

MINUTES OF MEETING OF THE BOARD OF DIRECTORS
August 14, 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”) met in **special** session, open to the public, on **August 14, 2023**, 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, with the members of the Board being:

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, except Mr. Tibbetts, thus constituting a quorum. Also present at the meeting place were Philip Wright of Hays Utility North Corporation and James Dougherty, special counsel for the District. The meeting was called to order, and the following business was transacted, in accordance with the notice attached as *Exhibit A*:

1. Notices, Minutes. There was a report that notice of the meeting had been posted at the times and places as required by law, in the form shown in *Exhibit A*, attached.

2. Public comments. There were no public comments.

3. Financial and bookkeeping matters. The Board reviewed the statements of interest and qualifications submitted for bookkeeping services (also the responses from firms that did not submit statements). There were questions and a general discussion of qualifications, after which there was a motion to: (i) find and determine that, among those firms that had submitted statements, L&S District Services, LLC was the most qualified to do the work described in the request, and (ii) authorize the Secretary to attempt to negotiate two agreements with that firm, one for the joint WWTP funds and the other for the District’s General Funds. The motion was seconded and adopted unanimously (4-0). There were follow-up discussions of contract and billing procedures, as well as procedures for handling accounts payable.

4. Taxes, etc. There was no action taken.

5. Operational and system matters. Mr. Wright reported that a new cooling system had been installed for the motion control center at the main water plant.

6. Executive sessions(s). There was no executive session.

7. Other. There was no action taken.

There was a motion to adjourn at about 3:07 PM. The motion was seconded and adopted.

These minutes were approved by the Board of Directors on September 18, 2023.

SIGNED: Davis 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*

[Signature], Secretary, Board of Directors (SEAL)



DOC# 23-1317
POSTED
08/09/2023 08:08AM
Maroena Durrenberser
L. BRANDON STEINMANN, COUNTY CLERK
MONTGOMERY COUNTY, TEXAS


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

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 14, 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, Minutes.** Notices; minutes of current and prior meetings; etc.
2. **Public comments.**
3. **Financial and bookkeeping matters.** Receive, discuss, consider and act upon bookkeeper and investment matters; budgets and amendments (GF and WWTP); bills/payments (also payment by Aqua Texas, Inc.); transfers; depository matters (including agreements); audit (report, engagement of auditor); investments and investment policies; proposed Unlimited Tax Bonds (offering, documents, sale, TCEQ, proceeds, bank accounts, collateral, etc.); and related matters, also:
 - (i) resignation of bookkeeper (Protocol Bookkeeping, Inc.) and
 - (ii) statements of interest, qualifications, etc. of persons and firms for a new bookkeeping or accounting contracts; rank-ordering based on qualifications; negotiation of contract(s), including fees; and related matters.
4. **Taxes, etc.** Receive, discuss and act upon Tax A/C report, tax data, exemptions, tax rates, penalties, collections and related matters.
5. **Operational and system matters.** Receive, discuss and act upon: customer matters; repairs and maintenance; drainage; grounds maintenance; engineering and other projects; claims; operations and other contracts; easements (and encroachments); utility services, policies, rates and charges (including increases); rate order amendments and other District policies (e.g., investment, compensation, arbitrage, consultants, solid waste, meeting places, offices, records, etc.); mandatory trainings; cyber-security; meetings; public records; solid waste (including contracts, claims, damages, etc.); sale of District property or easements; tax suit, Milam County (Lang); related matters.
6. **Executive sessions(s)** under Sections 551.071-551-084, Texas Government Code regarding subjects on this agenda.
 - Action on items discussed in executive session.
7. **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.

Signed: 

Secretary, Montgomery County Utility District No. 3.

Date: Aug 9, 2023

