

Midland County Utility District
Regular Meeting Minutes
March 21, 2024

The Board of Directors of the Midland County Utility District met in a regular meeting on March 21, 2024 at 1700 West Wall Street, Midland, Texas 79701. The meeting was held pursuant to notice given to the public in accordance with the laws of the state of Texas. The meeting was open to the public.

Item 1. Call to Order. Dr. Viney called the meeting to order and made the following statements. It is 5:32 p.m. on March 21, 2024, and I am calling to order the regular meeting of the Midland County Utility District.

Board members present were:

Dr. Shelton Viney
Alan Lang
Israel Rodriguez
Joe Patten

Board members not present in the meeting:

Jackie Schneider

Also present at the meeting in person or via Zoom were:

John Carlton	Counsel for Midland County Utility District
Bill Bain	Bookkeeper
Kevin Krueger	Parkhill Smith & Cooper
Tom Kerr	Parkhill Smith & Cooper
Shane Danley	Parkhill Smith & Cooper
Ryan Kennerly	Parkhill Smith & Cooper

Item 2. Establish a Quorum. Dr. Viney announced that a quorum was present.

Item 3. Review Public Comments. None.

Item 4. Discuss and consider approval of minutes from the regular meeting on February 27, 2024. Mr. Patten made a motion to approve the minutes of the February 27, 2024, regular meeting as presented. The motion was seconded by Mr. Rodriguez, and the motion passed 4-0.

Item 5. Receive financial report from District's Bookkeeper and consider: (a) approval of payment of bills and invoices; (b) approval of financial report; and (c) approval of quarterly investment report for 1st quarter. Mr. Bain presented the investment report, financial report, and expenditures. Mr. Bain recommended transferring funds into an investment pool account. Mr. Lang moved to approve transferring \$12 million to an investment pool account. Mr. Patten seconded the motion, and the motion passed 4-0.

- (a) **Approval of payment of bills and invoices:** Mr. Rodriguez moved to approve payment of the bills and invoices. Mr. Lang seconded the motion, and the motion passed 4-0.
- (b) **Approval of financial report:** Mr. Lang moved to approve the financial report as presented. Mr. Patten seconded the motion, and the motion passed 4-0.
- (c) **Approval of quarterly investment report for 1st quarter:** Mr. Rodriguez moved to approve the quarterly investment report for the 1st quarter and Mr. Lang seconded the motion, and the motion passed 4-0.

Item 6. Receive report from the District's General Manager and consider taking action regarding proposed plan to finance District improvements and plan for implementation as well as financial matters, utility planning and service issues, water supply evaluation and management. Mr. Kerr provided a report on budget status. No action.

Item 7. Discuss and consider approval of contracts with Strategic Government Resources for services, including:

- (a) **Executive Recruitment Services;** Mr. Kerr discussed SGR's proposal for Executive Recruiting services and moving forward with public search for a General Manager. Mr. Rodriguez moved to engage SGR and authorize SGR to proceed with a public search for a General Manager, subject to legal review and not to exceed \$27,900 in cost. Mr. Patten seconded the motion, and the motion passed 4-0.
- (b) **Interim General Management Services;** Mr. Kerr explained SGR's proposal for Interim General Management Services and recommended SGR meet with the Board. No action.

Item 8. Discuss and consider taking action on engineering services report from Parkhill including: Mr. Kerr presented the engineering report.

- (a) **Report on financial overview, job-to-date, for task orders (including progress report and updated schedule with anticipated expenditures) related to the Water Supply and Preliminary Engineering Report project;** No action.
- (b) **Approval of Amendment to Task Order #3 for Program Management services;** The Board discussed the approval of amendment to Task Order #3 for Program Management services. Mr. Rodriguez moved to approve Task Order #3 amendment of \$450,000. Mr. Lang seconded the motion, and the motion passed 4-0.
- (c) **Approval of Amendment to Task Order #5 for Distribution System planning and design;** Mr. Kerr provided an update on the submission of the Midland County Wellfield Grant Funds application and scheduled goals and phasing. Mr. Rodriguez moved to approve Task Order #5 amendment of \$870,000. Mr. Patten seconded the motion, and the motion passed 4-0.

(d) Approval of a Construction Manager at Risk (“CMAR”) agreement for pre-construction services for Wellfield and Treatment. Kevin Krueger reported on his review of the Garney Construction pre-construction agreement. Ryan Kennerly discussed Garney’s experience and services the firm can provide to the District on this project. Mr. Kennerly mentioned Parkhill’s 15 plus years of work with the firm. No action.

Item 9. Discuss and consider action regarding strategic plan for providing water service within the District, including financing, design, construction, and rate issues; No action.

Item 10. Receive an update on the Interlocal Agreement with the City of Midland to dispose of reverse osmosis reject water and discuss cost comparison of disposal; No action.

Item 11. Receive and update on the Interlocal Agreement with the County of Midland for project funding and consider taking related actions; No action.

Item 12. Receive Park Water development updates. No report.

Item 13. Receive report from District’s attorney and consider taking action regarding contracts, legislative issues, regulatory issues and matters relating to future elections. Mr. Carlton advised on master plan and board election process.

Item 14. Discuss time and date for next meeting; and Next regular meeting will be held on April 18, 2024 at 5:30 p.m. at 1700 West Wall Street, Suite 100, Midland, Texas 79701.

Item 16. Adjourned. Dr. Viney moved to adjourn the meeting. Mr. Patten seconded the motion, and the motion passed 4-0. The meeting was adjourned at 7:11 p.m.

Respectfully submitted,

Joe Patten
Secretary