

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

July 6, 2017

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 6th day of July, 2017, 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
Heather Zayas	Secretary
Karri Axtell	Assistant Vice President
Terry Ruiz	Assistant Secretary

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

Also present at the meeting were Taylor Gunn of Perry Homes LLC; Crystal Horn of McGrath & Co., PLLC ("McGrath"); Paul Wisdom and Raquel Rodriguez of Shadow Creek Ranch Maintenance Association ("SCRMA"); Donna Bryant of Assessments of the Southwest, Inc. ("ASW"); Officer Natisha Lucas of City of Pearland ("City") Police Department; Erin Garcia of Myrtle Cruz, Inc. ("MCI"); Taylor Baumgartner of LJA Engineering, Inc. ("LJA"); and Hannah Brook and Tracie Brownlee of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the June 2, 2017, regular meeting, which were provided in advance of the meeting. After review and discussion, Director Pope moved to approve the minutes of the June 2, 2017, regular meeting, as submitted. Director Zayas seconded the motion, which passed unanimously.

COMMENTS FROM THE PUBLIC

No members of the public came forth to comment.

SECURITY SERVICES REPORT

Officer Lucas reviewed the attached written security report for Shadow Creek Ranch, provided in advance of the meeting. Officer Lucas announced she is pursuing the rank of detective, which limits her availability to serve the District on patrol. She requested her compensation as Coordinator of Security Services be adjusted from an hourly rate to a \$900 monthly flat rate. Ms. Brook reviewed an amended Security Patrol

and Coordination Services Agreement between the District, Brazoria County Municipal Utility District No. 26 ("BC 26"), and Officer Lucas reflecting such. Ms. Brook stated the request for a monthly flat rate was made at the previous BC 26 Board meeting. She noted the amended Agreement will be presented to the Board of BC 26 at the next regularly scheduled meeting. Following review and discussion, Director Axtell moved to approve the amended Security Patrol and Coordination Services Agreement. The motion was seconded by Director Pope and passed unanimously.

Officer Lucas left the meeting.

#### REPORT ON DEVELOPMENT

Messrs. Baumgartner and Gunn reported on development in the District.

Ms. Horn stated additional reimbursement documentation was provided by 741SCR, Inc. She presented and reviewed a Developer Reimbursement Report ("Report") prepared by McGrath for the purpose of verifying the additional reimbursement amount to 741SCR, Inc. from the District's \$14,100,000 Unlimited Tax Bonds, Series 2017. After review and discussion, Director Zayas moved to approve the Report and Receipt executed by 741SCR, Inc. reflecting the amount in the Report; authorize disbursement of funds to 741SCR, Ltd., pursuant to the Developer Reimbursement Report; and direct that the Developer Reimbursement Report and Receipt be filed appropriately and retained in the District's official records. Director Rozell seconded the motion, which was approved by unanimous vote.

#### TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Bryant distributed and reviewed the tax assessor/collector's report, including the unpaid accounts tax roll, a copy of which is attached. She stated 98.61% of the District's 2016 taxes were collected as of June 30, 2017. Following review and discussion, Director Pope moved to approve the tax assessor/collector's report and payment of the bills. Director Zayas seconded the motion, which carried by unanimous vote.

#### RESOLUTION NOMINATING CANDIDATE FOR BOARD OF DIRECTOR ELECTION FOR FORT BEND CENTRAL APPRAISAL DISTRICT

The Board took no action on this matter.

#### ENGINEERING MATTERS

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

Messrs. Gunn and Baumgartner left the meeting.

DISCUSS ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") SUMMER CONFERENCE, APPROVE REIMBURSEMENT OF ELIGIBLE EXPENSES, AND AUTHORIZE ATTENDANCE AT WINTER CONFERENCE

The Board discussed the AWBD summer conference. Ms. Garcia noted the submitted Directors' expenses were in accordance with the District's travel reimbursement guidelines. After review and discussion, Director Axtell moved to: (1) approve reimbursement of eligible expenses for the summer conference, which were submitted in accordance with the District's travel reimbursement guidelines; and (2) authorize all interested directors to attend the AWBD winter conference. Director Pope seconded the motion, which carried by unanimous vote.

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. She noted the amount of the check payable to BC 26 is unknown until the cost sharing amount is available. Ms. Garcia also noted check nos. 2785 and 2786 for per diems for Directors Pope and Rozell respectively, are not in the report. After review and discussion, Director Axtell moved to approve the bookkeeper's report and payment of the bills, including check nos. 2785 and 2786. Director Zayas seconded the motion, which passed unanimously.

ARTICLES FOR NEWSLETTERS AND WEBSITE

The Board reviewed a draft newsletter notice and a website update distributed to the Board in advance of today's meeting. Director Pope reviewed updates for the newsletter notice and website. The Board reviewed an analytics report on activity on the website for the prior month, a copy of which is attached. Following review and discussion, the Board concurred to authorize publication of the newsletter notice and submission of the website updates, upon revision to reflect Director Pope's updates.

Ms. Bryant left the meeting.

REPORTS FROM DIRECTORS, DISTRICT CONSULTANTS, AND SCRMA

Mr. Wisdom generally reported on SCRMA activities.

ATTORNEY'S REPORT

Ms. Brook reminded the Board they were sent a copy of the June 16, 2017, Texas Commission on Environmental Quality ("TCEQ") correspondence confirming receipt of

the Districts' comments on the Blue Ridge Landfill ("the Landfill") Agreed Order ("Order"). Ms. Brook reported a TCEQ hearing ("Hearing") is scheduled in Austin on July 7, 2017. She stated Danny Worrell of Katten Muchin Rosenman LLP is coordinating with members of the Board and the Board of BC 26 attending the Hearing with his associate, Katie Hobson, to speak on behalf of the residents. Director Zayas stated she will attend the hearing. Ms. Brook reported the President of BC 26 stated he also will attend the hearing. Ms. Brook reported that if the public is allowed to comment on the TCEQ approved Landfill compliance plan and implementation schedule, Mr. Worrell recommends the Districts authorize KMR to hire a landfill expert in preparation of comments to the compliance plan and implementation schedule.

Discussion ensued. Following discussion, and based on a motion made by Director Rozell and seconded by Director Axtell, the Board unanimously authorized reimbursement of travel expenses to Director Zayas to attend the Hearing and payment of legal expenses to KMR for preparation for and attendance at the Hearing.

Ms. Brook reported on legislative matters pertaining to the 85th Regular Session of the Texas Legislature affecting the District.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE, TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY TO DISCUSS MATTERS RELATED TO BLUE RIDGE LANDFILL, INCLUDING TEXAS COMMISSION ON ENVIRONMENTAL QUALITY AIR QUALITY MONITORING

The Board did not convene in executive session.

DATE, TIME, AND LOCATION FOR NEXT DISTRICT MEETING

The Board concurred the next regular Board meeting is August 4, 2017, at 12:00 p.m.

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

(SEAL)



Kari Axtell  
Secretary, Board of Directors

Assistant Vice President

ACTION LIST

1. Ms. Brownlee will update the monthly notice as requested and submit to the community newsletters for publication.
2. ABHR will submit updates to the District's website as directed.
3. Director Zayas will attend the Hearing to speak on behalf of the residents regarding the Landfill.

LIST OF ATTACHMENTS TO MINUTES

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