

**Midland County Utility District**  
**Regular Meeting Minutes**  
**April 20, 2023**

The Board of Directors of the Midland County Utility District met in a regular meeting on April 20, 2023, at 2405 W. Missouri Avenue, 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 statement. It is 5:30 p.m. on April 20, 2023, and I am calling to order the regular meeting of the Midland County Utility District.

Board members present were:

Joe Patten  
Israel Rodriguez  
Jackie Schneider

Board member present via Zoom were:

Dr. Shelton Viney  
Alan Lang

Also present at the meeting via Zoom were:

John Carlton	Counsel for Midland County Utility District
Bill Bain	District Bookkeeper
Shane Darley	Parkhill Smith & Cooper
Jay Edwards	Parkhill Smith & Cooper
R. Eads	

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

**Item 3. Review Public Comments.** No members of the public were present to address the Board.

**Item 4. Discuss and consider taking action on minutes from the February 3, 2023, regular meeting.** Dr. Viney called Item 4 on the agenda. Mr. Rodriguez made a motion to approve the minutes of the February 9, 2023, regular meeting. The motion was seconded by Mr. Schneider and approved by a vote of 5-0.

**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. Mr. Bain also reviewed the District's income and expenses. Mr. Edwards said he was comfortable with having \$1 million in the operating account and the rest in the TexPool account. Mr. Bain said he was trying to stage the

withdrawals because of the banking crisis. Dr. Viney said he will continue to move the money in increments.

(a) **Approval of payment of bills and invoices:** Mr. Lang moved to pay the bills and invoices as presented in the financial report. Mr. Patten seconded the motion, and the motion passed 5-0.

(b) **Approval of financial report:** Mr. Schneider made a motion to approve the financial report and investment report. Mr. Rodriguez 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.** Jay Edwards provided his General Manager report and discussed the water agreement and asked if Parkhill could begin the initial design work and request funding from Midland County for \$25 million, as the County will begin working on their FY2023-2024 budget. Mr. Edwards also said the County perceives MCUD's commitment to secure water and begin design work as significant. Mr. Edwards let the Board know he would be meeting with the County Judge next week.

Mr. Lang asked if Parkhill plans to begin the work before the water contract is signed, and Mr. Edwards said he would need the signed contract to begin the work. Mr. Patten moved to authorize Parkhill Smith and Cooper to begin design work on the water treatment plant and Phase 1 of the well field. Mr. Schneider seconded the motion, and the motion passed 5-0. Mr. Edwards estimates the cost to be about \$1.2 million for six months of work.

**Item 7. Discuss and consider acquisition of property for District facilities.** The item was not addressed.

**Item 8. Discuss and consider agreement for water supply.** Mr. Edwards reviewed the terms of the contract with Highline. Mr. Schneider moved to approve the contract and authorize Dr. Viney to execute the contract, subject to legal and Mr. Edwards's review and approval of the terms in the contract. Mr. Rodriguez seconded the motion, and the motion passed 5-0.

**Item 9. Receive Park Water development updates.** Mr. Edwards said Park Water owes \$27,000 and the tab continues to grow. Mr. Edwards mentioned he will be meeting with Jason Bethke next week. Mr. Bain suggested asking for payments to be made and Mr. Edwards mentioned there is also the option of a note. Mr. Bain also suggested the possibility of a lien on their lines and equipment. Mr. Edwards said a lien would be unlikely, but it could put pressure on Park Water. Mr. Edwards stated there has been no money spent on the Park Water project except for the engineering plan review that has not been reimbursed.

**Item 10. Receive report from District's attorney and consider taking action regarding contracts, legislative issues, regulatory issues and matters relating to future elections.** Mr. Carlton stated there was nothing to report other than the resolution for the approval

of engineering services and resolution on approval of the water contract being prepared for the Board's approval.

**Item 11. Review Records Management Program and make changes as appropriate.** Mr. Carlton reviewed the resolution. Mr. Lang moved to approve the resolution and Mr. Patten seconded the motion. The motion passed 5-0.

**Item 12. Review Resolution Regarding Public Participation at Open Meetings and make changes as appropriate.** Mr. Carlton reviewed the resolution. No action was taken.

**Item 13. Review Code of Ethics & Financial Investment, Travel and Professional Services Policy.** No action was taken.

**Item 14. Discuss and consider Oncor supplement WR 3501438.** Mr. Carlton discussed the Oncor supplement. Mr. Schneider moved to approve the Oncor supplement. Mr. Lang seconded the motion, and the motion passed 5-0.

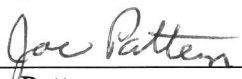
**Item 15. Review policies regarding use of management information including: (A) budgets for use in planning and controlling cost; (B) an audit committee of the board; and (C) uniform reporting requirements.** The item was not addressed.

**Item 16. Confirm District Investment Office Training is up to date.** Mr. Bain confirmed his training is up to date.

**Item 17. Discuss time and date for next meeting.** Next regular meeting will be held on May 18, 2023, at 5:30 p.m. at 2405 W. Missouri Avenue, Midland, Texas 79701.

**Item 18. Adjourn.** Dr. Viney moved to adjourn the meeting, and Mr. Lang seconded. The motion passed 5-0, and the meeting was adjourned at 6:54 pm.

Respectfully submitted,

  
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Joe Patten  
Secretary