

MINUTES OF MEETING OF BOARD OF DIRECTORS
January 9, 2023

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 **January 9, 2023, at 2:00 P.M.** 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 President reviewed the membership 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 were John Howell of GMS Group and James Dougherty, special counsel for the District. 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, Etc. The Secretary reported that the notice had been duly posted, in the form shown in *Exhibit A*, attached.

2. WWTP, Bonds, etc. Mr. Howell reported that the District had received ten bids for the proposed sale of \$6,835,000 Unlimited Tax Bonds, Series 2023 (the “Bonds”), and that was a large number of bids. He said all bids were based on purchasing bond insurance, with a quote of about \$38,000 for the bond insurance.

Mr. Howell reviewed the net interest cost of the ten bids, and he presented a cash flow spreadsheet showing projections of debt service, tax rates, etc. There was a brief discussion of tax levy procedures and choices the Board may face later in the year when the 2023 tax levy would have to be made.

After discussion, there was a motion to award the sale of the Bonds to R. W. Baird & Co., Inc and authorize execution of the “Acceptance” shown on the bid form. The motion was seconded, and, when the question was called, the motion was passed, approved, and adopted by the following vote:

AYES: 5 NOES: 0

Director Smith then made a motion to adopt a written measure entitled “ORDER AUTHORIZING \$6,835,000 UNLIMITED TAX BONDS, SERIES 2023, A PAYING AGENCY AGREEMENT, AND OTHER MATTERS IN CONNECTION THEREWITH.” Director Boulware seconded, and, when the question was called, the motion, carrying with it the adoption of the measure, was passed, approved, and adopted by the following vote:

AYES: 5 NOES: 0

There was also a motion to authorize the President and Secretary to execute and attest such other and further documents on behalf of the District as may be necessary or convenient in connection with the sale or delivery of the Bonds. Director Boulware seconded, and, when the question was called, the motion, carrying with it the adoption of the Order, was passed, approved, and adopted by the following vote:

AYES: 5 NOES: 0

3. Operations, repairs, rehabs, etc. There was no report, and no action was taken.

There was a motion to adjourn at about 3:00 PM. The motion was seconded and adopted.

These minutes were approved by the Board of Directors on July 20, 2023.

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

Jan Boulware, Secretary, Board of Directors

(SEAL)



DOC# 23-0021
POSTED
01/05/2023 09:12AM
GWENDALYNN CAMARENA
L. BRANDON STEINMANN, 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 January 9, 2023 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. *WWTP, bonds, 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, including proposal and professional services agreement with Quiddity Engineering LLC and related entities; (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), payments, etc., (iv) financing, bonds, TCEQ application, etc.; (v) reports, bonds debt service, taxes, other revenues, investments, etc.; and (vi) related matters; *also:*

Discuss, consider and act upon: Bids for, and sale of, \$6,835,000 Unlimited Tax Bonds, Series 2023; bond insurance; and related matters

Adopt Order Authorizing \$6,835,000 Unlimited Tax Bonds, Series 2023, Paying Agency Agreement, and other matters in connection therewith

3. *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.

4. *Other:* (i) inquiries, (ii) mandatory 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: [Signature], Secretary, Montgomery County Utility District No. 3. Date: 1/4/2023

