

NEWPORT MUNICIPAL UTILITY DISTRICT

Minutes of Meeting of Board of Directors

March 20, 2025

The Board of Directors (“Board”) of Newport Municipal Utility District (“District”) met at 16401 Country Club Drive, Crosby, Texas, on March 20, 2025, in accordance with the duly posted notice of said meeting, with a quorum of directors present, as follows:

Margarette Chasteen, President
DeLonne L. Johnson, Vice President
Deborah Florus, Secretary
Earl B. Boykin, Assistant Secretary
R. Gary Hasse, Director

and the following director absent:

None.

Also present were Billy Killian, Abby Stanhouse, Kelly Shipley, Andrea Martin, Rich Harcrow, Debbie Shelton, Brittany Keeswood, Jorge Diaz, Nino Corbett, Channing Corbett, Lori G. Aylett, Nicole E. Pierce, Mike Crane and Mark Edwards.

The President called the meeting to order and declared it open for such business as might properly come before it.

1. The President entertained public comments. No public comment was presented.
2. Minutes of the meeting of February 20, 2025, were presented for the Board’s review and approval. Upon unanimous vote, the minutes were approved as presented.
3. Billy Killian presented a brief garbage collection report.
4. Kelly Shipley presented the engineer’s report, a copy of which is attached. First, Ms. Stanhouse presented updates for developer projects. Ms. Shipley presented Pay Estimate No. 4 to DC Contracting Services, LLC for Construction of the Mass Grading & Detention to serve Newport Grove in the amount of \$145,346.40. Upon unanimous vote, the Board approved Pay Application No. 4. Next, Ms. Shipley presented the Maintenance Agreement with Harris County Engineering Department for maintenance of the detention basin at Enclave at Newport Section 1. After discussion, upon unanimous vote, the Board approved the Maintenance Agreement. Next, Ms. Shipley presented the Conflict Manhole MUD Maintenance Agreement with Harris County Engineering Department for the two (2) conflict manholes in Enclave at Newport Section 1. After discussion, upon unanimous vote, the Board approved the Conflict Manhole MUD Maintenance Agreement.

Next, Ms. Shipley presented updates on District projects. Ms. Shipley presented Pay Application No. 1 to Industrial TX Corp. for Surface Water Treatment Plant Expansion in the amount of \$38,250. After discussion, upon unanimous vote, the Board approved Pay Application No. 1. Then, Ms. Shipley reviewed the one (1) bid received from Nerie Construction, LLC for the Sanitary Sewer Phase 6 Rehabilitation. Ms. Shipley recommended that the Board reject the one (1) bid received and rebid the project. After discussion, upon unanimous vote, the Board approved rejecting the one (1) bid received and authorized the engineer to rebid the project. Then Ms. Shipley requested authorization to design the Sanitary Sewer Phase 7 Rehabilitation. After discussion, upon unanimous vote, the Board authorized the engineer to begin design of the Sanitary Sewer Phase 7 Rehabilitation. Then Ms. Shipley requested authorization to design the Sanitary Sewer Phase 8 Manhole Rehabilitation. After discussion, upon unanimous vote, the Board authorized the engineer to begin design of the Sanitary Sewer Phase 8 Manhole Rehabilitation. Next, Ms. Shipley requested authorization to design the Sanitary Sewer Phase 9 Wastewater Treatment Plant ("WWTP") Trunk Line Rehabilitation. After discussion, upon unanimous vote, the Board authorized the engineer to begin design of the Sanitary Sewer Phase 9 WWTP Trunk Line Rehabilitation. Next, Ms. Shipley presented updates on utility commitments. Ms. Shipley presented a Water and Wastewater Capacity Commitment Letter for renewal with Newport Pointe LTD for Newport Pointe Section 2, Reserve A. After discussion, upon unanimous vote, the Board approved the renewal of the Utility Commitment Letter with Newport Pointe LTD for Newport Pointe Section 2, Reserve A. Upon unanimous vote, the Board approved the engineer's report as presented.

5. Lori Aylett informed the Board she is still waiting on final exhibits for the Out-Of-District Water Service Agreement for Newport Plaza and Them Sum.

6. Ms. Aylett informed the Board that the audit report for fiscal year ended December 31, 2024 will be deferred to next month.

7. Ms. Aylett informed the Board that discussion on the update of Tax Code Section 26.18 compliance will be deferred to next month.

8. Ms. Aylett informed the Board that the Resolution Affirming Review of Investment Policy, Strategies and Objectives and a list of the approved brokers/dealers will be deferred to next month.

9. Ms. Aylett informed the Board that review of the District's investments for compliance with Chapter 2270, Texas Government Code will be deferred to next month.

10. Ms. Aylett informed the Board that discussion on the continuing disclosure filing required with regard to the District's outstanding bonds will be deferred to next month.

11. Ms. Aylett introduced her colleague, Nicole Pierce, to the Board. She then provided a brief attorney's report updating the Board that she was working with Mr. Corbett and TCEQ on whether an appraisal will be required for land acquisition for drainage and detention in Defined Area No. 1.

12. Debbie Shelton discussed the District's Bond Issue No. 9. She advised that the Board should plan on the approval of the bond sale during the May meeting and closing in June.

13. Brittany Keeswood presented a tax assessor collector's report, a copy of which is attached. The District's 2023 taxes were 99.49% collected and the District's 2024 taxes were 94.99% collected. Thirty-three (33) checks were presented for the Board's review and approval, and two wire transfers were made. Upon unanimous vote, the Board approved the tax assessor collector's report as presented.

14. Ms. Keeswood requested that the Board defer the 6th Amendment to Assessments of the Southwest Inc. contract until next month.

15. Jorge Diaz presented a bookkeeper's report, a copy of which is attached. Upon unanimous vote, the Board approved the bookkeeper's report as presented and authorized payment of bills with checks listed thereon.

16. Rich Harcrow and Andrea Martin presented the operations and billing collections report, a copy of which is attached. The District accounted for 98% of the water produced. The wastewater treatment plant operated within permit. Upon unanimous vote, the Board approved the report as presented.

17. Mr. Harcrow presented the parks and recreational facilities report, a copy of which is attached. Mr. Harcrow informed the Board that the concrete work on the trails had been completed and that 1,605 key fobs have been issued as of March 2025. Upon unanimous vote, the Board approved the parks report as presented.

18. Nino Corbett presented the developer's report for Newport Pointe. He informed the Board that phases 1 through 3 are complete and Phase 4 is pending. He informed the Board that three (3) bids were received for construction of Lake D, and the developer and their engineer are evaluating. He informed the Board that they are working with Harris County on the Miller-Wilson property.

19. Ms. Aylett introduced Mike Crane with New Cingular Wireless PCS, LLC and updated the Board on the negotiations with New Cingular Wireless PCS, LLC for a Structure Lease Agreement to lease space on the elevated water tank at Newport's water treatment plant.

20. Ms. Aylett updated the Board on the request from GTE Mobilnet of South Texas Limited Partnership d/b/a Verizon Wireless for a Structure Lease Agreement to lease space on the elevated water tank at Newport's water treatment plant.

21. The Board discussed public education and outreach and requested that pictures of the surface water treatment plant expansion be placed on the website.

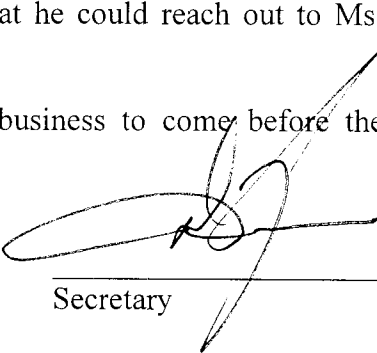
22. There were no groundwater reduction contracts presented.

23. No Executive Session was held.

24. There was no pending business discussed.

25. The President entertained public comments. Mark Edwards requested information on how he could request a memorial plaque to be placed on one of the benches along the trails. The Board informed him that he could reach out to Ms. Martin for assistance. No additional public comment was received.

There being no further business to come before the Board, the meeting was adjourned.



Secretary