

**NEWPORT MUNICIPAL UTILITY DISTRICT**  
Minutes of Meeting of Board of Directors  
January 4, 2024

The Board of Directors (“Board”) of Newport Municipal Utility District (“District”) met at 16401 Country Club Drive, Crosby, Texas, on January 4, 2024, 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 Mr. and Mrs. Brandon Lankford, Abby Stanhouse, Clint Sutton, Jeff Baughman, Rich Harcrow, Kelly Shipley, Velma Ellison, Michael Willett, Yeseria Cavazos, Simon Van Dyke, and Lori G. Aylett.

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

1. The Chair entertained public comments. No public comments were presented.

2. Michael Willett and Simon Van Dyke presented proposals for public outreach from Touchstone District Services. He presented three proposals: 1) outreach for an upcoming bond election; 2) website construction and management; and 3) emergency alerts. Director Chasteen stated that she had been very pleased with the services of Off Cinco and would be hesitant to change providers. Mr. Willett noted that for purposes of public outreach, Touchstone was presenting the outreach proposal along with the website construction and management as a package, and the District cannot choose one proposal but must accept both proposals. Mr. Willett noted that the reason for this was to have seamless integration of the District’s public outreach. He stated that Touchstone’s past experience in working with third-party website providers was that there were resulting delays and miscommunications that hampered the outreach program. He then reviewed the terms of the public outreach engagement. During Phase 1, Touchstone would assist the District in a listening campaign that would last through April. Phase 2 would be an action plan to survey residents, create educational materials, and meet with the community. Before mid-August, Touchstone would make a recommendation for “go, no-go” on calling the election. Once called, Phase 3 would be the education program for the bond election. Mr. Van Dyke noted that Touchstone is moving away from public engagement events. Subsequent to Covid, these forums have had very low attendance. Mr. Willett stated that Touchstone uses demographics and other strategies to meet with key influencers and other people who are key to public engagement.

Director Chasteen noted that the District has a particular need to engage people who remember the 2019 bond election and the fact that at the time the Board approved a six-year capital improvements plan, She noted that the costs of the capital improvements that remain to be done have drastically increased since that time. The District also needs to reach new residents who may not know the details of the District's capital improvements plan. Touchstone provided examples of websites that they had developed. The Touchstone representatives discussed the targeted capability of the texting system. At the conclusion of their presentation, the Board thanked them for their information.

3. The Board discussed the engineer's report. Velma Ellison and Yesaria Cavazos approached the Board. Ms. Ellison noted that Ms. Cavazos and her family have recently purchased 9.5 acres of land in the District on an unrestricted reserve. They are interested in building two homes, and due to the anticipated cost of extending water and sewer lines, were interested in serving the property with a water well and septic system. In response to a question to the Board, Ms. Ellison indicated that the new landowner had not yet requested services from the District. The Board noted that it would be appropriate for Ms. Cavazos to request District services and engage with the District operator and engineer before requesting any exemptions from service.

The engineer then reported on the District's Texas Water Development Board funding request. The engineer has been exploring why the funding request was denied, and the engineer is also exploring the possibility of securing direct appropriations. They have spoken with a representative of Dan Crenshaw's office and asked the Board for permission to continue that line of inquiry. The Board authorized the engineer to continue working with Dan Crenshaw's office regarding a direct appropriations option.

4. The attorney and engineer briefly discussed the Purifics change order request. The parties are still negotiating, and the change order was not yet ready for Board consideration.

5. There was no update to the operations report.

6. Rich Harcrow provided a parks and recreation report. He provided two options for installation of air diffusers provided by Lone Star Lake Management. The Board took the proposals under advisement. Director Chasteen noted that she had requested that Precinct Commissioner Ramsey's office also review the area to see if there were any options they could recommend.

7. There was no financial advisor's report.

8. There was no developer's report.

9. The Board tabled consideration of an agreement with Starnik for billing and collections.

10. The attorney briefly reported on the status of negotiations with USIC for the line locating services. They sent a new contract today and have agreed that their prices would only be adjusted annually. The Board authorized the attorney to continue negotiating with USIC regarding the proposed contract.

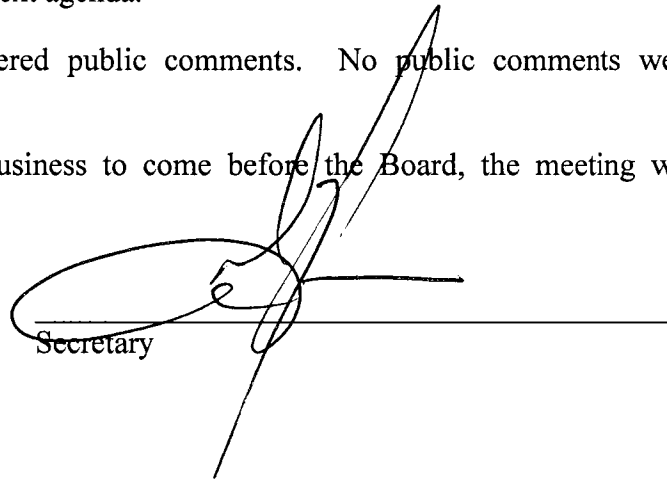
11. The Board considered a groundwater reduction contract with Eastex Forest and upon unanimous vote, approved the contract as presented.

12. Under pending business, the Board president briefly discussed the property tax relief bill and its impact on school district taxes.

13. The engineer requested that the Board comment on their preliminary engineer's report regarding rehabilitation of water well no. 1 to address odor concerns. The attorney will place that item back on the next agenda.

14. The Board considered public comments. No public comments were presented.

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



Secretary