

**MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 18**

Minutes of Meeting of Board of Directors

April 12, 2011

The Board of Directors of the Montgomery County Municipal Utility District No. 18 held a regular meeting, open to the public, on April 12, 2011, at the Bentwater Country Club, 800 Bentwater Drive, Montgomery, Texas, inside the boundaries of the District with a quorum of directors present as follows:

Linda B. Pierce	Vice President
Joe Constantino	Secretary
Chris Uzelmeier	Assistant Secretary
Roy Champagne	Treasurer

and the following directors absent:

Louis J. Tichacek	President
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Also present at the meeting were J. Ron Young of Young & Brooks, Mark Eyring, CPA of the offices of Mark L. Roth, CPA, Wendy Austin of District Data Services, Inc., Ken Byrd of Equi-Tax, Inc., John Bleyl, P.E. of Bleyl & Associates, Dan Wright of Hays Utility Service Corporation, John Chaney, Steve Bowen, and Steve Seay.

The vice president called the meeting to order and declared it open for such business as may come before the board.

The board approved the minutes of the board meeting held on April 4, 2011.

Mark Eyring presented the reimbursement audit for the Series 2011 Bonds. After discussion and upon motion duly made, seconded and unanimously adopted, the board approved the reimbursement audit for the Series 2011 Bond issue.

Wendy Austin reported as to bookkeeping matters within the District.

Ken Byrd reported as to the status of tax collections within the District. The District is 96.2% collected for 2010.

Dan Wright reported as to operational matters within the District. There are 1,898 connections in the District.

Director Pierce discussed the irrigation program. The board discussed the operator contract.

The board unanimously approved the amended operator contract subject to the attorney's final review. The board unanimously agreed to review consultants' contracts every other year.

John Chaney discussed his proposed development and submitted a counterproposal to the District's consideration.

John Bleyl reported as to engineering matters within the District.

Vice President Pierce announced the board's entry into an Executive Session, pursuant to the authority of the Texas Water Code and with the provisions of the Open Meetings Act, Texas Government Code Sec. 551.071, as amended, and in compliance therewith stated:

1. A quorum consisting of the following board members will be present at this Executive Session:

Linda B. Pierce	Vice President
Joe Constantino	Secretary
Chris Uzelmeier	Assistant Secretary
Roy Champagne	Treasurer

and the following directors absent:

Louis J. Tichacek	President
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2. Also present was J. Ron Young of Young & Brooks.
3. In accordance with Texas Government Code Sec. 551.074, the items of business to be considered and transacted at said Executive Session are as follows:

Legal matters.

At the conclusion of the Executive Session, an announcement was made to all present in the office that the Executive Session had adjourned, and the public session of the meeting was reconvened.

There was presented to the board a list of bills for the approval of payment, a copy of which is attached hereto. After discussion, upon motion duly made, seconded and unanimously carried, the board approved said bills and ordered checks to be issued on the appropriate accounts of the district in payment thereof.

There being no further business to come before the board, the meeting was duly adjourned.

  
Secretary, Board of Directors