

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 18

Minutes of Meeting of Board of Directors

September 9, 2014

The Board of Directors of the Montgomery County Municipal Utility District No. 18 held a regular meeting, open to the public, on September 9, 2014, at the Bentwater Yacht Club, 200 Bentwater Harbor 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
Joe Constantino, Secretary
Rex Cambern, Assistant Secretary
Chris Uzelmeier, Treasurer

and the following directors absent:

None

Also present at the meeting were J. Ron Young of Young & Brooks, Wendy Austin of District Data Services, Ken Byrd of Equi-Tax, Inc., Dan Wright and John Wright of Hays Utility Service Corporation, John Bleyl, P.E. of Bleyl & Associates, Terry Gent, and Steve Seay.

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 meeting held on August 12, 2014.

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 99.1% collected for 2013.

President Tichacek announced that one purpose of this board meeting is to conduct a public hearing on the District's proposed tax rate for 2014. The board noted that the District tax assessor has published the required notice for the public hearing and that the public hearing is also noted on the agenda for this board meeting. The board reviewed discussions at the previous meeting leading to the proposed tax rate as reflected in the published notice. President Tichacek then declared the public hearing open and invited questions and comments from the public. There were no questions

or comments from the public. There being no members of the public in attendance, the public hearing was closed.

The board then considered the attached Order Establishing Ad Valorem Tax Rate for 2014, which was reviewed by the board, passed, and adopted upon motion duly made, seconded and unanimously carried. The Directors present were authorized to execute the Amendment to District Information Form.

Dan Wright and John Wright reported as to operational matters within the District. There are 2045 connections in the District. The board discussed the status of credits and projected income.

John Bleyl reported as to engineering matters within the District. The board unanimously accepted the lift station generators and driveways as substantially complete.

The board approved a consent to encroach for Bentwater in Section 99.

Steve Seay discussed the status of developments in the District. There are 1,847 completed homes in Bentwater.

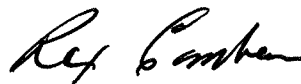
The board unanimously approved an order for redemption of bonds.

The board unanimously approved the surplus funds resolution in the amount of \$154,357.24.

Terry Gent of the Bentwater Civic Association thanked the board for participation in the public meeting.

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.



ASSIST. Secretary, Board of Directors