

MINUTES OF MEETING OF BOARD OF DIRECTORS
June 1, 2021

THE STATE OF TEXAS §
COUNTY OF MONTGOMERY §
MONTGOMERY COUNTY UTILITY DISTRICT NO. 3 §

The Board of Directors (“Board”) of Montgomery County Utility District No. 3 (“District”) met in **special** session, open to the public, on **June 1, 2021 at 9:00 AM**, 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, whereupon the roll was called of the members of the Board, to-wit:

Doris Hickman, President
Richard Tibbetts, Vice President
Janis Boulware, Secretary and Assistant Treasurer
Carolyn H. Smith, Treasurer
Judy Robert, Assistant Secretary

and all members of the Board were present at the meeting place, except Ms. Smith, thus constituting a quorum. Also present at the meeting location were Philip Wright, of Hays Utility North Corporation, operator for the District; Justin Abshire of Jones & Carter, Inc., engineers for the District; and James Dougherty, special counsel for the District. The meeting was called to order by the President, and in accordance with notice attached as *Exhibit A*, the following business was transacted:

1. Notices, Minutes, Etc. The Secretary reported that the notice of the meeting had been posted as required by law, in the form shown in *Exhibit A*, attached. It was moved and seconded to approve and adopt the notice. Action on draft minutes was deferred.

2. Engineering. The President introduced the pending determination of qualifications for engineering firms that has responded to the RFSI&Q and the related question about engineering for the WWTP. The Directors indicated their opinions by informal voting. The results, by split vote, were: (i) to confirm that the scope of the proposed new agreement for engineering services should exclude the WWTP; and (ii) to determine that Ward Goetz & Associates PLLC should be ranked first, by qualifications, for that agreement with Bleyl Engineering’s ranked second (and other responders being ranked third or lower). At that point, there was a motion to confirm the rank ordering by qualifications and to authorize the President to: (i) attempt to negotiate an engineering services agreement with the first-ranked firm and (ii) bring any proposed agreement back to the Board for its consideration. The motion was seconded, and all voted in favor. The President asked about the draft agreement that had been previously prepared. The attorney indicated that it could be sent later that day, but it needed to be checked first.

7. Operations. Near the start of the meeting, Mr. Wright gave an update on the manhole failure and related bypass pumping. He said the televising should be completed that morning. He explained that it was crucial to do all necessary line repairs (including relining) while the bypass system was still in place, also that it was critical to repair the manhole on the north side of SH 105 first, as that would allow bypassing of the lines needing repair (or relining). He explained that he was expecting quotes on relining that morning. Mr. Abshire explained the difference in quotes received so far (\$132/ft vs. \$81/ft) for larger lines. He said the estimate for the 18-inch line looked high. After discussion, Director Boulware moved to authorize the President to negotiate and make the necessary contract (with Hays Utility North Corporation) for the work, at an estimated cost not to exceed \$500,000. The motion was seconded, and all voted in favor (4-0). Mr. Abshire indicated that approval from the TCEQ to increase

the scope of the previous emergency approval would be requested as soon as possible. Mr. Tibbetts asked about the mode of failure, also the televising done about five years previously. He asked about how the District might catch failures before they become emergencies. There was a general discussion. Later, Mr. Wright reported on the availability of the relining subcontractors. He said the relining of the 18-inch line could start that week, which would allow the bypass to be moved sooner than previously thought.

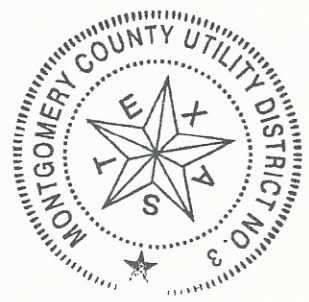
A motion was made to adjourn the meeting at about 9:52 AM. The motion was seconded and carried unanimously.

These minutes were approved by the Board of Directors on June 21, 2021.

SIGNED: Jaris Heckman, President, Board of Directors

ATTESTATION & CERTIFICATION. By signing below, the Secretary attests to the signature of the President, above, and certifies that notice of the meeting was posted in as required by state law, in the form attached as *Exhibit A*.

(SEAL) Jas C Blue, Secretary, Board of Directors



MONTGOMERY COUNTY UTILITY DISTRICT NO. 3

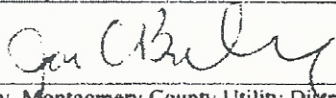
NOTICE: In accordance with Ch. 551, Tex. Gov't Code and Sec. 49.063, Tex. Water Code, both as amended, take notice that the Board of Directors (Board) of Montgomery County Utility District No. 3 (District) will meet in **special session, open to the public, at 9:00 AM on June 1, 2021** at the offices of Hays Utility North Corporation (the District's utility operator) at 375 Lake Meadows Drive, Montgomery, Texas 77356, in Montgomery County, Texas. The subjects of the meeting are as follows:

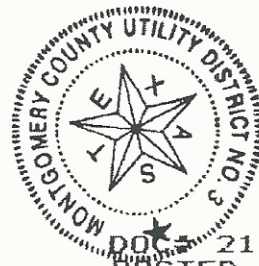
- 1. **Notices, Minutes.** Notices; minutes of current and prior meetings; etc.
- 2. **Engineering matters.** Receive, discuss, consider and act upon reports, studies, facilities and projects, also: (i) wastewater system, including treatment plant, site and permits; collection system; joint wastewater committee matters, construction and rehabilitation projects; repairs; shared costs; agreements (including Aqua Texas, Inc./Lake Conroe Village, UD4, City of Conroe, GPW Two—Waterpoint, etc.); wholesale services; 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) easements, rights of way, other facilities and other projects; (vi) engineering services procurement, agreements, etc.; and (vii) related matters; also:
 - Engineering services: statements of interest and qualifications, qualifications, negotiations, agreement(s), amendments to agreement, and related matters.
- 3. **Operations, Etc.** Receive, discuss and act upon operation report, also: customer matters; repairs and maintenance; drainage; grounds maintenance; other projects; claims; operations contract; easements (and amendments and encroachments); water conservation (and drought contingency); utility services, policies, rates; and related matters.
 - Manhole failure on SH 105, repairs-rehabilitation and bypass pumping, also televising and repair-rehabilitation of nearby lines and manholes
- 4. **Intergovernmental matters.** Discuss, consider and act upon: (i) City of Conroe issues: strategic partnership agreements, annexation, services, WWTP, building and plumbing codes (and related plans, permits, inspections, etc.); (ii) consolidation with Montgomery County Utility District No. 4 and agreement for same, election and related matters; (iii) legislation; and (iv) related matters.
- 5. **Other:** (i) inquiries, (ii) future meetings and agenda items, and (iii) related matters.

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 such place.

AVISO (Elección): Se notifica por el presente que la Mesa Directiva del Distrito No. 3 de Servicios Públicos del Condado de Montgomery, Texas, celebrará una reunión el 1 de junio de 2021, a las 9:00 a.m. en 375 Lake Meadows Drive, Montgomery, Texas 77356 con los siguientes temas, entre otros:elección para la consolidación de los distritos; asuntos electorales.

Signed: 
Secretary, Montgomery County Utility District No. 3.
Date: 5/28/2021



DOC# 21-0795
POSTED
05/28/2021 11:28AM
GWENDALYNN CAMARENA
MARK TURNBULL, COUNTY CLERK
MONTGOMERY COUNTY, TEXAS