

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

Minutes of Meeting of Board of Directors

March 8, 2016

The Board of Directors of the Montgomery County Municipal Utility District No. 18 (the "District") held a regular meeting, open to the public, on March 8, 2016, at the Bentwater Country Club, 800 Bentwater Drive, Montgomery, Texas, inside the boundaries of the District with a quorum of directors present as follows:

Rex Cambern, Secretary  
Gary Montgomery, Assistant Secretary  
Susan McFarland, Treasurer

and the following directors absent:

Louis J. Tichacek, President  
Linda B. Pierce, Vice President

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 and Danny Wright of Hays Utility Service Corporation, John Bleyl, P.E. of Bleyl & Associates, Drew Masterson of Hilltop Securities, Blair Smith and Terry Gent.

The secretary 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 February 9, 2016.

Wendy Austin reported as to bookkeeping matters in the District.

Ken Byrd reported as to the status of tax collections in the District. The District is 96% collected for 2015.

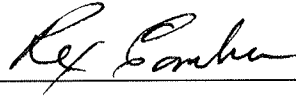
Danny Wright reported as to operational matters in the District. There are 2,147 connections in the District.

Drew Masterson discussed the District's Series 2016 refunding bond issue. Director McFarland discussed the savings achieved by the said refunding bond issue.

John Bleyl reported as to engineering matters in the District. The board unanimously agreed to close out the McCaffety Electricity contract.

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.

A handwritten signature in cursive script, appearing to read "Rex Lombard", is written above a horizontal line.

Secretary, Board of Directors