

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

April 7, 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 7th day of April, 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 Zayas, thus constituting a quorum.

Also present at the meeting were Julie Williams of Rathmann & Associates, L.P. ("Rathmann"); Thomas Sikora of KB Home; Tayo Ilori of McGrath & Co., PLLC; David Patterson of Assessments of the Southwest, Inc. ("ASW"); Christina Garcia of Myrtle Cruz, Inc. ("MCI"); James Ross of LJA Engineering, Inc. ("LJA"); and Lynne Humphries and Tracie Brownlee of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the March 3, 2017, regular meeting, which were provided in advance of the meeting. After review and discussion, Director Rozell moved to approve the minutes of the March 3, 2017, regular meeting, as submitted. Director Ruiz seconded the motion, which passed unanimously.

COMMENTS FROM THE PUBLIC

No members of the public came forth to comment.

SECURITY SERVICES REPORT

The Board reviewed the attached written security report for Shadow Creek Ranch ("SCR"), provided in advance of the meeting.

REPORT ON DEVELOPMENT

Messrs. Sikora and Ross generally reported on development in the District.

## 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 97.37% of the District's 2016 taxes were collected as of March 31, 2017. In response to a Board request, Mr. Patterson said he will request information regarding any 2016 odor nuisance property value reductions granted by either Brazoria County Appraisal District or Fort Bend County Appraisal District. Following review and discussion, Director Axtell moved to approve the tax assessor/collector's report and payment of the bills. Director Ruiz seconded the motion, which carried by unanimous vote.

## SERIES 2017 UNLIMITED TAX BONDS, INCLUDING APPOINT PAYING AGENT/REGISTRAR, APPROVE PRELIMINARY OFFICIAL STATEMENT AND OFFICIAL NOTICE OF SALE, AUTHORIZE ADVERTISEMENT FOR SALE OF THE SERIES 2017 BONDS AND SCHEDULE BOND SALE

The Board discussed appointing The Bank of New York Mellon Trust Company, N.A., as the Paying Agent/Registrar for the Series 2017 Unlimited Tax Bonds ("Series 2017 Bonds"). Ms. Williams reviewed the Preliminary Official Statement and Official Notice of Sale for the Series 2017 Bonds with the Board. Ms. Williams reviewed the financial advisor disclosures required by the Municipal Securities Rulemaking Board in connection with the Series 2017 Bonds. The Board considered authorizing advertisement for sale of the Series 2017 Bonds and scheduling the Series 2017 Bond sale. The Board considered authorizing McGrath to prepare the Series 2017 Bonds developer reimbursement report under the terms of the evergreen service agreement between the District and McGrath.

After review and discussion, Director Rozell moved to (1) appoint The Bank of New York Mellon Trust Company, N.A., as the Paying Agent/Registrar for the Series 2017 Bonds; (2) approve the Preliminary Official Statement and Official Notice of Sale subject to Board and consultant review; (3) accept the disclosures presented by Rathmann; (4) authorize advertisement for sale of the Series 2017 Bonds; (5) schedule the bond sale for May 4, 2017; and (6) authorize McGrath to prepare the Series 2017 Bonds developer reimbursement report. Director Pope seconded the motion, which passed unanimously.

## ENGINEERING MATTERS

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

Mr. Ross reviewed and recommended approval of one pay estimate as reflected in his report.

Mr. Ross provided an update regarding the City's wastewater treatment plant expansion.

Mr. Ross reported that the City's website announced the official opening of the Shadow Creek Ranch Sports Complex ("Sports Complex"). He noted he has received no response from the City regarding his inquiry on the construction status of the Sports Complex maintenance building. He reported that he is requesting clarification from the City regarding how City funds made available upon the District's funding of the water, sewer, and drainage facilities to serve the Sports Complex were spent.

Following review and discussion, Director Axtell moved to approve the engineer's report and, based on the recommendation of the engineer, approve Pay Estimate No. 1 to Hurtado Construction Company in the amount of \$204,197.94 for the construction of the water, sewer, and drainage facilities to serve Southlake Sections 9 and 10. The motion was seconded by Director Pope and passed unanimously.

#### RECREATIONAL FACILITIES IN AND NEAR THE DISTRICT

The Board reviewed a report from Earthcare Management ("EM") for the mowing and maintenance of the temporary ball fields, a copy of which is attached. The Board requested Ms. Garcia contact EM to confirm this month's service dates so resident Directors can visit the site to confirm the work was performed.

Ms. Humphries reported Brazoria County Municipal Utility District No. 26 ("BC 26") approved (1) termination of the lease with the City for the acreage where the temporary ball fields are located; and (2) release of BC 26's usage scheduling rights, following the City's correspondence agreeing to assume maintenance of the temporary ball fields, and as a condition of such. She reported BC 26 also terminated its Service Agreement with EM for maintenance of the temporary ball fields effective April 30, 2017. Ms. Humphries stated the District consented to BC 26's Service Agreement with EM. After discussion, Director Ruiz moved to consent to BC 26's termination of the Service Agreement with EM. The motion was seconded by Director Pope and passed unanimously.

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

Mr. Ilori reported the City's 2014 and 2015 tax levy rebates were miscalculated by the City and the District was underpaid. He stated the City was notified and has acknowledged there was a calculation error. Mr. Ilori added he will bring a final report to the next regularly scheduled meeting.

ARTICLES FOR NEWSLETTERS AND WEBSITE

The Board reviewed a draft of the notice for submission to the Shadow Creek Community Newsletter and The Connection and considered updates for the District's 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 as submitted.

REPORTS FROM DIRECTORS, DISTRICT CONSULTANTS, AND SCRMA

The Board generally discussed SCRMA matters.

ATTORNEY'S REPORT

The Board generally discussed Blue Ridge Landfill matters.

Ms. Humphries distributed and reviewed a notice from Build America Mutual Assurance Company ("BAM") regarding the 2017 Annual Meeting, for which a Proxy Statement can be submitted by the Board to reelect two directors of BAM. No action was taken.

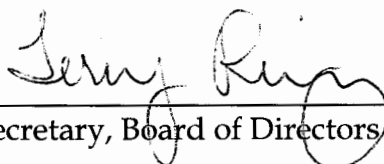
DATE, TIME, AND LOCATION FOR NEXT DISTRICT MEETING

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

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 the approved notice to the community newsletters.
2. ABHR will submit updates to the District's website as directed.

LIST OF ATTACHMENTS TO MINUTES

	<u>Minutes</u>
	<u>Page</u>
Security report .....	1
Tax assessor/collector's report .....	2
Engineer's report.....	2
Mowing Report .....	3
Bookkeeper's report.....	3
Website Analytics Report .....	4