

Midland County Utility District
Regular Meeting Minutes
April 19, 2022

The Board of Directors of the Midland County Utility District met in a Regular Meeting on April 19, 2022, 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 5:34 p.m. on April 19, 2022, and I am calling to order the Regular Meeting of the Midland County Utility District.

Board members present were:

Dr. Shelton Viney
Joe Patten
Alan Lang
Israel Rodriguez

Board members absent were:

Jackie Schneider

Also present at the meeting were:

Jay Edwards	District General Manager
John Carlton	Counsel for Midland County Utility District
Rusty Eads	Parkhill, Smith & Cooper
Jason Bethke	Permian Water

Also present at the meeting via Zoom were:

Bill Bain	District Bookkeeper
Kyle Krueger	Parkhill, Smith & Cooper
Kevin Krueger	Parkhill, Smith & Cooper

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 March 3, 2022 Regular Meeting.** Dr. Viney called Item 4 on the agenda. Mr. Rodriguez made a motion to approve the Minutes of the March 3, 2022, Regular Meeting. The motion was seconded by Mr. Patten and unanimously approved by a vote of 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 financial report.

(a) **Approval of payment of bills and invoices:** Mr. Lang made a motion to pay the bill and invoices as presented in the financial report. The motion was seconded by Mr. Rodriguez, and it was unanimously approved by a vote of 4-0.

(b) **Approval of financial report:** Mr. Rodriguez made a motion to approve the financial report. Mr. Patten seconded the motion, and the motion passed 4-0.

Item 8. Review and approve quarterly investment report for 1st quarter. Mr. Bain presented the quarterly investment report for the 1st quarter. Mr. Patten moved to approve the 1st quarter investment report, and Mr. Lang seconded the motion. The motion passed 4-0.

Item 7. Discuss and consider approval of Resolution Confirming Annual Review of District's Investment Policy, Strategies, Guidelines And Management Practices or approval of Resolution Adopting Amended District Investment Policy, Strategies, Guidelines and Management Practices. Mr. Bain presented the investment policy and reviewed it with the Board. Mr. Lang moved to approve the Resolution Confirming Annual Review of the Investment Policy, and Mr. Patten seconded the motion. 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. Edwards updated the Board regarding the transmission pipe price increase. The original price estimate was \$7.9 million, but that number has increased to \$16 million due to the pipe size and inflation. Mr. Edwards explained that the County will consider an agreement to fund the District's connection points with the City in May 2022 and hopes to have the City approve the wholesale contract in May 2022 also.

Mr. Kyle Krueger and Mr. Kevin Krueger gave a presentation to the Board regarding grants for funding, including federal options and options through the Texas Water Development Board. Mr. Kyle Krueger also presented information regarding the Edgewood and Sprayberry maps. No action taken.

Item 9. Discuss and consider approval of the District Information Form and authorize filing. The board discussed the amended information form. Mr. Rodriguez moved to approve the amended information form, and Mr. Patten seconded the motion. The motion passed 4-0.

Item 10. Discuss and consider wholesale water supply agreement with the City of Midland. Mr. Carlton presented the wholesale water supply agreement. No action was taken.

Item 11. Discuss and consider taking action on Interlocal Agreement with Midland County regarding funding for interconnected facilities with City of Midland water system. Mr. Lang moved to approve the agreement with an increase to \$16.1 million from \$7.9 million. Mr. Rodriguez seconded the motion, and the motion passed 4-0.

Item 13. Discuss and consider authorizing General Manager to advertise for Construction Manager at Risk (CMAR) services for the District, name selection committee, and consider selection criteria. Mr. Edwards presented information regarding the Construction Manager at Risk services. The CMAR selection criteria was suggested to be 75% based on qualifications and 25% based on fees. A. Lang, I. Rodriguez, and J. Edwards were chosen as the selection committee. The selection committee will address 2 projects with the City of Midland. Mr. Lang made a motion to approve the selection criteria, committee members, and scope of work as mentioned. Mr. Patten seconded the motion, and the motion passed 4-0.

Item 14. Discuss and consider authorizing General Manager to submit amendment to the Region F State Water Plan for Midland County Utility District. Mr. Carlton explained amendments to the State Water Plan. Mr. Rodriguez moved to approved authorizing the General manager to submit an amendment on the District's behalf. Mr. Lang seconded the motion, and the motion passed 4-0.

Item 15. Receive report from the District's attorney and consider taking action regarding contracts, legislative issues, regulatory issues and matters relating to future elections. Mr. Carlton discussed the meeting locations for Board meetings. The offices of Parkhill Smith & Cooper, 1700 W. Wall St., Ste. 100, Midland, Texas, Midland Surgical Associates, 2405 W. Missouri Ave., Midland, Texas, and the Midland County Horseshoe Arena, 2514 Arena Trl., Midland, Texas should be designated as meeting locations outside the District for the Midland County Utility District's Board meetings.

Item 12. Discuss and consider acquisition of property for interconnection facilities. The board convened into executive session at 6:53 p.m. to discuss the acquisition of property.

The board reconvened into open session at 7:09 p.m. Dr. Viney stated that no action was taken. Mr. Lang moved to authorize the General manager and The Carlton Law Firm to negotiate the acquisition of 2 acres for the Edgewood connection. Mr. Patten seconded the motion, and the motion passed 4-0.

Item 16. Discuss time and date for next meeting. Next regular meeting to be held on May 26, 2022, at 5:30 p.m.

Item 17. Adjourn. Mr. Schneider moved to adjourn, and Mr. Patten seconded. The motion passed unanimously, and the meeting was adjourned at 7:17 pm.

Respectfully submitted,



Joe Patten
Secretary