

EAST MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 3
NOTICE OF PUBLIC MEETING

Notice is hereby given to all interested members of the public that the Board of Directors of the above captioned District will hold a public meeting on **Thursday, June 11, 2026, at 3:30 p.m.** Members of the public may attend the meeting in person at **The Atrium Center, Room 109, 21575 U.S. Highway 59 North, New Caney, Texas,** said address being a meeting place of the District.

The subject of the meeting will be as follows:

1. Consider questions and comments from public (the Board imposes a three-minute speaking limit for each member of the public wishing to address the Board; comments will be closed after this item);
2. Review and approve the minutes of the Board of Director's meeting held on May 14, 2026;
3. Consider report on security in District, and the taking of any actions required in connection therewith;
4. Consider engagement of auditor for preparation of the District's audit report for fiscal year ending June 30, 2026;
5. Consider report on the status of collection of taxes, the status of collection of delinquent tax accounts, including authorizing the termination of water service, and the payment of invoices in connection therewith, and the taking of any actions required in connection therewith;
6. Consider authorizing the Delinquent Tax Collections Attorney to pursue the collection of delinquent taxes for 2025 and prior years, including the filing of lawsuits regarding same, as necessary;
7. Consider Wal-Mart industrial permit, including review of test results and fine and penalty spreadsheet relative to Wal-Mart discharge testing, and status of receipt of payment for fines previously assessed against Wal-Mart, and the taking of any other actions required in connection therewith;
8. (a) Consider authorizing the design, advertisement for bids and/or award of construction contracts or concurrence in the award of a contract for the construction of water, sanitary sewer and drainage facilities within the District, and the taking of any action required in connection therewith; including:
 - (i) review and approve plans and specifications and authorize advertisement for bids for Permanent WWTP Phase II 0.30 MGD expansion;
 - (ii) review bids and authorize award of contract for construction of Phase III detention to serve the Industrial Park;
 - (iii) review bids and concur in award of contract by developer for construction of Porters Mill force main extension (Wal-Mart lift station to wastewater treatment plant);
 - (iv) Consider status of renovations at Water Plant No. 1;(b) Consider status of construction contracts, including the approval of any change orders and/or acceptance of facilities for operation and maintenance purposes, and the taking of any action required in connection therewith, including:

District projects:

 - (i) status of contract between AUC Group and the District for purchase and rehabilitation of wastewater treatment package plant;
 - (ii) status of contract between Principal Services and the District for construction of water, sewer and drainage facilities to serve E. Industrial Parkway extension;

Persons with disabilities who plan to attend this meeting and would like to request auxiliary aids or services are requested to contact the District's attorney at 713-942-9922 at least three business days prior to the meeting so that appropriate arrangements can be made.

(c) Consider acceptance of site and/or easement conveyances for facilities constructed or to be constructed for the District, including;

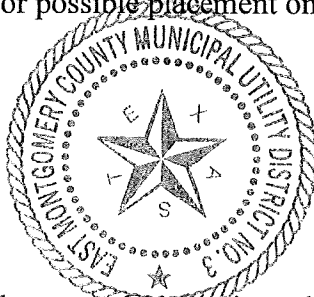
- (i) Conveyance of Utility Facilities for construction of water, sewer and drainage facilities to serve Miller Heights Drive and Porters Mill Boulevard, Phase 3 (Durwood Green);
- (ii) Conveyance of Utility Facilities for construction of water, sewer and drainage facilities to serve Porters Mill South, Section 1 (Dimas Bros.);
- (iii) Conveyance of Utility Facilities for construction of water, sewer and drainage facilities to serve Porters Mill South, Section 2 (Dimas Bros.);
- (iv) Special Warranty Deed relative to Porters Mill South Detention, Phase 1 (Advanced Construction & Development);
- (v) Special Warranty Deed relative to Porters Mill South Detention, Phase 2 (DC Contracting Services);
- (vi) Waterline & Drainage Easements and Sanitary Sewerline & Drainage Easements from East Montgomery County Improvement District to serve the E. Industrial Parkway Phase 2 extension project;
- (vii) Waterline and Drainage Easements and Road Right-of-Way Easements from Deleon Family, et al. to serve the E. Industrial Parkway Phase 2 extension project;
- (viii) Waterline and Drainage Easements from Polygon New Caney LLC to serve the E. Industrial Parkway Phase 2 extension project;
- (ix) Conveyance of Utility Facilities for construction of water, sewer and drainage facilities to serve Porters Mill South, Section 3 (Dimas Bros.);
- (x) Conveyance of Utility Facilities for construction of water, sewer and drainage facilities to serve Porters Mill South, Section 4 (Dimas Bros.);
- (xi) Special Warranty Deed for drainage to serve Porters Mill South, Section 1 (Reserve E);
- (xii) Special Warranty Deed for drainage to serve Porters Mill South, Section 2 (Reserve G);
- (xiii) Special Warranty Deed for drainage to serve Porters Mill South, Section 3 (Reserve C);
- (xiv) Special Warranty Deed for drainage and detention to serve Porters Mill South, Section 4 (Reserve D);
- (xv) Utility Easement (0.2571 acre) from DR Horton to serve Porters Mill, Section 5;
- (xvi) Utility Easement (0.0264 acre and 0.2183 acre) from DR Horton to serve Porters Mill, Section 6;

(d) Status of excavation of dirt out of the Industrial Park, Section 5 detention basin by GCP Real Estate, Inc. to serve the GCP site;
and the taking of any actions required in connection therewith;

- 9. Approval of Utility Development Agreement with GCP Real Estate, Inc. relative to construction of detention basin on 35.73-acre tract, and the taking of any actions required in connection therewith;
- 10. Consider applications for industrial permits in the District, including status of TCEQ violation investigation, the review of industrial permit fees and fines, the review of a plan of action for future compliance, and status of receipt of permit application, plant inspection and corrective actions by New Caney Beverage and the taking of any actions required in connection therewith;
- 11. Status of Lone Star Groundwater Conservation District, and the taking of any actions required in connection therewith;
- 12. Status of San Jacinto River Authority, and the taking of any actions required in connection therewith;

13. Status of development in District, including review and approval of a feasibility study/report relative to the 398-acre development, and the taking of any actions required in connection therewith;
14. Consider the issuance of utility commitments or will serve letters, and the taking of any actions required in connection therewith;
15. Consider status of generator maintenance contract with Worldwide Power Products, and the taking of any actions required in connection therewith;
16. Consider report on District's water, sanitary sewer and storm sewer systems, including:
 - (i) Authorizing the repair and maintenance of District facilities;
 - (ii) Review of monthly service billings and collections;
 - (iii) Compliance with waste discharge permits and water well permit;
 - (iv) Status of water production and distribution system;
 - (v) Status of District water plants and water quality;
 - (vi) Appeals of District charges;
 - (vii) Status of permits, including response to permit information request received from the Lone Star Groundwater Conservation District;
 and the taking of any actions required in connection therewith;
17. Consider review and approval of proposal for meter replacement, including presentation by Accurate Meter, and the taking of any actions required in connection therewith;
18. Consider financial and investment reports, including invoices presented, and the taking of any actions required in connection therewith, including authorizing the payment of invoices presented;
19. Consider adoption of operating budget for fiscal year ending June 30, 2027, a draft of which is attached hereto as Exhibit "A" along with the Taxpayer Impact Statement;
20. Consider engagement of Arbitrage Compliance Specialists for arbitrage and yield restriction compliance services, and the taking of any actions required in connection therewith;
21. Consider adoption of Resolution Declaring Development Status of District, and the taking of any actions required in connection therewith;
22. Consider status of filing Unclaimed Property Report with State Comptroller;
23. Consider request from Records Management Officer to destroy notes of Board of Directors meetings from February 2025 to February 2026;
24. Status of District website, and the taking of any actions required in connection therewith; and
25. Consider matters for possible placement on future agendas.

(SEAL)



MARKS RICHARDSON PC

By: _____

Jacquelyn A. Goodwin
 Jacquelyn A. Goodwin
 Attorneys for the District

EXHIBIT "A"

Proposed Budget

East Montgomery County MUD No. 3- Fiscal Year Ending 06/2027

	Nine Month Actuals 07/25 - 03/26	Twelve Months Annualized FYE 06/26	Approved 2026 Budget	Proposed 2027 Budget
Revenues				
14101 · Water - Customer Service Fee	331,564	442,085	425,100	455,000
14102 · Lone Star GCD	8,108	10,811	23,300	11,000
14103 · SJRA	233,011	310,681	425,500	320,000
14104 · TCEQ Regulatory Fee - Water	1,513	2,017	2,000	2,000
14108 · Transfer Fees	12,800	17,067	5,200	17,000
14201 · Wastewater-Customer Service Fee	274,933	366,577	338,000	377,000
14204 · TCEQ Regulatory Fee-Wastewater	1,513	2,017	2,000	2,000
14301 · Maintenance Tax Collections	2,136,749	2,136,749	1,500,588	2,279,396
14501 · Tap Connections	330,226	440,301	432,000	450,000
14502 · Inspection Fees	65,300	87,067	35,000	90,000
14702 · Penalties & Interest	57,486	76,648	66,500	78,000
14801 · Checking Interest	275	367	135	400
14802 · Investment Interest	166,499	221,999	185,000	272,610
15801 · Miscellaneous Income	184	184	0	0
Total Revenues	\$3,620,160	\$4,114,570	\$3,440,323	\$4,354,406

Expenditures

16105 · Maintenance & Repairs - Water	220,994	294,659	110,000	300,000
16107 · Chemicals - Water	12,902	17,203	13,400	17,000
16108 · Laboratory Expense - Water	19,893	26,524	26,500	27,000
16110 · Utilities - Water	52,025	69,367	60,000	71,000
16112 · Service Account Collection	77,046	102,728	50,000	105,000
16114 · Telephone Expense - Water	410	547	0	600
16116 · Permit Expense - Water	1,994	1,994	2,050	2,000
16117 · TCEQ Assessment Expense - Water	1,029	1,029	1,748	2,080
16118 · SJRA Fees	234,833	313,111	425,500	322,000
16119 · Lone Star GCD Expense	14,025	14,025	23,300	14,500
16120 · General Repairs & Maint	0	0	20,000	0
16205 · Maint & Repairs - Wastewater	188,459	251,279	180,000	258,000
16207 · Chemicals - Wastewater	23,532	31,376	20,000	32,000

Proposed Budget

East Montgomery County MUD No. 3- Fiscal Year Ending 06/2027

	Nine Month Actuals 07/25 - 03/26	Twelve Months Annualized FYE 06/26	Approved 2026 Budget	Proposed 2027 Budget
16208 · Lab Fees - STP	2,331	3,108	5,000	3,200
16210 · Utilities - Wastewater	52,045	69,393	25,300	71,000
16211 · Utilities - Lift Station	7,244	9,659	11,000	10,000
16212 · Sludge Removal	70,849	94,465	80,000	97,000
16214 · Telephone Expense- Lift Station	3,172	4,229	3,600	4,500
16216 · WWTP- Permit Renewal	1,746	1,746	31,800	1,800
16217 · TCEQ Regulatory Exp-Wastewater	1,029	1,029	1,748	2,080
16301 · Garbage Expense	1,353	1,804	0	2,000
16401 · Detention Pond Maint. & Repair	91,675	122,233	139,168	125,000
16402 · Storm Water Quality	18,000	18,000	0	18,000
16501 · Tap Connection Expense	113,202	150,936	162,000	155,000
16502 · Inspection Expense	25,950	34,600	16,500	35,000
16703 · Legal Fees	98,546	131,395	100,000	135,000
16705 · Auditing Fees	18,500	24,667	18,500	25,000
16706 · Engineering Fees	61,120	81,493	70,000	83,000
16708 · Financial Advisor	1,500	1,500	1,600	1,500
16709 · Election Expense	1,958	1,958	15,000	0
16710 · Website	3,902	5,203	6,000	5,300
16712 · Bookkeeping Fees	49,007	65,343	78,000	67,000
16713 · Legal Notices & Other Publ.	9	9	500	0
16714 · Printing & Office Supplies	2,303	3,071	3,100	3,100
16715 · Filing Fees	165	220	550	300
16716 · Delivery Expense	381	508	285	500
16717 · Postage	4,476	5,968	3,400	6,000
16718 · Insurance & Surety Bond	37,199	37,199	31,400	38,000
16722 · Bank Fee	1,113	1,484	1,200	1,500
16723 · Travel Expense	1,370	1,827	2,300	2,000
16728 · Record Storage Fees	2,155	2,873	5,100	3,000
16729 · Community Communications/Engage	3,330	3,330	7,600	3,400

Proposed Budget

East Montgomery County MUD No. 3- Fiscal Year Ending 06/2027

	Nine Month Actuals 07/25 - 03/26	Twelve Months Annualized FYE 06/26	Approved 2026 Budget	Proposed 2027 Budget
16731 · Arbitrage	3,750	3,750	5,000	5,000
16738 · Engineering Fees - GIS	10,928	10,928	0	11,000
16801 · Security	73,567	98,089	142,359	101,000
17101 · Payroll Expenses	9,061	12,081	13,000	13,260
17102 · Payroll Administration	75	150	0	300
17103 · Payroll Taxes	693	0	1,000	1,014
17802 · Miscellaneous Expense	0	0	2,500	0
Total Expenditures	\$1,620,846	\$2,128,088	\$1,917,007	\$2,181,934
Net Excess Revenues <Expenditures>	\$1,999,314	\$1,986,482	\$1,523,316	\$2,172,472

M&O Calculation = $(612,082,661/100*0.98*0.38)$

Exhibit B
Taxpayer Impact Statement

	Current Budget Fiscal Year Ending** <i>06/2026</i>	Proposed Budget Fiscal Year Ending** <i>06/2027</i>	No-New-Revenue Tax Rate Budget***
Estimated District Operations and Maintenance Tax Bill on Average Homestead*	\$667.06	\$905.29	\$667.06

*The District levies taxes in accordance with the Texas Water Code. The District's current operations and maintenance tax rate is equal to \$0.28 per \$100 of assessed value. Average homestead values are determined by the county appraisal district. All estimates above were prepared utilizing the average resident homestead value as of the time that the District's most recent Truth in Taxation worksheet was prepared in accordance with the Texas Water Code.

**Average tax bill estimates for the current and proposed budgets reflect those taxes necessary to fund the operations and maintenance tax revenues stated in the applicable budget.

***This column estimates the operations and maintenance taxes to be paid on the average homestead if the proposed budget generates the same amount of operations and maintenance tax revenues as the current budget.