

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

February 1, 2019

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 February, 2019, 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 Kassim Kassim, a resident of the District; Julie Williams of Rathmann & Associates, L.P. ("Rathmann"); David Patterson of Assessments of the Southwest, Inc.; Erin Garcia of Myrtle Cruz, Inc.; Everett Deao of LJA Engineering, Inc. ("LJA"); and Hannah Brook and Erika Smiley of Allen Boone Humphries Robinson LLP ("ABHR").

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.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION REGARDING DEPLOYMENT, OR SPECIFIC OCCASIONS FOR IMPLEMENTATION OF SECURITY PERSONNEL OR DEVICES AND APPROVE ANY NECESSARY ACTIONS RELATED TO SECURITY REPORT, AND APPROVE ANY NEW SECURITY PATROL AGREEMENTS

The Board reviewed the written security report for Shadow Creek Ranch, provided in advance of the meeting. Ms. Brook stated that Officer Lucas requested additional two patrol officers for coverage of the current Shadow Creek Ranch patrol schedule. Following review and discussion, Director Ward moved to approve two Amended and Restated Security Patrol Services Agreements with two new officers subject to approval by the Board of Brazoria Municipal Utility District No. 26 ("BC 26"). Director Pope seconded the motion, which passed unanimously.

MINUTES

The Board considered approving the minutes of the January 4, 2019, regular meeting, which were provided in advance of the meeting. After review and discussion, Director Ward moved to approve the minutes of the January 4, 2019, regular meeting, as revised. Director Axtell seconded the motion, which passed unanimously.

COMMENTS FROM THE PUBLIC

The Board did not receive any comments from the public.

NEWSLETTERS AND WEBSITE MATTERS

The Board considered approving the monthly newsletter notice for publication. The Board reviewed an analytics report on the prior month's website activity, a copy of which is attached, and considered if any website updates were needed. Following review and discussion, the Board concurred to authorize ABHR to submit (1) the newsletter notice for publication; and (2) website updates as posted articles become outdated.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS

Ms. Brook stated that ABHR reached out to SCRMA but did not receive a response.

REPORT ON DEVELOPMENT

Ms. Brook updated the Board with respect to the funding error discussed last month and recommended the Board acknowledge the refund from the over payment of reimbursement from KB Home and authorize the Receipt reflecting the re-payment from KB Home to the District. Ms. Garcia reported that KB Home has refunded the District \$322,572.

After review and discussion, Director Axtell moved to accept the Receipt from the over payment of reimbursement from KB Home in the amount of \$322,572. Director Pope seconded the motion, which passed unanimously

Director Zayas entered the meeting.

TAX ASSESSMENT AND COLLECTION MATTERS

Mr. Patterson distributed and reviewed the tax assessor/collector's report, including the unpaid accounts tax roll and a report from the District's delinquent tax

attorney. A copy of the tax assessor/collector's report is attached. He stated 94.18% of the District's 2018 taxes were collected as of January 31, 2018.

The Board reviewed a proposed Resolution Concerning Exemptions from Taxation for the 2018 tax year. Ms. Williams reviewed a homestead exemption table with the Board. Following review and discussion, Director Ward moved to approve the tax assessor/collector's report and adopt the Resolution Concerning Exemptions from Taxation reflecting that the Board (i) grants a general homestead exemption of 20%, but not less than \$5,000; and (ii) grants an additional \$40,000 homestead exemption for disabled persons or persons over 65 years of age and direct that the Resolution be filed appropriately and retained in the District's official records. Director Zayas seconded the motion, Director Pope abstained, and the motion carried.

Mr. Kassim thanked the Board for considering and adopting over 65/disabled exemptions.

ENGINEERING MATTERS

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

Mr. Deao reported that the substantial completion walkthrough of the City's sewage treatment plant expansion was completed this week. He stated that the punchlist is expected to be minor and finished by the end of February.

Mr. Deao discussed the FM 521 expansion stating that work on the project should begin in the last quarter of 2020 and take approximately two years to complete.

After inquiry from Director Axtell, Mr. Deao stated that SCRMA has not been in contact with LJA regarding repair or replacement of equipment needed to irrigate the detention pond side slopes for turf maintenance.

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 Association of Water Board Directors ("AWBD") winter conference. The Board then considered approving reimbursement of eligible expenses for the winter conference and authorizing attendance to the AWBD summer conference.

After review and discussion, Director Zayas moved to (1) approve the bookkeeper's report and payment; (2) approve reimbursement of eligible expenses for the winter conference submitted in accordance with the District's travel guidelines; and

(3) authorize all interested directors to attend the AWBD summer conference. Director Axtell seconded the motion, which passed unanimously.

ATTORNEY'S REPORT

Ms. Brook reported on a presentation given by TradeWorks during BC 26's January meeting. She stated that representatives discussed a process that aims to reduce odors and emissions from various sites, including landfills. Ms. Brook reported that the presentation included information requested by BC 26 in order to be further educated on this information as it relates to the Blue Ridge landfill odor problem.

Ms. Brook reviewed the District's 2019 Information Kit. After review and discussion, Director Pope moved to approve the 2019 District Information Kit, subject to final revisions by the District's consultants. Director Zayas seconded the motion, which passed unanimously.

The Board reviewed a proposal from HARCO Insurance Services ("HARCO"), the District's current provider, for renewal of the District's insurance policies, which expire on March 17, 2019. Following review and discussion, Director Pope moved to approve HARCO's proposal to renew the District's insurance policies. The motion was seconded by Director Zayas and carried unanimously.

DATE, TIME, AND LOCATION FOR NEXT DISTRICT MEETING

The Board concurred the next regular Board meeting is March 1, 2019, 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 executive session on this topic.

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


Secretary, Board of Directors

(SEAL)

