr. Pagan reviewed with the Board the forms adopted by the Texas Ethics Commission for making disclosures under Chapter 176 and noted that the forms are required to be filed with the records administrator for the District. Mr. Pagan encouraged Mr. Cutlip to contact ABHR if assistance is needed in determining whether a conflict requires disclosure or in making a required disclosure.

Following review and discussion, Director Fisher moved to approve Director Cutlip's Sworn Statement, Official Bond, and Oath of Office, and direct that they be filed and retained in the District's official records and that the Oath of Office be filed with the Secretary of State of the State of Texas. Director Golden seconded the motion, which passed unanimously.

REORGANIZE BOARD AND ELECT OFFICERS

The Board considered reorganizing the Board. After discussion the Board concurred to retain their current positions and appoint Director Cutlip as Assistant Vice President.

DISTRICT REGISTRATION FORM

The Board then considered authorizing filing of an updated District Registration Form with the Texas Commission on Environmental Quality ("TCEQ"), reflecting the appointment of the new Director. 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 Golden 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 99.6% of the District's 2023 taxes were collected as of July 31, 2024. Following review and discussion, Director Golden moved to approve the tax assessor/collector's report and payment of the tax bills. Director D'Armond seconded the motion, which passed unanimously.

DISCUSS 2024 TAX RATE, ADOPT RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2024 TAX YEAR, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

The Board considered the District's 2024 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 2024 tax year.

Mr. Neupert distributed and reviewed a debt service tax rate analysis reflecting the recommendation for the District to levy a 2024 water, sewer, and drainage debt service tax rate of \$0.325 per \$100 of assessed valuation, based on the District's initial 2024 certified value of \$225,990,430.00, plus \$6,466,780.00 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 2024 Tax Year establishing the District as a Developing District for the 2024 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 October 10, 2024; and (3) authorize the tax assessor/collector to publish notice in the Conroe Courier of the District's meeting on October 10, 2024, to set the proposed 2024 total tax rate of \$0.57 per \$100 of assessed valuation, with \$0.325 allocated for debt service on water, sewer, and drainage bonds, and \$0.245 allocated for operations and maintenance. Director D'Armond seconded the motion, which passed unanimously.

REPORT FROM STORM WATER SOLUTIONS

Mr. Hopper reviewed a facility report of the north, middle, and south detention ponds, a copy of which is attached. He reviewed a proposal for repairs to the pilot channels from the recent hurricane for a cost of \$26,750.00. Following review and discussion, Director Golden moved to approve the proposal for a cost of \$26,750.00. 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 stated that bids were received for the clearing to serve Creighton Cove, Section 1. Mr. Dechert recommended that the Board award the contract to Cook's Earth Works, LLC ("Cook's") in the amount of \$209,062.75. The Board concurred that, in its judgment, Cook's 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 and based on the engineer's recommendation, Director Fisher moved to (1) approve the engineer's report; and (2) award the contract for the clearing to serve Creighton Cove, Section 1 to Cook's in the amount of \$209,062.75, 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.

ANNUAL REVIEW OF INVESTMENT POLICY

The Board conducted its annual review of the District's Investment Policy, and Mr. Pagan stated that neither ABHR nor the bookkeeper have any recommended changes. After review and discussion, Director Fisher moved to adopt a Resolution Regarding Annual Review of Investment Policy and to direct that a copy of the resolution be filed and retained in the District's records. Director Cutlip seconded the motion, which passed unanimously.

ADOPT RESOLUTION ESTABLISHING THE AUTHORIZED DEPOSITORY INSTITUTIONS AND ADOPTING LIST OF QUALIFIED BROKER/DEALERS WITH WHOM THE DISTRICT MAY ENGAGE IN INVESTMENT TRANSACTIONS

The Board reviewed a Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions to update the list of qualified banks with which the District may invest funds. Mr. Pagan noted the District's bookkeeper provided the updated list of banks, which is attached as an exhibit to the Resolution. After review and discussion, Director Fisher moved to adopt the Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions and direct that the Resolution be filed appropriately and retained in the District's official records. Director Cutlip seconded the motion, which passed unanimously.

DEVELOPMENT IN THE DISTRICT

Mr. Penton, Mr. Jarrard, and Mr. Kupstas generally reported on development matters in the District.

ADOPT ORDER ADDING LAND

There was no discussion on this item.

EXECUTION OF AMENDMENT TO INFORMATION FORM

There was no discussion on this item.

AUDIT FOR FISCAL YEAR END SEPTEMBER 30, 2024

The Board reviewed a letter from McCall requesting authorization to conduct the District's audit for the fiscal year ending September 30, 2024, a copy of which is attached. Following review and discussion, Director Golden moved to authorize McCall to conduct the District's audit for fiscal year ending September 30, 2024, pursuant to the presented letter. Director D'Armond seconded the motion, which passed unanimously.

SUPPLEMENTAL DEVELOPER REIMBURSEMENT REPORT

Mr. Flores presented and reviewed a supplemental developer reimbursement report reflecting reimbursement of certain receivables due to the District's developers from the Bonds. After review and discussion, Director Fisher moved to approve the supplemental developer reimbursement report and authorize disbursement of the Bond proceeds to the appropriate developer as listed in the report, subject to final review and receipt of an executed Reimbursement Receipt. Director Cutlip seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Scott 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 Golden moved to approve the bookkeeper's report and authorize payment of the bills. Director D'Armond seconded the motion, which passed unanimously.

ADOPT BUDGET FOR FISCAL YEAR END SEPTEMBER 30, 2025

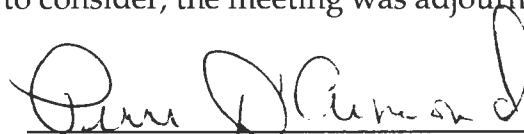
Ms. Scott reviewed a draft of the budget for fiscal year ending September 30, 2025, a copy of which is attached to the bookkeeper's report. Following review and discussion, Director Golden moved to adopt the budget for fiscal year ending

September 30, 2025, as revised. Director D'Armond seconded the motion, which passed unanimously.

MEETING DATE

The Board concurred to hold the next regular meeting on October 10, 2024, at 11:00 a.m.

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



Secretary, Board of Directors



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