

AGENDA PACKET

MONTGOMERY COUNTY UTILITY DISTRICT NO. 3

NOTICE: In accordance with Ch. 551, Tex. Gov't Code and Sec. 49.063, Tex. Water Code, both as amended, take notice that the Board of Directors (Board) of Montgomery County Utility District No. 3 (District) will meet in regular session, open to the public, at **2:00 PM** on **April 20, 2020** at the offices of Hays Utility North Corporation (the District's utility operator) at 375 Lake Meadows Drive, Montgomery, Texas 77356, in Montgomery County, Texas where one or more persons will be present. Pursuant to the disaster declaration and suspension of certain laws by the Governor of Texas, any Director or other person may participate in the meeting via telephone (with two-way audio) by calling a public, toll-free number (800-719-8139; enter conference code 447079 when prompted), and an electronic copy of any agenda packet will be made available on the internet at <https://hayswater.com/montgomery-county-utility-district-3/>. Alternative means of communicating with District Directors include: (i) email addressed to "MCUD#3 Directors, c/o James Dougherty" sent to jim@jldjr.com; (ii) mail, phone or fax to the MCUD#3 Directors c/o James Dougherty, 12 Greenway Plz., Ste. 1100, Houston, TX 77046, phone 713-880-8808, fax 281-220-8984. The subjects of the meeting are as follows:

1. **Notices & Minutes.** Review and act upon current notices and prior-meeting minutes.
2. **Public comments.**
3. **Neighborhood matters**, including Montgomery County Utility District No. 4 (UD4) projects, facilities, etc., also:
 - consolidation (merger) of the District with UD4, including agreement, election, and related matters
 - solid waste, Bailey Bros. contract, regulations, recycling, rates, penalties, etc.
4. **Financial matters.** Receive, discuss, consider and act upon: bookkeeper and investment reports, budgets (OP and WWTP), bills/payments, transfers, bank accounts/security, audits/reports (including presentation by M. Eyring, CPA; annual financial report; related letters, etc.), investments/training and related matters.
5. **Taxes, etc.** Receive, discuss and act upon Tax A/C Report, exemptions, penalties and other tax-related matters
6. **Engineering matters.** Receive, discuss, consider and act upon reports, studies, facilities and projects, also: (i) wastewater system, including treatment plant, site and permits; collection system; joint wastewater committee matters, construction and rehabilitation projects; shared costs, agreements (including Aqua Texas, Inc./Lake Conroe Village, UD4, City of Conroe, etc.), wholesale service, etc.; (ii) drainage, including improvements and projects; (iii) water system, including water production, transmission and distribution; wholesale services; Catahoula-aquifer wells and cooling/aeration; elevated storage; pressure maintenance; system modeling; interconnections (Stanley Lake MUD, etc.); Joint Water Operating Committee (JWOC); UD3-UD4 joint system matters, including water and sewer contracts, sale and purchase of facilities; shared costs; etc.; (iv) Lone Star Groundwater Conservation District and San Jacinto River Authority issues and rules, regulations, contracts, permits, early conversion credits, future permitted authorization, transfers, transactions, groundwater reduction plans, etc.; (v) other facilities and projects; (vi) engineering services agreement; and (vii) related matters; also:
 - Agreements with UD4 regarding water and wastewater services and facilities (including wholesale services), rates, groundwater reduction, mediation, litigation, legal services (including consultations, directions, etc.) and related matters.
 - Development, utilities, commitment, etc. GPW Two, LLC, 3.2 ac in Waterpoint Subdv., Restr. Res.C, near SH 105 east of Marina Dr.
7. **Operations.** Receive, discuss and act upon operation report, also: customer matters; repairs and maintenance; drainage issues; grounds maintenance and landscaping; other projects; claims; operations contract; easements (and amendments and encroachments); water conservation (and drought contingency); utility services, policies, rates; and related matters.
 - Public hearing on delinquencies, discuss and act on delinquencies, including service terminations
8. **Intergovernmental matters.** Discuss, consider and act upon matters relating to: (i) City of Conroe: strategic partnership agreements, annexation, service plan, elections, codes, etc.; (ii) SH 105: TxDOT plans, report, facilities, drainage, etc.; (iii) legislation; and (iv) related matters.
9. **District policies, etc.** Discuss, consider and act upon: District policies (e.g., investment, compensation, arbitration, consultants, etc.); insurance; election matters; cyber-security matters; meetings; and related matters.
10. **Executive sessions(s)** under Sections 551.071-551-084, Texas Government Code regarding subjects on this agenda.
 - Action on items discussed in executive session.
11. **Other:** (i) inquiries, (ii) future meetings and agenda items, and (iii) related matters.

DOC# 20-0643
 POSTED
 04/15/2020 01:43PM
 HIRN PREVITI
 MARK TURNBULL, COUNTY CLERK
 MONTGOMERY COUNTY, TEXAS

IMPORTANT: (1) Each subject listed includes discussion, consideration, action, etc. (2) Subjects may be taken up in the order listed or otherwise and may be taken up more than once during the meeting. (3) If a quorum is not present, directors present may form an ad hoc committee to discuss, consider and act upon the subjects listed. (4) If the Board determines that any closed or executive session is required or should be held, such session(s) will be held by the Board at the date, hour, and place given in this Notice, if permitted under Sections 551.071-551.084, Texas Gov't Code (including, but not limited to, Sec. 551.071 for private consultation with the Board's attorney). (5) IF YOU HAVE A DISABILITY REQUIRING SPECIAL ARRANGEMENTS AT THE MEETING, PLEASE CONTACT THE DISTRICT'S ATTORNEY AT 713-880-8808 BEFORE THE MEETING. REASONABLE ACCOMMODATIONS WILL BE MADE FOR YOUR PARTICIPATION IN THE MEETING.

NOTICE (Meeting Place). After at least 50 qualified electors are residing in the District, on written request of at least five of those electors, the District's Board shall designate a meeting place and hold meetings within the District. If no suitable meeting place exists inside the District, the Board may designate a meeting place outside the District that is located not further than 10 miles from the boundary of the District. On the failure of the Board, after such a request is made, to designate the location of the meeting place within the District or not further than 10 miles from the boundary of the District, five electors may petition the Texas Commission on Environmental Quality to designate a location. If it determines that the meeting place used by the District deprives the residents of a reasonable opportunity to attend District meetings, the Commission shall designate a meeting place inside or outside the District which is reasonably available to the public and require that the meetings be held at that location.

Signed: [Signature], Secretary
 Montgomery County Utility District No. 3: Date: 4/15/2020





MONTGOMERY COUNTY UTILITY DISTRICT NO. 3

MONTHLY OPERATIONS REPORT

DATE
04/20/20

<u>METER COUNT</u>	
Occupied	1197
Vacant	21
Commercial	23
No Bill Commercial	13
Builder	5
Irrigation	37
Rec/C/P	3
Time Share (24)	2
Shoreline Condos (9)	1
Total	1302

<u>BILLED CONSUMPTION</u>	
02/27/20	to 03/26/20
Residential	4,878,000
Commercial	828,000
No Bill Commercial	0
Irrigation	133,000
Time Share	31,000
Shoreline Condo's	40,000
Pool/Club	13,000
Total	5,923,000
Plant Pumpage	5,945,000

M.C. UD #4 METER COUNT: 1613	<u>U.D. 3 CAT</u>	<u>U.D. 3 JAS</u>	<u>U.D. 4 #1</u>	<u>U.D. 4 #2</u>
Calculated Well GPM	2,413	1,115	0	1,478
Design Well GPM	2,500	1,000	600	1,400

Plant Pumpage - Catahoula	2,968,000	18.16%	Montgomery Co. U.D. #4 billed cons.	9,349,000
Plant Pumpage - Jasper	4,461,000	27.30%	Combined billed cons.	15,272,000
Montgomery Co. U.D. #4 Marina Drive	0	0.00%	Total Water Accountability	93.46%
Montgomery Co. U.D. #4 Lakeside Dr	8,912,000	54.54%		
Plant Pumpage MCUD's #3 & #4	16,341,000			

19,885,000 Gallons of Wastewater treated from 2/27/2020 - 3/26/2020.

March - Rainfall at the wastewater plant was 4.5 inches with a maximum of 2 inches on 3/22/2020.

TAPS:	<u> Paid </u> 2	<u> Year to Date </u> 2
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<u>Arrears for the Month of</u>	<u>February</u>	<u>Month of March</u>
Cut-Off Notices Mailed	03/06/20	Due Date 03/26/20
Number of Notices Mailed	113	Billing Date 04/07/20
Cut-Off Date	04/03/20	Mailing Date 04/08/20
Number of Actual Cut-Offs	0	Due Date 05/03/20

MONTGOMERY COUNTY UTILITY DISTRICT NO. 3

DATE
04/20/20

MONTHLY OPERATIONS SUMMARY

WASTEWATER TREATMENT PLANT

March 2020

TPDES Permit # WQ0011203001

Expires 06/01/22

NPDES Permit # TX0069469

Effluent Quality Data Reported for:

March 2020

	<u>Reported</u>	<u>Permitted</u>	<u>Annual Average</u>	<u>Excursion</u>
CBOD 5 Average	3.30 mg/l	7.00 mg/l	3.33 mg/l	NO
TSS Average	1.12 mg/l	15.00 mg/l	1.21 mg/l	NO
NH3	0.08 mg/l	2.00 mg/l	0.14 mg/l	NO
CL2 Res Min	1.16 mg/l	1.00 mg/l	1.09 mg/l	NO
CL2 Res Max	3.02 mg/l	4.00 mg/l	3.54 mg/l	NO
Flow Average	0.656 mgd	0.950 mgd	0.691 mgd	NO
Phosphorus	0.27 mg/l	1.00 mg/l	0.41 mg/l	NO
Daily Flow Max	0.712 mgd	2.80 mgd	1.131 mgd	NO
Total Wastewater Treated	22,067,000 gallons			

Effluent Quality Compliant with Discharge Permit ?

YES

The plant was operated within all parameters of our permit.
No violation notices were received from any other local agency.

MONTGOMERY COUNTY UTILITY DISTRICT NO. 3
MONTHLY OPERATIONS SUMMARY
BILLING & COLLECTION REPORT
March 2020

DATE
04/20/20

Receivables Forward	03/05/20	\$ 76,169.85
Collection Period:	3/6/20 - 4/7/20	
Penalty	\$ (496.69)	
Water	\$ (24,045.76)	
Sewer	\$ (43,807.84)	
Connect	\$ -	
Deposit	\$ (1,900.00)	
Grease	\$ (975.00)	
LSGWC	\$ -	
Misc. - PCO, NSF, Trans, Connect	\$ (4,090.00)	
Overpayments	\$ (1,325.83)	
TOTAL	\$ (76,641.12)	\$ (76,641.12)

Current Adjustments:		
Connects	\$ 1,210.00	
Write Offs	\$ -	
ACH Startup Fee	\$ -	
Deposits	\$ 2,400.00	
Inspections Fees	\$ 870.00	
Tap Fees	\$ 87,172.68	
PCO	\$ -	
NSF	\$ -	
Construction before tap	\$ -	
Turn off for NSF Check	\$ -	
Back Charges	\$ -	
Regular Adj	\$ (105.07)	
TOTAL	\$ 91,547.61	\$ 91,547.61

Current Billings:	2/27/20 - 3/26/20	
Penalty	\$ 580.34	
Water	\$ 25,405.75	
Sewer	\$ 44,388.75	
TCEQ	\$ -	
Grease	\$ 1,050.00	
LSGWC	\$ -	
Misc	\$ -	
TOTAL	\$ 71,424.84	\$ 71,424.84

TOTAL RECEIVABLES FORWARD	4/7/2020	\$ 162,501.18
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District Deposits on file: \$112,135.00
Undistributed Overpymts \$5,077.13

Total Consumption: 5,923,000

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT #3
MONTHLY OPERATIONS SUMMARY
GROUND WATER PERMIT PUMPAGE
March 2020

LONE STAR GROUNDWATER CONSERVATION DISTRICT
Permit # OP-0511201 - 01/01/20 to 12/31/20

	"Gulf Coast Aquifer" - Jasper		Catahoula Aquifer	
Jan-20	2.22%	4,212,000	0.84%	2,935,000
Feb-20	4.57%	4,478,000	1.47%	2,216,000
Mar-20	7.27%	5,117,000	2.47%	3,486,000
Apr-20				
May-20				
Jun-20				
Jul-20				
Aug-20				
Sep-20				
Oct-20				
Nov-20				
Dec-20				
Total Pumpage		13,807,000		8,637,000
<u>2020 Permitted Withdrawal:</u>		<u>190,000,000</u>		<u>350,000,000</u>

Permit Summary Gulf Coast Aquifier

Historical Use Permit Amount:	154,856,000
Operating Permit approved 12/16/05:	35,144,000
Total Qualifying Demand:	190,000,000

Alternative Water Summary

MC- UD #3 - Alternate Water Source Permit:	350,000,000
Total 2020 GRP AWS Permitted Withdrawal:	350,000,000

Montgomery County U.D. #3 & #4
 Sewer Connections FOR

March 2020

U.D. #3

Residential	1197 OCCUPIED	21 VACANT	1218	
Commercial	828,000 gals divided by 30 days divided by 200=		138	
Time Share/Shoreline	33 units		33	
Lake Conroe Village	1,926,000 gals divided by 30 days divided by 200=		321	
			1710	48.65%

U.D. #4

Residential	1522 OCCUPIED	19 VACANT	1541	
Commercial	247,000 gals divided by 30 days divided by 200=		41	
Apartments	146 units		146	
Diamondhead	462,000 gals divided by 30 days divided by 200=		77	
Total Sewer Equivalent Connections			1805	51.35%

	TOTAL	UD 3	UD 4
Total for WWTP	\$28,016.78	\$13,629.14	\$14,387.64

MONTGOMERY COUNTY UTILITY DISTRICT NO. 3

CUT-OFF LIST STATUS

April 3, 2020

<u>NAME</u>	<u>ADDRESS</u>	<u>AMOUNT</u>	<u>STATUS</u>
No Cuts			

MONTGOMERY COUNTY UTILITY DISTRICT # 3
CUSTOMER SERVICE REPORT
April 2020

TYPE OF INQUIRE or COMPLAINT	THIS MONTH	YEAR TO DATE
LOW OR NO WATER PRESSURE	0	0
WATER QUALITY	0	0
WATER LEAKS	1	6
LIFT STATION FAILURES	1	3
SEWER BACK-UPS	HOMEOWNER	0
	DISTRICT	1
STORM SEWER	BACK UP	0
	SINK-HOLES	3
SECURITY ISSUES	0	0

Description:

LOW PRESSURE:	NONE
WATER QUALITY:	NONE
WATER LEAKS:	After hours repaired service line hit by H & H.
LIFT STATION FAILURES :	Dawns Edge #4 - Repaired lift pump #1.
SEWER STOPPAGE:	25 April Villas - After hours repaired 4" sewer tap causing stoppage.
STORM SEWER:	NONE

PREPARED BY HAYS UTILITY NORTH

MONTGOMERY COUNTY UD #3
 C/O PROTOCOL BOOKKEEPING, INC.
 1506 WHISPERING PINES
 HOUSTON, TX 77055

3 & 4 WATER PLANTS

4/1/2020

COMBINED EXPENSES FOR 3 & 4 WATER PLANTS DIVIDED BY PERCENTAGES OF CONSUMPTION

MONTGOMERY COUNTY MUD #3

WELL JASPER	ENTERGY	2,097.65
	LIQUID BLEACH (810) GAL	1,210.95
	LIQUID PHOSPHATE - (60) GAL	993.60
	(63) BAGS SALT	480.90
WELL CATAHOULA	ENTERGY	1,364.77
	LIQUID BLEACH (0) GAL	-
	LIQUID PHOSPHATE - (0) GAL	-

MONTGOMERY COUNTY MUD #4

WELL #1	ENTERGY	757.81
	LIQUID BLEACH (0) GALLONS	-
	LIQUID PHOSPHATE - (0) GALLONS	-
WELL #2	ENTERGY	2,031.66
	LIQUID BLEACH (450) GALLONS	672.75
	LIQUID PHOSPHATE - (0) GALLONS	-
	TOTAL EXPENSE	\$ 9,610.09

BILLED CONSUMPTION		PERCENTAGE
MUD #3	5,923,000.00	38.78%
MUD #4	9,349,000.00	61.22%
TOTAL CONSUMPTION	<u>15,272,000.00</u>	<u>100.00%</u>

MUD #3 - TOTAL EXPENSE	\$ 9,610.09	X	38.78%	\$ 3,727.12
MUD #4 - TOTAL EXPENSE	\$ 9,610.09	X	61.22%	\$ 5,882.97

DEPOSITS ON FILE:	#3	\$ 3,000.00
	#4	\$ 2,000.00

TOTAL AMOUNT DUE \$ 3,727.12

Attachment A

List of M&O Costs by Line on Consolidated Invoice For Month of March 2020

Line A.1.a:M&O costs incurred by MCUD 3 just for Catahoula Facilities

Date	Vendor Source	Description	Inv./W.O/Reference	Total Cost	UD4 Share (50%)	UD3 Share (50%)
TOTAL UD4 Share(entered on Line A.1.a of Consolidated Invoice)					0	0

Line A.1.b:M&O costs incurred by MCUD 3 just for Jasper Facilities

Date	Vendor Source	Description	Inv./W.O/Reference	Total Cost	UD4 Share (0%)	UD3 Share (100%)
TOTAL UD4 Share(entered on Line A.1.b of Consolidated Invoice)					0	0

Line A.1.c:M&O costs incurred by MCUD 3 for two or more categories

Date	Vendor Source	Description	Inv./W.O/Reference	Total Cost	UD4 Share (33%)	UD3 Share (67%)
4/1/2020	Hays	Basic Services	70778	\$2,750.00	\$907.50	\$1,842.50
3/31/2020	Hays	Yard Maintenance	70750/70755	\$182.00	\$60.06	\$121.94
3/12/2020	Hays	Installed new dual containment phosphate tanks per TCEQ	70756/70757	\$1,225.24	\$404.33	\$820.91
3/10/2020	Hays	Replaced ground storage tank #1 fan motor	70758/70759	\$1,307.02	\$431.32	\$875.70
3/18/2020	Hays	Service air compressor. Changed oil	70760/70761	\$188.53	\$62.21	\$126.32
3/13/2020	Hays	Replaced booster pump #3 & PFCC bank	70762/70763	\$3,292.50	\$1,086.53	\$2,205.98
3/19/2020	Hays	Annual fire extinguisher service	70764/70765	\$8.63	\$2.85	\$5.78
4/16/2020	Hays	Repaired exterior lighting	70766/70767	\$128.50	\$42.41	\$86.10
3/29/2020	Hays	After hours restored air blanket in hydro tank	70768/70769	\$162.00	\$53.46	\$108.54
4/16/2020	Hays	Investigated hydro tank failure. Replaced faulty wiring.	70771/70772	\$1,416.42	\$467.42	\$949.00
TOTAL UD4 Share(entered on Line A.1.c of Consolidated Invoice)					\$3,518.08	\$7,142.76

UD4 Total UD3 Total
\$3,518.08 \$7,142.76



Reimbursables

UD 3 Bill

<u>Location</u>	<u>Work Done</u>	<u>Cost</u>	<u>Date</u>	<u>Paid</u>
128 April Wind Dr S	Repaired 1" Service Line	\$403.77	6/7/2019	No
100 Capetown Cir	Repaired 1" Service Line	\$453.06	7/12/2019	No
202 Springs Edge Dr	Repaired 1" Service Line	\$640.44	9/13/2019	No
48 Waters Edge ST	Repaired 1" Service Line	1044.98	9/25/2019	No
April Waters Dr N/April Villas	Repaired 1" Service Line	\$2,036.91	10/1/2019	No
202 Springs Edge Dr	Yard Repair	\$344.50	10/16/2019	No
April Waters Dr N/April Villas	Yard Repair	\$199.25	10/21/2019	No
170 April Wind Ct	Repaired 1" Service Line & Yard Repair	\$1,023.78	10/28/2019	No
213 Dawns Edge Dr	Repaired 1" Service Line	\$971.01	10/31/2019	No
128 April Wind Ct	Repaired 1" Service Line	\$1,614.94	11/4/2019	No
213 Dawns Edge Dr	Yard Repair	\$429.00	11/27/2019	No
128 April Wind Ct	Yard Repair	\$526.50	12/20/2019	No
1100 April Waters Dr N	Repaired 1" Service Line	\$779.62	1/3/2020	No
HWY 105 West	Repaired 6" force main	\$1,410.85	2/11/2020	No
1100 April Waters Dr N	Yard Repair	\$565.75	2/20/2020	No
13 April Hill	After hours repaired service line	\$548.04	3/19/2020	No
Total		\$12,992.40		

G.04. Holidays. Holidays are Christmas Eve, Christmas Day, New Year's Eve, New Year's Day, Thanksgiving Day, July 4th and Labor Day. If a holiday falls on a Monday, garbage will be picked up the next day. If a holiday falls on a Friday, garbage will be picked up on the next pick up day (Monday).

G.05. Enforcement; Notices. The following are violations of these regulations:

- (1) placing or allowing any material to be placed for solid waste collection at a time or location not authorized by these regulations, including placement at a unit that is not an "eligible unit" or not the unit where the material was generated;
- (2) placing or allowing any material to be placed for solid waste collection if any part of the material is not eligible for collection under these regulations, on the day in question;
- (3) placing or allowing any material to be placed for solid waste collection in excess of a size, weight, quantity or other limitation imposed by these regulations, and for this purpose, materials that are from one unit but placed at more than one location are aggregated;
- (4) other conduct that is inconsistent with these regulations.

In case of a violation of these regulations: (i) ~~violating the waste material~~ may be left ~~at the eligible unit where found~~, and the resident at that location must dispose of it lawfully at the resident's expense; (ii) material may be returned to the unit it came from, before it was placed for collection; up, and the resident at that unit must dispose of it lawfully at the resident's expense; and (ii) notice may be given by "door hanger" or sticker placed on each affected unit, or on the violating waste material or container, or both. ~~—In case of persistent two or more violations at by any person during any 12-month period, any eligible unit,~~ the District's utility operator may order that collections from that person--or from any unit occupied by that person--be suspended, in accordance with procedures for suspending or disconnecting water or sanitary sewer service.