

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

July 6, 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 6th day of July, 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 Parks	President
Julie Ward	Vice President
Geoffrey Pope	Secretary
Karri Axtell	Assistant Vice President
Heather Zayas	Assistant Secretary

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

Also present at the meeting were Paul Wisdom of Shadow Creek Ranch Maintenance Association ("SCRMA"); Donna Bryant of Assessments of the Southwest, Inc.; James Ross and Edward Dio of LJA Engineering, Inc.; Erin Garcia of Myrtle Cruz, Inc.; and Hannah Brook and Rachel Wooten of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the June 1, 2018, regular meeting, which were provided in advance of the meeting. After review and discussion, Director Axtell moved to approve the minutes of the June 1, 2018, regular meeting, as submitted. Director Ward 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.

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.

The Board reviewed an analytics report on the prior month's website activity, a copy of which is attached.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS

Director Parks discussed the upcoming Association of Water Board Directors ("AWBD") summer workshop for new directors.

Mr. Wisdom presented and reviewed the attached Lake Slope Irrigation Pump Proposal to repair or replace the damaged irrigation pumps, which are owned and operated by SCRMA and located in the District detention ponds. Ms. Brook reviewed a history of issues with the lake irrigation pumps and reminded the Board that the District had invited SCRMA to present a budget of expenditures eligible for municipal utility district funding in the past. She informed the Board that Brazoria County Municipal Utility District No. 26 received a similar proposal for repairs needed in their District.

Discussion ensued regarding the funding of the repairs, and Mr. Wisdom stated that SCRMA does not currently have any funds allocated to the repair and replacement of the lake irrigation pumps.

Mr. Ross discussed the importance of irrigation to maintain the turf that supports pond sideslopes but noted the District has no obligation to fund the irrigation pump repairs as the District does not own the pumps, and SCRMA is responsible for lake maintenance per agreements with the City of Pearland.

The Board took no action.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Garcia reviewed the bookkeeper's report, including the investment report, budget comparison, and list of checks presented for approval, a copy of which is attached.

The Board discussed the AWBD summer conference and upcoming summer workshop for new directors. Ms. Garcia noted the submitted Directors' expenses were in accordance with the District's travel reimbursement guidelines. Ms. Brook stated the AWBD winter conference will be January 25 and January 26, 2019, in Austin, Texas.

The Board noted that documentation for reimbursement of travel expenses in connection with director testimony at a legislative hearing at the State Capitol regarding the effects of living near the Blue Ridge Landfill has not been submitted to date.

After review and discussion, Director Axtell moved to (1) approve the bookkeeper's report and payment of the bills; (2) approve reimbursement of eligible

expenses for the summer conference, which were submitted in accordance with the District's travel reimbursement guidelines; and (3) authorize all interested Directors to attend the AWBD summer workshop for new directors and winter conference. Director Zayas seconded the motion, which passed unanimously.

REPORT ON DEVELOPMENT

No reports were presented.

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 98.75% of the District's 2017 taxes were collected as of June 30, 2018.

Ms. Bryant reviewed a request for waiver of the 2017 tax bill penalty and interest from the property owner of 1830 Emerald Trace Lane, a copy of which is attached to the tax assessor/collector's report. Discussion ensued, after which the Board determined there is no basis in the law to grant the waiver.

Following review and discussion, Director Axtell moved to approve the tax assessor/collector's report and deny the request to waive the 2017 tax bill penalty and interest for the property owner of 1830 Emerald Trace Lane. Director Zayas 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. 4 and Final in the amount of \$39,144.67, 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, and final acceptance of the contract.

Mr. Ross recommended approval of Pay Estimate No. 4 and Final and Change Order No. 2 in the respective amounts of \$54,755.64 and \$37,021.60, submitted by Hurtado Construction Company ("HCC") for the construction of the water, sewer, and drainage facilities to serve Southlake Sections 9 and 10, and final acceptance of the contract. The Board determined that Change Order No. 2 is beneficial to the District.

Mr. Ross updated the Board regarding revised Pay Estimate No. 3 and Final in the amount of \$44,506.16, submitted by Dimas Brothers Construction Company ("DBCC") for the construction of the water, sewer, and drainage facilities to serve Shadow Grove Section 7, which was previously approved in the amount of \$44,514.15.

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

Mr. Ross provided an update on bond application no. 9. He stated bond application no. 9 was submitted to the Texas Commission on Environmental Quality on June 29, 2018.

Following review and discussion, Director Pope moved to approve the engineer's report and, based on the engineer's recommendation, (1) Pay Estimate No. 4 and Final in the amount of \$39,144.67, submitted by RCC, for the construction of the water, sewer, and drainage facilities to serve Southlake Section 12, and final acceptance of the project; (2) Change Order No. 2 in the amount of \$37,021.60, submitted by HCC, for the construction of the water, sewer, and drainage facilities to serve Southlake Sections 9 and 10, based upon the Board's finding that Change Order No. 2 is beneficial to the District; (3) Pay Estimate No. 4 and Final in the amount of \$54,755.64, submitted by HCC for the construction of the water, sewer, and drainage facilities to serve Southlake Sections 9 and 10, and final acceptance of the project. (4) revised Pay Estimate No. 3 and Final in the amount of \$44,506.16, submitted by DBCC for the construction of the water, sewer, and drainage facilities to serve Shadow Grove Section 7. Director Zayas seconded the motion, which passed unanimously.

ATTORNEY'S REPORT

No report was presented.

DATE, TIME, AND LOCATION FOR NEXT DISTRICT MEETING

The Board concurred the next regular Board meeting is August 7, 2018, at 12:30 p.m.

The Board reviewed correspondence from a resident of the District requesting the Board consider meeting within the District. The Board discussed potential meeting locations within the District and associated additional costs. The Board concurred to hold a meeting in the District later this year.

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 as no security report was presented.

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

(SEAL)



Geoffrey A. Pope
Secretary, Board of Directors

ACTION LIST

1. ABHR will submit the monthly newsletter notice for publication.

LIST OF ATTACHMENTS TO MINUTES

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