

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

August 2, 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 2nd day of August, 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 except Director Parks, thus constituting a quorum.

Also present at the meeting were Rhonda Patterson of Assessments of the Southwest, Inc.; Javier Ortiz of Shadow Creek Ranch Maintenance Association ("SCRMA"); Erin Garcia of Myrtle Cruz, Inc.; Mark McGrath of McGrath & Co., PLLC ("McGrath"); Officer Natisha Lucas of the City of Pearland (the "City") Police Department via teleconference; and Lynne Humphries, Hannah Brook, Nellie Connally, and Tracie Brownlee 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

Officer Lucas reviewed the security report.

MINUTES

The Board considered approving the minutes of the July 2, 2019, regular meeting, which were provided in advance of the meeting. After review and discussion,

Director Pope moved to approve the minutes of the July 2, 2019, as revised. Director Zayas seconded the motion, which passed unanimously.

COMMENTS FROM THE PUBLIC

There were no comments from the public.

NEWSLETTERS AND WEBSITE MATTERS

The Board reviewed a draft newsletter notice distributed in advance of today's meeting. The Board reviewed an analytics report on the prior month's website activity, a copy of which is attached. Following review and discussion, the Board concurred to authorize ABHR to submit (1) the newsletter notice for publication; and (2) any website updates as posted articles become outdated.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS

Discussion ensued regarding security in Crystal Cove. Mr. Ortiz reported Crystal Cove has the only entry point without cameras. He stated that at the upcoming SCRMA meeting, additional security cameras will be considered for approval.

ENGINEERING MATTERS

The Board discussed a cost estimate not to exceed \$11,000 for LJA's oversight and inspection of the well and irrigation repair project. Ms. Garcia reported that this cost estimate has been included in the District's budget.

REPORT ON DEVELOPMENT

Mr. McGrath presented and reviewed a Developer Reimbursement Report (the "Report") prepared by McGrath for the purpose of verifying the amount to reimburse Perry Homes, LLC from the District's \$14,100,000 Unlimited Tax Bonds, Series 2017 and \$5,800,000 Unlimited Tax Bonds, Series 2018 for impact fees paid on behalf of the District. After review and discussion, Director Axtell moved to approve the Report and direct that it be filed appropriately and retained in the District's records; and authorize disbursement of funds to Perry Homes, LLC pursuant to the Report. Director Zayas seconded the motion, which was approved by unanimous vote.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. 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. She stated 99.07% of the District's 2018 taxes were collected as of July 31, 2019. After review and discussion, Director Zayas moved to approve the tax assessors/collector's report. Director Axtell seconded the motion, which was approved by unanimous vote.

DISCUSS 2019 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

Ms. Williams discussed the 2019 tax rate and recommended the District levy a 2019 tax rate of \$0.848 per \$100 of assessed value, with \$0.80 allocated for debt service and \$0.048 allocated for operations and maintenance, the same tax rate as the previous year. After review and discussion, Director Zayas moved to authorize the tax assessor/collector to publish notice of the District's public hearing on September 6, 2019, to set the proposed 2019 tax rate of \$0.848 per \$100 assessed valuation, with \$0.80 allocated for debt service and \$0.048 allocated for operations and maintenance. Director Axtell seconded the motion, which passed unanimously.

RESOLUTION VOTING FOR WATER DISTRICT NOMINEE FOR THE ELECTION OF THE BOARD OF FORT BEND CENTRAL APPRAISAL DISTRICT ("FBCAD")

Ms. Brook discussed the process for casting the District's allocated votes for a water district nominee in FBCAD's Board election. She presented a District ballot from FBCAD reflecting 10 allocated votes, noting a deadline of August 15th to cast the votes. After review and discussion, Director Zayas moved to: (1) adopt a Resolution Voting for Water District Nominee for the Election of the Board of Directors of the Fort Bend Central Appraisal District, casting the District's 10 votes for Mike Rozell and (2) direct that the Resolution be filed appropriately with FBCAD and retained in the District's official records. Director Pope seconded the motion, which passed unanimously.

ENGINEERING MATTERS (CONTINUED)

Ms. Humphries, on behalf of the District's Engineer, reported that the surplus funds application for clearing and grubbing is pending and ABHR will follow up.

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.

Ms. Garcia reviewed the proposed budget for fiscal year end September 30, 2020, a copy of which is attached to the bookkeeper's report. After review and discussion, Director Ward moved to approve the bookkeeper's report and payment of the bills, review of investments, and budget comparison. Director Pope seconded the motion, which passed unanimously.

ARBITRAGE REBATE REPORT

Ms. Brook reviewed a Final Excess Earnings Report (the "Earnings Report") prepared by OmniCap Group for the Series 2014 Unlimited Tax Bonds. Ms. Brook stated the Earnings Report reflects no payment was owed to the Internal Revenue Service.

DISCUSS ASSISTING SCRMA WITH PAYMENT FOR CERTAIN ITEMS ELIGIBLE FOR MUD EXPENDITURES, INCLUDING EROSION PROTECTION AND IRRIGATION IMPROVEMENTS FOR DETENTION POND SLOPES

Mr. Ortiz updated the Board on the status of irrigation improvements. Discussion ensued regarding the cost options summary for the irrigation and well repair project. Director Zayas requested LJA add a title and date information to the cost options summary.

ATTORNEY'S REPORT

Ms. Humphries updated the Board on the most recent City of Pearland City Council meeting as it relates to municipal utility districts.

DATE, TIME, AND LOCATION FOR NEXT DISTRICT MEETING

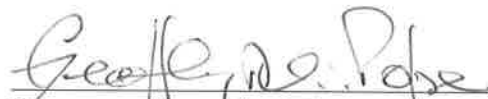
There was no discussion on this item.

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 this executive session.

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




Secretary, Board of Directors

ACTION LIST

1. ABHR will submit the monthly newsletter notice for publication and updates to the website, as discussed.

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