

Midland County Utility District
Regular Meeting Minutes
January 18, 2024

The Board of Directors of the Midland County Utility District met in a regular meeting on January 18, 2024 at 5310 E. County Road 60, Midland, Texas 79705. 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 5:31 p.m. on January 18, 2024, and I am calling to order the regular meeting of the Midland County Utility District.

Board members present were:

Alan Lang
Dr. Viney
Jackie Schneider
Israel Rodriguez

Board member not present until later in the meeting:
Joe Patten

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

Jennifer Schein	Counsel for Midland County Utility District
Bill Bain	Bookkeeper
Kevin Krueger	Parkhill Smith & Cooper
Ryan Kennerly	Parkhill Smith & Cooper
Tom Kerr	Parkhill Smith & Cooper

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

Item 3. Review Public Comments. There was a public comment regarding Park Water. Mr. Kerr stated Midland County Utility District is a governmental entity and that there is not a business relationship with Park Water. Through work with Midland County, Midland County has authorized the District to collect franchise fees.

Item 4. Discuss and consider taking action on minutes from the November 15, 2023, regular meeting. Dr. Viney called Item 4 on the agenda. Mr. Rodriguez made a motion to approve the minutes of the November 15, 2023, regular meeting as presented. The motion was seconded by Mr. Lang, 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; and (b) approval of financial report. Mr. Bain presented the investment report, financial report, and expenditures. The Board reviewed the income and expenses with Mr. Bain.

- (a) **Approval of payment of bills and invoices:** Mr. Bain presented the financial report and expenditures. Mr. Rodriguez moved to approve payment of the bills and invoices. Mr. Schneider seconded the motion, and the motion passed 5-0.
- (b) **Approval of financial report:** Mr. Bain presented the financial report and expenditures. Mr. Rodriguez moved to approve the financial report. Mr. Schneider seconded the motion, and the motion passed 5-0.

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. Tom Kerr, a Parkhill employee, provided the Board with the General Manager's report in Jay Edwards's absence. Mr. Kerr discussed his extensive experience in operating water utility systems and the focus on the distribution and business plan for the District to begin operations. Dr. Viney voiced the importance of having a general manager outside of Parkhill to manage the project.

Item 7. Discuss and consider engineering services report from Parkhill, including:

- (a) **Financial overview, job-to-date, for task orders (including progress report and updated schedule with anticipated expenditures);**
Mr. Kerr presented a slideshow on the distribution system progress, the District's development priorities, customer development, and funding. No action.
- (b) **Amendment to Task Order #2 (Treatment) & Task Order #3 (Program Management) for the full design amount required (including detailed cost breakdown for the well development portion of work); and**
The Board discussed the proposed amendment to Task Order #2, Task Order #3, and the goal to have treated water by Spring 2026. The Board discussed a proposal to split into 3 payments. No action.
- (c) **Select time and date for CMAR selection committee review and scoring of receiving proposals.** The Board discussed changing the opening date for submission of proposals to February 1. The selection committee consists of Directors Alan Lang and Israel Rodriguez, and Jay Edwards and Kevin Kruger. No action.

Item 8. Discuss and consider approving Parkhill to develop a draft Interlocal Agreement with the City of Midland to dispose of reverse osmosis reject. Mr. Rodriguez moved to approve Parkhill drafting an Interlocal Agreement with the City of Midland consistent with the City's agreement with Greenwood ISD. Mr. Patten seconded the motion, and the motion passed 5-0.

Item 9. Discuss and consider action regarding strategic plan for providing water service within the District, including financing, design, construction, and rate issues.
This item was covered as part of the discussion under item 6, the General Manager's report.

Item 10. Discuss and consider action approving the Interlocal Agreement with the County of Midland for project funding. The Board discussed the status of the Interlocal Agreement with the County of Midland for project funding. The intention of the County is to publicly sign the Agreement as part of a press event, once finalized. No action.

Item 11. Receive Park Water development updates. No action.

Item 12. Discuss Park Water and Vander Ranch information received. The Board discussed the information brought from the citizens. No action.

Item 13. Receive report from District's attorney and consider taking action regarding contracts, legislative issues, regulatory issues and matters relating to future elections. No action.

Item 14. Discuss and engaging Singleton, Clark & Company, PC to perform FY 23 audit. The Board discussed engaging Singleton, Clark, & Company to perform the audit. Mr. Schneider motioned for approval of the engagement letter as presented. Mr. Lang seconded the motion, and the motion passed 5-0.

Item 15. Discuss and consider General Manager services. The Board discussed the importance of hiring a general manager to oversee Parkhill's projects. Mr. Kerr and the Board discussed contacting a headhunter for recipients to interview for the general manager position and to hire to oversee the Parkhill project. Dr. Viney stressed the importance of hiring a general manager and it being a top priority for the district. No action.

Item 16. See supplemental agenda for election items. The Board discussed the items in the supplemental agenda for the Director's election. Mr. Schneider motioned to adopt the Order Calling Director Election. Mr. Lang seconded the motion, and the motion passed 5-0.

Dr. Viney moved to authorize The Carlton Law Firm to give Notice of Director Election for May 4, 2024 and any other matters relating to the May 4, 2024 election. Mr. Rodriguez seconded the motion, and the motion passed 5-0.

Item 17. Discuss and consider Eminent Domain report filed in December. No action.

Item 18. Discuss and consider updates regarding the Midland County Appraisal District Board of Directors. Ms. Schein briefly discussed the updates. No action.

Item 19. Discuss time and date for next meeting. Next regular meeting will be held on February 22, 2024, at 5:30 p.m. at 5310 E. County Road 60, Midland, Texas 79705.

Item 20. Adjourned.

Respectfully submitted,

Joe Patten
Secretary