

# MINUTES OF MEETING OF BOARD OF DIRECTORS

August 23, 2022

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” or “UD3”) met in **special** session, open to the public, on **August 23, 2022**, beginning at **2:00 PM** 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, thus constituting a quorum. Also present at the meeting place were Chris Roznovsky and Katherine Vu of Ward, Getz & Associates, PLLC (“WGA”) and James Dougherty, special counsel for the District. The meeting was called to order by the President, and the following business was transacted, in accordance with the notice attached as *Exhibit A*:

**1. Notices, Minutes, Etc.** The Secretary reported that notice of the meeting had been posted as required by law, in the form shown in *Exhibit A*, attached.

**2. Consolidation.** The Board reviewed and discussed a letter from Montgomery County Utility District No. 4 (“UD4”) about the consolidation process that had been posted on the UD4 website. The Board considered ways to communicate its views on the process and reviewed draft text for a letter. The Board made comments on the draft text, as follows:

- Check all specific numbers and update or correct them, as appropriate
- Check the described chronology against the timeline
- Describe the utility systems as “comparably maintained and rehabilitated infrastructure”
- Include a timeline of key events with hotlinks to the actual text of backup documents.

After further discussion, there was a motion to appoint Ms. Boulware and Ms. Tibbetts as an *ad hoc* committee to: (i) compile the draft text and all comments into a memorandum from the Board of Directors and (ii) prepare and attach a timeline of events with links to the actual text of back-up documents. The motion was seconded and adopted.

There was a discussion about how to distribute the memo and timeline, after which there was a motion to post them on the UD3 website, and further, should UD4 distribute its letter by mail or email, the UD3 memo and timeline would be sent out by email, and a link to them on the UD3 website should be put into the message box on water bills. The motion was seconded and adopted.

**3. WWTP and related matters.** The WWTP was mentioned during the discussion of the consolidation memo.

**4. Operations, repairs, rehab, etc.** Mr. Wright joined the meeting briefly. There was a question about work on a storm sewer on April Point North. Mr. Wright reported that HUNC was waiting for the ASPOA to finish its work on the roadway before rebuilding the inlets for the District. Mr. Wright said he would check on the latest status of the work.

5. *Other.* There was discussion of future meetings and a motion to set the December meeting at 10:30 AM (with lunch at 12:00 noon) on the regular meeting date, at the Pappadeaux restaurant on IH 45 (same location as in 2021). The motion was seconded and adopted.

There was a motion to adjourn at about 4:21 PM. The motion was seconded and adopted.

These minutes were approved by the Board of Directors on September 19, 2022

SIGNED: Davis 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*.

Jane Calne, Secretary, Board of Directors

(SEAL)



DOC# 22-1581  
POSTED  
08/19/2022 08:17AM  
GWENDALYNN CAMARENA  
MARK TURNBULL, COUNTY CLERK  
MONTGOMERY COUNTY, TEXAS

**MONTGOMERY COUNTY UTILITY DISTRICT NO. 3  
NOTICE OF MEETING OF BOARD OF DIRECTORS**

**NOTICE:** In accordance with chapter 551, Texas Government Code and Section 49.063, Texas 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 2:00 PM on August 23, 2022, 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.** Meeting notices, agenda, etc.
2. **Consolidation.** Receive, discuss, consider and act upon reports, drafts, letters, updates, and information relating to consolidation of the District with Montgomery County Utility District No. 4 (UD4), as allowed by Chapter 54, Texas Water Code, including: (i) proposed consolidation agreement, (ii) available funds and reserve funds; (iii) bonds, debt service, taxes, and other financing; (iv) other agreements, including WWTP agreements with UD4 and engineering services agreements for the WWTP; (v) negotiations, discussions, etc.; (vi) community updates and communications, by both UD4 and UD3, including internet and website postings; and (vi) related matters.
3. **WWTP and related matters.** Receive, discuss, consider and act upon reports, studies, plans, and data relating to the joint wastewater treatment plant located south of SH 105 near the District and Montgomery County Utility District No. 4 (UD4), including: (i) improvements, expansions, rehabilitation, site, permits, etc. and proposals and contracts relating to same; (ii) planning, design, engineering, construction, phasing, etc. and contracts and proposals relating to same; (iii) costs, cost-sharing, agreements (with UD4, City of Conroe, Aqua Texas-Lake Conroe Village, other users) etc., (iv) financing, bonds, TCEQ application, etc.; (v) consolidation of the District with UD4, consolidation agreement, bonds, debt service, taxes, etc.; and (vi) related matters.
4. **Operations, repairs, rehab, etc.** Receive, discuss and act upon matters relating to the District's water, sanitary sewer and solid waste systems and operations including repairs, rehabilitation, costs, billing, contract amendments, change orders, etc.
5. **Other:** (i) inquiries, (ii) cybersecurity training, and (iii) 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.

Signed: Jane C. Bullock  
Secretary, Montgomery County Utility District No. 3.  
Date: 8/19/2022

