

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

Minutes of Meeting of Board of Directors

September 8, 2015

The Board of Directors of the Montgomery County Municipal Utility District No. 18 (the "District") held a regular meeting, open to the public, on September 8, 2015, 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  
Rex Cambern, Secretary  
Susan McFarland, Treasurer

and the following directors absent:

Louis J. Tichacek, President  
Gary Montgomery, Assistant Secretary

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

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 August 11, 2015.

Wendy Austin reported as to bookkeeping matters in the District.

Vice president Pierce announced that one purpose of this board meeting is to conduct a public hearing on the District's proposed tax rate for 2015. 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 meetings leading to the proposed tax rate as reflected in the published notice. Vice president Pierce then declared the public hearing open and invited questions and comments from the public. There were no questions or comments from the public, the public hearing was closed.

The board then considered the attached Order Establishing Ad Valorem Tax Rate for 2015,

which was reviewed by the board, passed, and adopted upon motion duly made, seconded and unanimously carried authorizing a tax rate of \$0.22 for debt service and \$0.12 for maintenance and operation purposes for a total tax rate of \$0.34 per \$100 valuation for 2015. The directors present were authorized to execute the Amendment to District Information Form.

Ken Byrd reported as to the status of tax collections in the District. The District is 99.30% collected for 2014.

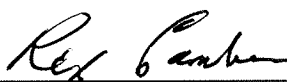
John Wright reported as to operational matters in the District. There are 2,128 connections in the District.

John Bleyl reported as to engineering matters in the District. The board considered and unanimously approved the Catahoula Water Well No. 2 contract with Alsay, Inc. for \$1,260,500.00. The board unanimously approved and executed the contract with W. W. Payton Corporation for Water Plant No. 1 Improvements for \$1,270,000.00.

The board unanimously approved an order for partial refunding of the Series 2005 Refunding Bonds in the principal amount of \$330,000.00.

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.



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Secretary, Board of Directors