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, November 12, 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 October 8, 2026;

3. Consider report on security in District, and the taking of any actions required in connection therewith;

4. 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;

5. Consider status of preparation of a cost summary and Bond Application Report for the Series 2027 Bonds;

6. 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;

7. (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 and approval of proposal for needed repairs and recommended upgrades at Water Plant No. 1 and Water Plant No. 2;

   (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 with Weisinger relative to repairs of well motor at Water Plant No. 1;

   (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 Porters Mill South, Section 1 (Dimas Bros.);
   (ii) Conveyance of Utility Facilities for construction of water, sewer and drainage facilities to serve Porters Mill South, Section 2 (Dimas Bros.);

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.

(iii) Special Warranty Deed relative to Porters Mill South Detention, Phase 1 (Advanced Construction & Development);
(iv) Special Warranty Deed relative to Porters Mill South Detention, Phase 2 (DC Contracting Services);
(v) Waterline & Drainage Easements and Sanitary Sewerline & Drainage Easements from East Montgomery County Improvement District to serve the E. Industrial Parkway Phase 2 extension project;
(vi) 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;
(vii) Waterline and Drainage Easements from Polygon New Caney LLC to serve the E. Industrial Parkway Phase 2 extension project;
(viii) Conveyance of Utility Facilities for construction of water, sewer and drainage facilities to serve Porters Mill South, Section 3 (Dimas Bros.);
(ix) Conveyance of Utility Facilities for construction of water, sewer and drainage facilities to serve Porters Mill South, Section 4 (Dimas Bros.);
(x) Conveyance of Utility Facilities for construction of Porters Mill force main extension from Wal-Mart lift station to District's wastewater treatment plant (JSS Construction);

(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, including status of silt removal by TDG;

and the taking of any actions required in connection therewith;

8. Approval of Utility Development Agreement, Waiver Agreement and Developer Standing Letter 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;

9. Consider applications for industrial permits in the District, and the taking of any actions required in connection therewith;

10. Status of Lone Star Groundwater Conservation District, and the taking of any actions required in connection therewith;

11. Status of San Jacinto River Authority, and the taking of any actions required in connection therewith;

12. Status of development in District, including status of 280.565-acre residential and commercial development and approval of feasibility study relative to same, and the taking of any actions required in connection therewith;

13. Consider the issuance of utility commitments or will serve letters, and the taking of any actions required in connection therewith;

14. 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;

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(viii) Consider purchase of security cameras at the District's water plants and wastewater treatment plants;

and the taking of any actions required in connection therewith;

15. Consider status of District wide smart meter conversion project, and the taking of any actions required in connection therewith;

16. Consider financial and investment reports, including invoices presented and request to authorize the use of direct deposit through HR&P, and the taking of any actions required in connection therewith, including authorizing the payment of invoices presented;

17. Consider adoption of amended 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;

18. Consider approval of Third Amendment and Restated Agreement for Bookkeeping Services with Municipal Accounts & Consulting, LP, and the taking of any actions required in connection therewith;

19. Status of District website, and the taking of any actions required in connection therewith; and

20. Consider matters for possible placement on future agendas.

(SEAL)

EAST MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 3

MARKS RICHARDSON PC

By: Jacquelyn A. Goodwin/PSE
Jacquelyn A. Goodwin
Attorneys for the District

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EXHIBIT "A"

Proposed Amended Budget

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

	Adopted 2027 Budget	Proposed Amended 2027 Budget
Revenues		
14101 · Water - Customer Service Fee	455,000	455,000
14102 · Lone Star GCD	11,000	11,000
14103 · SJRA	320,000	320,000
14104 · TCEQ Regulatory Fee - Water	2,000	2,000
14108 · Transfer Fees	17,000	17,000
14201 · Wastewater-Customer Service Fee	377,000	377,000
14204 · TCEQ Regulatory Fee-Wastewater	2,000	2,000
14301 · Maintenance Tax Collections	2,279,396	2,279,396
14501 · Tap Connections	450,000	450,000
14502 · Inspection Fees	90,000	90,000
14702 · Penalties & Interest	78,000	78,000
14801 · Checking Interest	400	400
14802 · Investment Interest	272,610	272,610
Total Revenues	**$4,354,406**	**$4,354,406**
Expenditures		
16105 · Maintenance & Repairs - Water	300,000	300,000
16107 · Chemicals - Water	17,000	17,000
16108 · Laboratory Expense - Water	27,000	27,000
16110 · Utilities - Water	71,000	71,000
16112 · Service Account Collection	105,000	105,000
16114 · Telephone Expense - Water	600	600
16116 · Permit Expense - Water	2,000	2,000
16117 · TCEQ Assessment Expense - Water	2,080	2,080
16118 · SJRA Fees	322,000	322,000
16119 · Lone Star GCD Expense	14,500	14,500
16205 · Maint & Repairs - Wastewater	258,000	258,000
16207 · Chemicals - Wastewater	32,000	32,000
16208 · Lab Fees - STP	3,200	3,200

Proposed Amended Budget

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

	Adopted 2027 Budget	Proposed Amended 2027 Budget
16210 · Utilities - Wastewater	71,000	71,000
16211 · Utilities - Lift Station	10,000	10,000
16212 · Sludge Removal	97,000	97,000
16214 · Telephone Expense- Lift Station	4,500	4,500
16216 · WWTP- Permit Renewal	1,800	1,800
16217 · TCEQ Regulatory Exp-Wastewater	2,080	2,080
16301 · Garbage Expense	2,000	2,000
16401 · Detention Pond Maint. & Repair	125,000	125,000
16402 · Storm Water Quality	18,000	18,000
16501 · Tap Connection Expense	155,000	155,000
16502 · Inspection Expense	35,000	35,000
16603 · Smartmeter Subscription	0	14,956
16703 · Legal Fees	135,000	135,000
16705 · Auditing Fees	25,000	25,000
16706 · Engineering Fees	83,000	83,000
16708 · Financial Advisor	1,500	1,500
16710 · Website	5,300	5,300
16712 · Bookkeeping Fees	70,000	70,000
16713 · Legal Notices & Other Publ.	200	200
16714 · Printing & Office Supplies	3,100	3,100
16715 · Filing Fees	300	300
16716 · Delivery Expense	500	500
16717 · Postage	6,000	6,000
16718 · Insurance & Surety Bond	38,000	38,000
16722 · Bank Fee	1,500	1,500
16723 · Travel Expense	2,000	2,000
16728 · Record Storage Fees	3,000	3,000
16729 · Community Communications/Engage	3,400	3,400

Proposed Amended Budget

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

	Adopted 2027 Budget	Proposed Amended 2027 Budget
16731 · Arbitrage	5,000	5,000
16738 · Engineering Fees - GIS	11,000	11,000
16801 · Security	120,000	120,000
17101 · Payroll Expenses	13,260	13,260
17102 · Payroll Administration	300	300
17103 · Payroll Taxes	1,014	1,014
Total Expenditures	**$2,204,134**	**$2,219,090**
Capital Outlay		
17904 · Capital Outlay - Smart Meter Program	0	717,150
Total Capital Outlay	**$0**	**$717,150**
Net Excess Revenues <Expenditures>	**$2,150,272**	**$1,418,166**

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

Exhibit B

Taxpayer Impact Statement

	Current Budget Fiscal Year Ending** 06/2026	Proposed Budget Fiscal Year Ending** 06/2027	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.