

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

June 1, 2018

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 1st day of June, 2018, 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
Julie M. Ward	Assistant Secretary

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

Also present at the meeting were Michael Parks, District resident; Tayo Ilori of McGrath & Co., PLLC; Taylor Gunn of Perry Homes; Ryan Hawkins of KB Home; David Patterson of Assessments of the Southwest, Inc. ("ASW"); James Ross of LJA Engineering, Inc.; Christina Perry of Myrtle Cruz, Inc. ("MCI"); and Hannah Brook, Tracie Brownlee, and Rachel Wooten of Allen Boone Humphries Robinson LLP ("ABHR").

CERTIFICATE OF ELECTION

The Board considered approving a Certificate of Election, reflecting the election of Karri Axtell and Michael Parks to the Board of Directors of the District, each for a four-year term. After review and discussion, Director Ward moved to approve the Certificate of Election and the distribution of same to Directors Axtell and Parks and direct that the Certificate of Election be filed appropriately and retained in the District's official records. Director Axtell seconded the motion, which passed by unanimous vote.

DIRECTORS' SWORN STATEMENTS, OFFICIAL BONDS AND OATHS OF OFFICE

Ms. Brook reviewed the Sworn Statement and Oath of Office for Director Axtell. Ms. Brook then reviewed the Sworn Statement, Oath of Office, and Official Bond for Director Parks. After review and discussion, Director Ward moved that the Board approve (1) the Sworn Statement and Oath of Office for Director Axtell and direct that the documents be filed appropriately and retained in the District's official records, and that the Oath of Office be filed with the Secretary of State, as required by law; and (2) approve the Sworn Statement, Official Bond, and Oath of Office for Director Parks and

direct that the documents be filed appropriately and retained in the District's official records, and that the Oaths of Office be filed with the Secretary of State, as required by law. Director Axtell seconded the motion, which passed by unanimous vote.

REORGANIZE THE BOARD

The Board considered reorganizing the Board of Directors. Following discussion, Director Axtell moved to reorganize the Board as follows:

Michael Parks	President
Julie Ward	Vice President
Geoffrey Pope	Secretary
Karri Axtell	Assistant Vice President
Heather Zayas	Assistant Secretary

Director Pope seconded the motion, which passed by unanimous vote.

MINUTES

The Board considered approving the minutes of the May 4, 2018, regular meeting, which were provided in advance of the meeting. After review and discussion, Director Axtell moved to approve the minutes of the May 4, 2018, regular meeting, as submitted. Director Pope seconded the motion, which passed unanimously.

COMMENTS FROM THE PUBLIC

Director Parks opened the meeting to receive comments from the public. No member of the public came forward to address the Board.

RESOLUTION COMMENDING MICHAEL D. ROZELL FOR SERVICE TO THE DISTRICT

The Board acknowledged Mr. Rozell's exceptional leadership as President of the Board and reviewed a Resolution Commending Michael D. Rozell for Service to the District. After review, Director Axtell moved to adopt the Resolution Commending Michael D. Rozell for Service to the District and direct that it be filed appropriately and retained in the District's official records. Director Pope seconded the motion, which passed unanimously.

Mr. Rozell expressed gratitude for the opportunity to serve on the Board and then left the meeting.

DISTRICT REGISTRATION FORM

The Board then considered authorizing filing of an updated District Registration Form with the Texas Commission on Environmental Quality ("TCEQ"), reflecting the terms of the newly elected directors and the reorganization of the Board. Following review and discussion, Director Ward moved to authorize filing of the updated District Registration Form with the TCEQ and direct that the District Registration Form be filed appropriately and retained in the District's official records. Director Axtell seconded the motion, which passed by unanimous vote.

DISCUSS OPEN MEETINGS ACT AND PUBLIC INFORMATION ACT TRAINING REQUIREMENTS

Ms. Brook reviewed the memorandum regarding the Texas Open Meetings Act prepared by ABHR, a copy of which is attached.

DISCUSS CONFLICT OF INTEREST DISCLOSURE

Ms. Brook next reviewed a memorandum prepared by ABHR, a copy of which is attached, regarding the legislation enacting Chapter 176 of the Texas Local Government Code, which requires directors and consultants to disclose certain conflicts of interest. She reviewed the forms adopted by the Texas Ethics Commission for making disclosures under Chapter 176 and noted that the forms are required to be filed with the records administrator for the District and will need to be filed thereafter within seven days of a disclosable conflict arising. Ms. Brook reviewed the List of Local Government Officers. After review and discussion, Director Ward moved to approve and authorize execution of the List of Local Government Officers and direct that the List be filed appropriately and retained in the District's official records. Director Axtell seconded the motion, which passed by unanimous vote.

ARTICLES FOR NEWSLETTERS AND WEBSITE

The Board reviewed a draft newsletter notice distributed to the Board in advance of today's meeting. The Board concurred to authorize ABHR to submit the newsletter notice for publication, as submitted.

The Board reviewed an analytics report on the prior month's website activity, a copy of which is attached. The Board concurred to include (1) the hurricane preparation website link from www.ready.gov that was provided by the District's webmaster and distributed in advance of the meeting; and (2) the invitation received from State Representative Ed Thompson to attend the Community Information Forum: Odor Issues in Shadow Creek Ranch scheduled for June 13, 2018.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS

No reports were presented.

REPORT ON DEVELOPMENT

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

Mr. Ilori reviewed a developer reimbursement report from McGrath for the purpose of verifying the amount to reimburse Perry Homes from the District's Series 2016 Unlimited Tax Bonds for impact fees paid on behalf of the District. Following review and discussion, Director Axtell moved to approve the report, direct that it be filed appropriately and retained in the District's records, and authorize disbursement of funds to Perry Homes in the amount indicated by the report. Director Ward seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Mr. Patterson distributed and reviewed the tax assessor/collector's report, including the unpaid accounts tax roll, a copy of which is attached. He stated 98.36% of the District's 2017 taxes were collected as of May 31, 2018.

Mr. Patterson reported the District's 2018 preliminary assessed taxable value is \$1,018,788,137, which is a proposed increase of \$108,982,594 compared to the District's 2017 certified assessed taxable value.

Ms. Brook stated that on July 1, 2018, outstanding 2017 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 after July 1.

Following review and discussion, Director Axtell moved to approve the tax assessor/collector's report and authorize the delinquent tax attorney to proceed with the collection of delinquent 2017 taxes on July 1, 2018. Director Pope seconded the motion, which carried by unanimous vote.

ENGINEERING MATTERS

Mr. Ross distributed and reviewed the engineer's report, a copy of which is attached. He updated the Board on the status of District engineering projects.

Mr. Ross recommended approval of Pay Estimate No. 3 in the amount of \$59,123.25, submitted by R Construction Civil, LLC dba R Construction Company ("RCC") for the construction of the water, sewer, and drainage facilities to serve Southlake Section 12.

Mr. Ross reported he sent to the City the digital photos of storm sewer system sections located in the District provided by Camino Services with a memorandum reflecting his assessment.

Mr. Ross provided an update on the City's sewage treatment plant expansion.

The Board considered adopting a Resolution Authorizing Application to the Texas Commission on Environmental Quality for Approval of Project and Bonds and Use of Surplus Funds in connection with the current bond application.

The Board considered approving a Special Warranty Deed which reflects conveyance of tracts for detention to the District from KB Home Lone Star, Inc.

Following review and discussion, Director Axtell moved to approve the engineer's report and, based on the engineer's recommendation, (1) Pay Estimate No. 1 in the amount of \$59,123.25, submitted by RCC; (2) adoption of a Resolution Authorizing Application to the Texas Commission on Environmental Quality for Approval of Project and Bonds and Use of Surplus Funds; and (3) acceptance of the Special Warranty Deed which reflects conveyance of tracts for detention to the District from KB Home Lone Star, Inc. Director Ward seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Perry 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 that Director Zayas has not submitted documentation for reimbursement for travel in connection with testifying at a legislative hearing at the State Capital regarding the effects of living near the Blue Ridge Landfill.

After review and discussion, Director Axtell moved to approve the bookkeeper's report and payment of the bills. Director Pope seconded the motion, which passed unanimously.

ATTORNEY'S REPORT

The Board considered authorizing execution of a letter requesting the Texas Congressional Delegation to support funding for a U.S. Army Corps of Engineers Clear Creek drainage improvement project (the "Clear Creek Project") that will benefit SCR drainage. Ms. Brook indicated the City confirmed federal funding is needed for the Clear Creek Project. Mr. Ross stated he supports the letter. Following review and discussion, Director Ward moved to authorize execution of the District letter. Director Axtell seconded the motion, which passed unanimously.

The Board discussed the invitation received from State Representative Ed Thompson to attend the Community Information Forum: Odor Issues in Shadow Creek Ranch scheduled for June 13, 2018.

DATE, TIME, AND LOCATION FOR NEXT DISTRICT MEETING

The Board concurred the next regular Board meeting is July 6, 2018, at 12:00 p.m.

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

The Board did not convene in this executive session.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.076, TEXAS GOVERNMENT CODE, TO DELIBERATE THE DEPLOYMENT, OR SPECIFIC OCCASIONS FOR IMPLEMENTATION OF SECURITY PERSONNEL OR DEVICES, OR A SECURITY AUDIT.

The Board did not convene in this executive session.

The Board reviewed the written security report for Shadow Creek Ranch, provided in advance of the meeting.

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

(SEAL)




Secretary, Board of Directors

ACTION LIST

1. ABHR will submit updates to the District's website as directed.
2. ABHR will submit the monthly newsletter notice for publication.

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