

MINUTES
BRAZORIA-FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

June 5, 2015

The Board of Directors (the "Board") of Brazoria-Fort Bend County Municipal Utility District No. 1 (the "District") met in regular session, open to the public, on the 5th day of June, 2015, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Michael D. Rozell	President
Geoffrey Pope	Vice President
Terry Ruiz	Secretary
Karri Axtell	Assistant Vice President
Jalene Palmer	Assistant Secretary

and all of the above were present, thus constituting a quorum.

Also present at the meeting were Charlie Norton of Shadow Creek Ranch Maintenance Association ("SCRMA"); Bob DeForest of KGA/DeForest Design, L.L.C.; David Patterson of Assessments of the Southwest, Inc.; Christina Garcia of Myrtle Cruz, Inc.; Taylor Baumgartner of LJA Engineering, Inc. ("LJA"); and Lynne Humphries, Hannah Brook, and Tracie Brownlee of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the May 1, 2015, regular meeting, which were provided in advance of the meeting. After review and discussion, Director Ruiz moved to approve the minutes of the May 1, 2015, regular meeting as submitted. Director Axtell seconded the motion, which passed unanimously.

SECURITY SERVICES REPORT

The Board reviewed the written security report for Shadow Creek Ranch ("SCR"), submitted in advance of today's meeting. A copy of the security report is attached. Following review and discussion, the Board concurred to accept the Security report.

REPORT ON DEVELOPMENT, DEVELOPER REIMBURSEMENT REPORT, AND DISBURSEMENT OF FUNDS

No report was given.

TAX ASSESSMENT AND COLLECTION MATTERS

Mr. Patterson distributed and reviewed the tax assessor/collector's report, including the delinquent tax roll, a copy of which is attached. He stated 98.80% of the District's 2014 taxes had been collected as of May 31, 2015. Mr. Patterson reported on receipt of a preliminary report of appraised and taxable values which indicates an estimated 20% increase in District property values.

Ms. Brook stated that as of July 1, 2015, outstanding 2014 tax accounts will be assessed an additional 20% penalty. The Board considered authorizing the District's delinquent tax attorney to proceed with the collection of delinquent taxes. Following review and discussion, Director Axtell moved to (1) approve the tax assessor/collector's report, the delinquent tax report, and payment of the bills; and (2) authorize the delinquent tax attorney to proceed with the collection of delinquent 2014 taxes as of July 1, 2015. Director Palmer seconded the motion, which carried by unanimous vote.

ENGINEERING MATTERS

Mr. Baumgartner distributed and reviewed the engineer's report, a copy of which is attached.

Mr. Baumgartner reported on design of Southlake Section 9 and 10 and requested approval of plans and specifications and authorization to advertise for bids.

Mr. Baumgartner reviewed and recommended approval of one pay estimate as reflected in the engineer's report.

There were no updates on storm water permitting matters.

Following review and discussion, Director Pope moved to approve the engineer's report and, based upon the engineer's recommendation, (1) approve plans and specifications and authorize advertisement for bids for the construction of the water, sewer, and drainage facilities to serve Southlake Section 9 and 10; and (2) approve Pay Estimate No. 5 to 5758 Construction, L.P., in the amount of \$52,725.95 for construction of the water, sewer, and drainage facilities to serve Southlake Section 6 and 7. Director Axtell seconded the motion, which passed unanimously.

RECREATIONAL FACILITIES IN AND NEAR THE DISTRICT

Mr. DeForest distributed and reviewed the landscape architect's report, a copy of which is attached. He provided an update on construction of the temporary ball fields as reflected in the landscape architect's report. Mr. DeForest reviewed and recommended Pay Estimate No. 1 to Four Seasons Development in the amount of \$13,950.00 to be cost-shared equally with Brazoria County Municipal Utility District No.

26 ("BC 26"). A copy of Pay Estimate No. 1 is attached to the landscape architect's report.

Mr. DeForest reviewed a BC 26 Board approved revised sign option for the temporary ball fields as reflected in an attachment to the landscape architect's report. He noted the Shadow Creek Ranch logo is not on the sign because SCRMA did not approve its use. Mr. DeForest reported that the Board of BC 26 approved a two-sided sign and installation at the northwest corner of the project site. Discussion ensued. Mr. DeForest discussed a projected timeline and estimated the temporary ball fields to be seeded by the end of July and ready for use in September of 2015. Mr. DeForest stated he will ask Earthcare Management to consider reducing the amount of the proposal for mowing and maintenance of the temporary ball fields presented last month upon receipt of any alternate proposals.

Ms. Brook reported that counsel for the City of Pearland (the "City") City Council indicated inclusion of the Interlocal Agreement Related to Construction of Additional Public Park Improvements (the "Agreement") on the June 8, 2015, meeting agenda of City Council (the "Meeting"). Ms. Brook reported on discussion of the Agreement at BC 26's most recent meeting and stated Director Parks said he will attend the Meeting. Director Rozell said he will attend the Meeting.

Ms. Humphries reported on a request by the City to change the Agreement to reflect an eighteen month timeline rather than the current one year timeline for construction of the additional park improvement projects listed in the Agreement in the event the City should need additional time due to potential issues related to construction. Ms. Humphries noted this request occurred after the meeting of BC 26 and the Board of BC 26 will consider approving this change at its July meeting. Discussion ensued.

Following review and discussion, Director Palmer moved to accept the landscape architect's report and approve (1) Pay Estimate No. 1 as presented for construction of the temporary ball fields, based on the recommendation of the landscape architect, to be cost-shared equally with BC 26, with the District's share being \$6,975.00; (2) installation of a two-sided sign located in the northwest corner of the project site as presented except for changing the word "concerns" to "information;" and (3) modification of the Agreement to reflect an eighteen month timeline for construction of the additional park improvement projects listed in the Agreement. Director Ruiz seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Garcia distributed and reviewed the bookkeeper's report, including the investment report, budget comparison, and list of checks presented for approval, a copy of which is attached. Ms. Garcia reviewed transactions in the debt service account pursuant to closing of the District's Unlimited Tax Refunding Bonds, Series 2015. The

Board requested Ms. Garcia prepare a check from the operating fund payable to the City in the amount of \$685,000, previously approved, to release to the City upon approval of the Agreement by the City and BC 26. After review and discussion, Director Ruiz moved to approve the bookkeeper's report and payment of the bills, including check no. 2465 for \$685,000 to the City. Director Palmer seconded the motion, which passed unanimously.

ARTICLES FOR NEWSLETTERS AND WEBSITE

The Board considered information to be included in the District's monthly notice published in the Shadow Creek Community Newsletter, *The Connection*, and on the District's page of the website. Director Rozell indicated his intention to draft editorial language reflecting the importance of voting and asked the Board to consider posting said language to the District's website. After discussion, the Board concurred to request ABHR post the standard notice to the newsletter, including language submitted by Director Rozell reflecting the importance of voting, and to update the District's website. The Board then reviewed an analytics report on activity on the website for the prior month, a copy of which is attached.

REPORTS FROM DIRECTORS, DISTRICT CONSULTANTS, AND SCRMA

No reports were given.

COMMENTS FROM THE PUBLIC

No members of the public came forward to address the Board.

ATTORNEY'S REPORT

Ms. Humphries reported the regional parks committee is now an established committee of the Association of Water Board Directors ("AWBD") and noted there will be a seminar regarding this matter at the AWBD conference on Friday, June 19, 2015 at 3:15 p.m.

DATE, TIME, AND LOCATION FOR NEXT DISTRICT MEETING

The Board concurred to reschedule the next regular Board meeting due to the holiday from July 3, 2015 to July 10, 2015, at noon, at ABHR.

There being no further business to come before the Board, the meeting was adjourned.

(SEAL)



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Secretary, Board of Directors

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ACTION LIST

1. ABHR will submit the standard notice, including Director Rozell’s submission on the importance of voting, to the District’s website and community newsletters.
2. Directors Ruiz and Rozell will attempt to obtain additional proposals for maintenance of the Fields.
3. Upon receipt of additional proposals, Mr. DeForest will ask Earthcare Management to reduce the cost of the proposal for mowing and maintenance of the temporary ball fields.
4. Ms. Brownlee will send an updated Agreement to the City for approval at City Council, subject to approval by BC 26, which reflects an eighteen month timeline for the City to construct the eight priority projects listed in the Agreement.
5. Director Rozell will attend the June 8, 2015, City Council meeting to request approval of the Agreement.

LIST OF ATTACHMENTS TO MINUTES

	<u>Minutes</u>
	<u>Page</u>
Security report.....	1
Tax assessor/collector’s report	2
Engineer’s report.....	2
Landscape architect’s report.....	2
Bookkeeper’s report.....	3
Website Analytics Report	4