

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 18

Minutes of Meeting of Board of Directors

January 31, 2012

The Board of Directors of the Montgomery County Municipal Utility District No. 18 held a regular meeting, open to the public, on January 31, 2012, at the Bentwater Country Club, 800 Bentwater Drive, Montgomery, Texas, inside the boundaries of the District with a quorum of directors present as follows:

Louis J. Tichacek	President
Linda B. Pierce	Vice President
Chris Uzelmeier	Assistant Secretary
Roy Champagne	Treasurer

and the following directors absent:

Joe Constantino	Secretary
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Also present at the meeting were J. Ron Young of Young & Brooks and Drew Masterson of First Southwest Company.

The 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 meetings held on January 10, 2012.

The board recognized Drew Masterson of First Southwest Company, who presented a report reflecting the potential savings to be achieved through the proposed 2012 refunding bond issue. After discussion, upon motion duly made, seconded and unanimously carried, the board designated Sterne, Agee & Leach, Inc. as the underwriter for the bonds. After further discussion, upon motion duly made, seconded and unanimously carried, the board approved the proposed plan of financing, preliminary official statement, and sale of the Series 2012 Refunding Bonds, provided the District realizes a net present value savings of at least 5% of the principal amount of the refunded bonds.

The board presented the Bond Order attached hereto for the issuance of the District's Unlimited Tax Refunding Bonds Series 2012, which Bond Order designates the District's Vice President and Treasurer for a period of six (6) months as the Authorized Officers to approve the final terms for the issuance and sale of the Series 2012 Refunding Bonds. The Bond Order, with its

exhibits attached thereto, was fully considered by the board, and upon motion duly made, seconded and unanimously carried the President was authorized to execute and the Secretary to attest same on behalf of the District.

The paying Agent/Registrar Agreement between the District and The New York Mellon Trust Company, N.A., was presented for approval and execution. Upon motion duly made, seconded and unanimously carried, these arguments were approved, and the board authorized the President and Secretary to execute same on behalf of the District and the Board of Directors.

Upon motion duly made, seconded and unanimously carried, the board further authorized its officers to execute the numerous documents and letters presented to the board in connection with the issuance of the Series 2012 Refunding Bonds and transcripts, and to execute any further documents required by the Attorney General in connection with the approval of the Series 2012 Refunding Bonds. The board further authorized the board's officers and Young & Brooks in their respective capacities, to finalize matters concerning the issuance, delivery and funding of the bonds upon approval of the Attorney General.

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


Secretary, Board of Directors