

MINUTES OF MEETING OF BOARD OF DIRECTORS
December 30, 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 **December 30, 2021** at **3:00 PM**, at the offices of Hays Utility North Corporation, 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. Also present at the meeting location were Chris Roznovsky of Ward, Getz & Associates, PLLC(“WGA”) Mr. Philip Wright of Hays Utility North Corporation. James Dougherty, special counsel for the District, was called by telephone (speakerphone) for consultation as allowed by the Texas Government Code. The meeting was called to order by the President, and in accordance with the 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. She explained that it was posted on the District’s internet website and provided to the County Clerk at least 72 hours in advance.

2. Neighborhood Matters and Engineering Matters. The President explained that the Board of Montgomery County Utility District No. 4 had met that same morning to consider WWTP issues. She asked Mr. Dougherty to explain the proposed “First Amendment” to the 2011 WWTP agreement, also the proposal to amend the application for a waste discharge permit. Mr. Roznovsky reported on the contacts with TCEQ and Jones & Carter staff. There was general discussion, after which Director Robert moved to:

(1) approve and authorize execution of the proposed FIRST AMENDMENT to the Joint Wastewater Treatment Facilities Agreement (2011) between UD3 and UD4, in substantially the form submitted Board; and

(2) authorize the District’s engineers and officers (each) to complete, sign and file an amended version of the application for the renewal of the WWTP discharge permit that would: (i) show UD3 and UD4 as applicant and co-applicant, respectively, and (ii) include appropriately-revised wording to carry out the FIRST AMENDMENT, including such wording as TCEQ may require or approve to show that the permit would be jointly held.

Director Tibbetts seconded, and, when the question was called, all voted in favor, thus adopting the motion (5-0).

A motion was made to adjourn the meeting at about 3:40 PM. The motion was seconded and carried unanimously.

These minutes were approved by the Board of Directors on January 17, 20 22.

SIGNED: Doris Hickman, 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 as required by state law, in the form attached as *Exhibit A*.

(SEAL) Jacob, Secretary, Board of Directors



Exhibit A

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 3:00 PM on December 30, 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. 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, water facilities and related matters.
--amendment to joint facilities agreement for WWTP, waste discharge permit, conveyances/easements for site, and related matters.
4. 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; Joint Water Operating Committee (JWOC); UD3-UD4 joint system matters, including water and sewer contracts, facilities, shared costs; etc.; (iv) easements, rights of way, other facilities and other projects; (vi) related matters; also:
---Manhole problem on SH 105 and related facilities, emergency repairs, bypass pumping, engineering, shared costs and related matters.
---Capetown Lift Station and force main, including maintenance, operation, repairs, replacement, overhaul, costs, use, plans, costs, rates, etc.
5. Operations. Receive, discuss and act upon reports, customer matters; repairs and maintenance; and related matters.
6. 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.); and related matters.
9. District policies, etc. Discuss, consider and act upon: District policies (e.g., investment, compensation, arbitration, consultants, solid waste, etc.); insurance; investments; election matters; cyber-security; meetings; public records; solid waste; 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.

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 30 de diciembre de 2021, a las 3:00 p.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: [Signature], Secretary, Montgomery County Utility District No. 3. Date: 12/27/2021

