

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 18

Minutes of Meeting of Board of Directors

August 9, 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 August 9, 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:

Linda B. Pierce, President
Louis J. Tichacek, Vice President
Gary Montgomery, Assistant Secretary
Susan McFarland, Treasurer

and the following directors absent:

Rex Cambern, Secretary

Also present at the meeting were J. Ron Young of Young & Brooks, Wendy Austin of District Data Services, Ken Byrd of Equi-Tax, Inc., Drew Masterson of Hilltop Securities, Jim Hostetler, Carla Muldrow, John Wright of Hays Utility Service Corporation, John Bleyl, P.E. of Bleyl & Associates, Ed Huessen, Mike South, Anne Clark, and Rebecca Ryder.

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 July 12, 2016.

Wendy Austin reported as to bookkeeping matters in the District. The board unanimously approved the budget for fiscal year ending September 30, 2017. The board unanimously approved the 5 Year Plan with one revision.

Drew Masterson discussed the 2016 tax rate. After discussion and motion duly made, seconded and unanimously adopted, the board authorized publication of the 2016 tax rate at \$0.20 for debt service and \$0.13 for maintenance and operation purposes for a total 2016 tax rate of \$0.33.

Ken Byrd reported as to the status of tax collections in the District. The District is 99.1% collected for 2015.

John Wright reported as to operational matters in the District. There are 2,167 connections

in the District.

The board unanimously approved Roth & Eyring to audit the District's records for fiscal year ending September 30, 2016.

The board unanimously approved a Consent to Encroachment for Ruth Moser.

The board unanimously approved insurance renewal proposals for property, general liability, boiler and machinery, directors and officers liability, and consultants bonds.

Ed Huessen discussed a water heater problem, and John Bleyl and John Wright will follow-up with Mr. Huessen.

John Bleyl reported as to engineering matters in the District. The board approved an emergency request to the TCEQ for hole #10 repairs, and further authorized bidding on the creekwood silt and erosion bulkhead damage on #17 Miller. The board further awarded the emergency generator contract to Teal Services, LLC for \$469,665.

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