

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 8

MINUTES OF SPECIAL MEETING

MAY 24, 2011

The Canvassing Authority and Board of Directors (the "Board" or "Directors") of Montgomery County Municipal Utility District No. 8 (the "District" or "MCMUD 8") met in special session, open to the public, on Tuesday, May 24, 2011, at 9:00 a.m., at the Walden Yacht Club, 13101 Melville Drive, Montgomery, Texas 77356, a designated meeting place located inside the boundaries of the District, and the roll was called of the duly constituted officers and members of the Canvassing Authority and Board, to-wit:

Roy McCoy	President
Bob Leasure	Vice President
Daniel L. Davis	Assistant Vice President
Arch Payne	Secretary
Dan Fryman	Assistant Secretary

All members of the Canvassing Authority and Board were present, except for Directors McCoy, Davis and Payne. Also attending was Ross J. Radcliffe of Johnson Radcliffe Petrov & Bobbitt PLLC ("Attorney").

After finding that the notice of the meeting was posted as required by law and determining that a quorum of the Canvassing Authority was present, the meeting was called to order and declared open for such business as may come before it.

The meeting of the Canvassing Authority commenced.

1. Mr. Radcliffe stated that after reviewing the Canvass Report and Cumulative Report provided by Montgomery County Elections Department, pursuant to the joint election conducted by Montgomery County, copies of which are attached hereto as Exhibit "A," it was found that the reports accurately showed the number of votes cast.

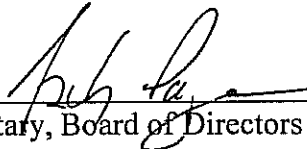
2. The Canvassing Authority next considered the Order Canvassing Returns and Declaring Results of Bond Election, a copy of which is attached as Exhibit "B." Upon a **motion** by Director Fryman, seconded by Director Leasure, after full discussion and the question being put to the Canvassing Authority, the Canvassing Authority voted to approve the Order Canvassing Returns and Declaring Results of Bond Election, which evidenced the following results:

	<u>Votes</u>
For	96
Against	78

3. The Canvassing Authority then discussed authorizing payment to Montgomery County for the remaining joint election costs. Upon a **motion** by Director Fryman, seconded by Director Leasure, after full discussion and the question being put to the Canvassing Authority, the Canvassing Authority voted to authorize payment to Montgomery County for the remainder of joint election costs.

THERE BEING NO FURTHER BUSINESS BEFORE THE CANVASSING AUTHORITY, the meeting was adjourned.

PASSED AND APPROVED this the 8th day of June, 2011.



Secretary, Board of Directors

EXHIBITS:

- A - Canvass Report and Cumulative Report provided by Montgomery County Elections Department
- B - Order Canvassing Returns and Declaring Results of Bond Election



MONTGOMERY COUNTY ELECTIONS

P. O. Box 2646

Conroe, Texas 77305-2646

www.MontgomeryVotes.org

election@mctx.org

Carol Gaultney, CERA
Elections Administrator

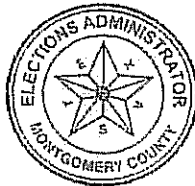
(936) 539-7843

Fax (936) 538-8143

May 14, 2011

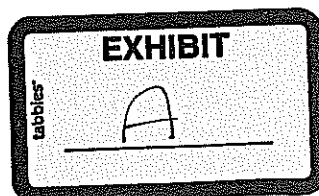
Re: Montgomery County Municipal Utility District Number 8 Election

I, Carol Gaultney, Montgomery County Elections Administrator, do hereby certify that the attached pages are the final results of Montgomery County Municipal Utility District Number 8 Election held in Montgomery County, Texas on May 14, 2011.



Carol Gaultney

Carol Gaultney
Elections Administrator



**Montgomery County Municipal Utility District No. 8 Canvass Report — Total Voters — Official
 Montgomery County, Texas — Joint Election — May 14, 2011**

Page 1 of 1

Total Number of Voters : 6,284 of 136,182 = 4.61%
 Number of District Voters: 176 of 1,970 = 8.93%

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 Precincts Reporting 14 of 14 = 100.00%
 District Precincts Reporting 1 of 1 = 100.00%

Montgomery County Municipal Utility District No. 8 Proposition No. 1

Precinct	Early Ballots Cast	Election Ballots Cast	Total Ballots Cast	Registered Voters	Percent Turnout	For	Against	Totals
B	127	49	176	1970	8.93%	96	78	174
Totals	127	49	176	1970		96	78	174

Montgomery County Municipal Utility District No. 8 Cumulative Report — Official
Montgomery County, Texas — Joint Election — May 14, 2011

Total Number of Voters : 6,284 of 136,182 = 4.61%
 Number of District Voters: 176 of 1,970 = 8.93%

Precincts Reporting 14 of 14 = 100.00%
 District Precincts Reporting 1 of 1 = 100.00%

Party	Candidate	Early	Election	Total
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Montgomery County Municipal Utility District No. 8 Proposition No. 1, Vote For 1

For		64	50.79%	32	66.67%	96	55.17%
Against		52	49.21%	16	33.33%	78	44.83%
		126	99.21%	48	97.96%	174	98.86%
	Cast Votes:	0	0.00%	0	0.00%	0	0.00%
	Over Votes:	1	0.79%	1	2.04%	2	1.14%
	Under Votes:						

CERTIFICATE OF ORDER

**STATE OF TEXAS
COUNTY OF MONTGOMERY
MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 8**

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§
§

We, the undersigned officers of the Board of Directors (the "Board") of **MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 8** (the "District"), hereby certify as follows:

The Board/Canvassing Authority convened in special session, open to the public, on Tuesday, May 24, 2011, at 9:00 a.m., at the Walden Yacht Club, 13101 Melville Drive, Montgomery, Texas 77356, and the roll was called of the members of the Board, to-wit:

Roy McCoy	President
Bob Leasure	Vice President
Daniel L. Davis	Assistant Vice President
Arch Payne	Secretary
Claude D. Fryman	Assistant Secretary

All members of the Board/Canvassing Authority were present except the following: Directors McCoy, Davis and Payne, thus constituting a quorum. Whereupon other business, the following was transacted at such Meeting: A written

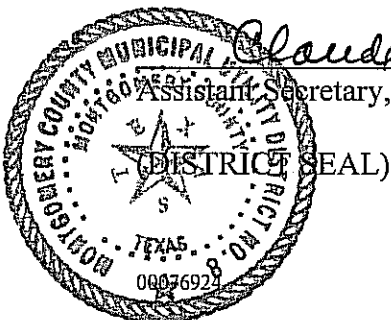
**ORDER CANVASSING RETURNS
AND DECLARING RESULTS OF BOND ELECTION**

was duly introduced for the consideration of the Board/Canvassing Authority. It was then duly moved and seconded that such Order be adopted; and after full discussion, such motion, carrying with it the adoption of such Order prevailed, carried, and became effective by the following vote:

AYES: 2 **NOES:** 0

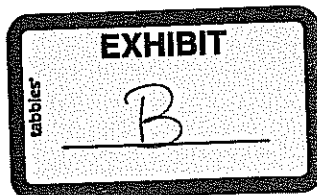
A true, full and correct copy of the aforesaid Order adopted at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; such Order has been duly recorded in the Board's minutes of such Meeting; the above and foregoing paragraph is a true, full, and correct excerpt from the Board's minutes of such Meeting pertaining to the adoption of such Order; the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of the Board as indicated therein; each of the officers and members of the Board are duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of such Meeting, and that such Order would be introduced and considered for adoption at such meeting, and each of the officers and members consented, in advance, to the holding of such Meeting for such purpose; and such Meeting was open to the public and public notice of the time, place, and purpose of such Meeting was given, all as required by Chapter 551 of the Texas Government Code and Section 49.063 of the Texas Water Code, as amended.

SIGNED this 24th day of May, 2011.



Claude D. Fryman
Assistant Secretary, Board of Directors

Robert H. Leasure
Vice-President, Board of Directors



**ORDER CANVASSING RETURNS
AND DECLARING RESULTS OF BOND ELECTION**

THE STATE OF TEXAS §

COUNTY OF MONTGOMERY §

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 8 §

WHEREAS, on March 10, 2011, the Board of Directors (the "Board") of Montgomery County Municipal Utility District No. 8 (the "District") ordered a bond election (the "Election") for the District on May 14, 2011, at the West Montgomery County Annex, 19380 Highway 105 West, Montgomery, Texas 77356, and at which the following proposition was submitted in accordance with the law:

PROPOSITION NO. 1

SHALL THE BOARD OF DIRECTORS (THE "BOARD") OF THE MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 8 (THE "DISTRICT") BE AUTHORIZED TO ISSUE THE BONDS OF THE DISTRICT IN ONE OR MORE ISSUES OR SERIES IN THE MAXIMUM PRINCIPAL AMOUNT OF \$23,550,000 MATURING SERIALLY OR OTHERWISE IN SUCH INSTALLMENTS AS ARE FIXED BY SAID BOARD OVER A PERIOD OR PERIODS NOT EXCEEDING 40 YEARS FROM THEIR DATE OR DATES, BEARING INTEREST AT ANY RATE OR RATES, AND TO SELL SAID BONDS AT ANY PRICE OR PRICES, PROVIDED THAT THE NET EFFECTIVE INTEREST RATE ON ANY ISSUE OR SERIES OF SAID BONDS SHALL NOT EXCEED THE MAXIMUM LEGAL LIMIT IN EFFECT AT THE TIME OF ISSUANCE OF EACH ISSUE OR SERIES OF BONDS, ALL AS MAY BE DETERMINED BY THE BOARD OF THE DISTRICT, FOR THE PURPOSE OR PURPOSES OF PURCHASING, CONSTRUCTING, ACQUIRING, OWNING, LEASING, OPERATING, REPAIRING, IMPROVING, OR EXTENDING, INSIDE AND OUTSIDE THE DISTRICT'S BOUNDARIES, ANY AND ALL DISTRICT WORKS, IMPROVEMENTS, FACILITIES, PLANTS, EQUIPMENT, AND APPLIANCES, AS WELL AS ALL EXPENSES IN ANY MANNER INCIDENTAL THERETO, AND PAYING FOR ALL COSTS ASSOCIATED WITH FLOOD PLAIN AND WETLANDS REGULATION AND ENDANGERED SPECIES AND STORMWATER PERMITS, INCLUDING MITIGATION, NEEDED TO ACCOMPLISH THE PURPOSES OF THE DISTRICT AUTHORIZED BY THE TEXAS CONSTITUTION, THE TEXAS WATER CODE OR ANY OTHER LAW, INCLUDING THE WORKS, IMPROVEMENTS, FACILITIES, PLANTS, EQUIPMENT AND APPLIANCES NEEDED TO PROVIDE A WATERWORKS SYSTEM, SANITARY SEWER SYSTEM, DRAINAGE AND STORM SEWER SYSTEM AS WELL AS ALL EXPENSES IN ANY MANNER INCIDENTAL THERETO, INCLUDING, BUT NOT LIMITED TO, ALL ADDITIONS TO SUCH SYSTEMS AND ALL WORKS, IMPROVEMENTS, FACILITIES, PLANTS, EQUIPMENT, APPLIANCES, INTERESTS IN PROPERTY, AND PURCHASE

AND CONTRACT RIGHTS NEEDED THEREFOR AND ADMINISTRATIVE FACILITIES NEEDED IN CONNECTION THEREWITH AND TO PROVIDE FOR THE PAYMENT OF PRINCIPAL OF AND INTEREST ON SUCH BONDS AND THE COSTS OF ANY CREDIT AGREEMENTS EXECUTED OR AUTHORIZED IN ANTICIPATION OF, IN RELATION TO, OR IN CONNECTION WITH SAID BONDS, BY THE LEVY AND COLLECTION OF A SUFFICIENT TAX, WITHOUT LIMITATION AS TO RATE OR AMOUNT, UPON ALL TAXABLE PROPERTY WITHIN THE DISTRICT, ALL AS AUTHORIZED BY THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS?

WHEREAS, notice of the Election was given to the qualified resident electors of said District by posting the notice within the District;

WHEREAS, the officers appointed to hold the Election have submitted their returns to the President and Secretary of this Board.

THEREFORE, CANVASSING AUTHORITY OF THE BOARD OF DIRECTORS OF MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 8 AFFIRMATIVELY FINDS AND DECLARES THAT:

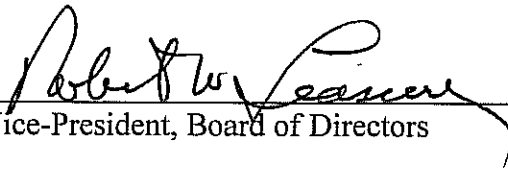
1. The Election ordered by the Board, was duly and regularly called, notice thereof given and the Election was conducted on May 14, 2011, all in accordance with the laws of the United States of America and the State of Texas, including particularly the Texas Election Code and Chapters 49 and 54, Texas Water Code, together with all amendments and additions thereto and other requirements of law.
2. All duly qualified resident electors who presented themselves at the polls voted at the Election.
3. The returns of the Election were regularly made to the Canvassing Authority of the Board by the officers of the Election as provided by the Texas Election Code, as amended.
4. The Election resulted in a vote of 96 votes for Proposition No. 1, and 78 votes against Proposition No. 1.

NOW, THEREFORE, BE IT ORDERED BY THE CANVASSING AUTHORITY OF THE BOARD OF DIRECTORS OF MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 8 THAT:

The Election was duly called, notice thereof given in accordance with the law, and conducted in the manner required by the law and as provided in the Order Calling Bond Election, dated March 10, 2011. The returns of the Election have been made by the election officials. The results of the Election are hereby declared to be that a majority of said voters of the District voting at the Election authorized the Board to issue bonds in the aggregate principal amount of \$23,550,000.

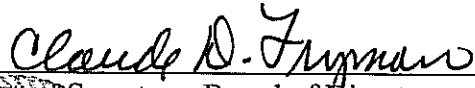
(EXECUTION PAGE FOLLOWS)

PASSED, ADOPTED, ORDERED and APPROVED this 24th day of May, 2011.



Vice-President, Board of Directors

ATTEST:



Assistant Secretary, Board of Directors

