

MINUTES
BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 26

March 7, 2017

The Board of Directors (the "Board") of Brazoria County Municipal Utility District No. 26 (the "District") met in regular session, open to the public, on the 7th day of March, 2017, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Michael Parks	President
Herbert Fain	Vice President
Melissa Slade	Secretary
Caralynn Prade	Assistant Vice President
Fred E. Weary, Jr.	Assistant Secretary

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

Also present at the meeting were Sean Kennedy, a resident of the District; Aly Long and Paul Wisdom of Shadow Creek Ranch Maintenance Association ("SCRMA"); Justin Klump of Storm Water Solutions LP; Christina Garcia of Myrtle Cruz, Inc.; David Patterson of Assessments of the Southwest, Inc.; Officer Natisha Lucas of the City of Pearland ("City") Police Department; James Ross of LJA Engineering, Inc.; and Lynne Humphries, Hannah Brook, and Tracie Brownlee of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the February 7, 2017, regular meeting, which were provided in advance. After review and discussion, Director Prade moved to approve the minutes of the February 7, 2017, regular meeting, as presented. Director Slade seconded the motion, which passed unanimously.

SECURITY SERVICES REPORT

Ms. Humphries entered the meeting.

Officer Lucas reviewed the attached written security report for Shadow Creek Ranch ("SCR") and responded to questions from the Board. She reported the City requested a written agreement be put in place between the City and SCRMA regarding the security cameras. Ms. Long stated she will follow up with the City regarding such agreement.

COMMENTS FROM THE PUBLIC

Mr. Kennedy introduced himself and stated he attended the meeting to learn about the Blue Ridge Landfill air quality matter (the "Landfill Matter"). He reported that Detroit lawyers are presenting an informational meeting this Thursday to SCR residents regarding a class action suit to be filed on their behalf regarding the Landfill Matter. Ms. Humphries reported elected officials have been notified previously of the Landfill Matter. She noted Representative Ed Thompson made inquires to the Texas Commission on Environmental Quality ("TCEQ") on behalf of SCR residents. The Board responded to Mr. Kennedy's questions and agreed SCR residents should contact their elected representatives to request they continue to make inquires to the TCEQ on their behalf regarding the Landfill Matter.

DEVELOPMENT IN THE DISTRICT

There was no discussion on this matter.

FINANCIAL AND BOOKKEEPING MATTERS

Director Weary entered the meeting.

Ms. Garcia distributed and reviewed the bookkeeper's report, including the investment report, budget comparison, debt service payment schedule, and list of checks presented for approval, a copy of which is attached. After review and discussion, Director Prade moved to approve the bookkeeper's report and payment of the bills. Director Slade seconded the motion, which passed unanimously.

Officer Lucas left the meeting.

TAX ASSESSMENT AND COLLECTION MATTERS

Mr. Patterson reviewed the tax assessor/collector's report, including the unpaid accounts tax roll. A copy of the tax assessor/collector's report is attached. He noted 95.86% of the 2016 taxes have been collected as of February 28, 2017. Following review and discussion, Director Prade moved to approve the tax assessor/collector's report. Director Slade 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.

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

Mr. Ross reported the City's website states the Shadow Creek Ranch Sports Complex ("Sports Complex") will open on April 1, 2017. He reported he has received no response from the City regarding his inquiry on the construction status of the Sports Complex maintenance building.

The Board considered submitting a maintenance and inspection report of facilities conveyed to the City by the District for consideration during the City's budget process. After discussion, the Board requested Mr. Ross send a reminder to the City regarding its responsibility for maintenance of the facilities conveyed to the City by the District.

Following review and discussion, the Board concurred to accept the engineer's report.

RECREATIONAL FACILITIES IN AND NEAR THE DISTRICT

The Board reviewed a report from Earthcare Management for the mowing and maintenance of the temporary ball fields, a copy of which is attached. Mr. Wisdom reported SCRMA is terminating its landscape maintenance service agreement with Earthcare Management. The Board requested SCRMA provide the contact information of the new landscape maintenance contractor to request a bid for maintenance of the temporary ball fields.

Ms. Brook reported that the Board of Brazoria-Fort Bend County Municipal Utility District No. 1 requested ABHR send a letter to the City requesting the City assume maintenance of the temporary ball fields after the opening of the Sports Complex. After discussion, the Board requested ABHR send a letter to the City requesting the City assume maintenance of the temporary ball fields after the opening of the Sports Complex.

ARTICLES FOR NEWSLETTERS AND WEBSITE

The Board reviewed a draft of the notice for submission to the Shadow Creek Community Newsletter and The Connection newsletter and considered updates for the District's website. The Board requested the District's website include the City's wastewater treatment plant expansion website link. 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 directed ABHR to submit the notice to the newsletters and make the requested change to the District's website.

STORM WATER PERMIT TXRQ40000

Mr. Klump discussed the City's inclusion of the District in its Storm Water Management Plan ("SWMP"). He requested the Board authorize execution and submittal of the Year 3 Annual Report to the TCEQ. After review and discussion, Director Prade moved to authorize execution and submittal of the Year 3 Annual Report

to the TCEQ. The motion was seconded by Director Slade and passed by unanimous vote.

ATTORNEY'S REPORT

Ms. Brook reviewed the District's Annual Report containing updated financial and operating data to be filed in accordance with the continuing disclosure provisions contained in the bond resolutions. She stated the District is required to file certain financial and operating data with the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access System in compliance with SEC Rule 15c12-12 and with the Municipal Advisory Council of Texas, the State Information Depository, by March 31, 2017.

The Board reviewed the District's procedures for continuing disclosure compliance and determined no changes are required at this time.

Following review and discussion, Director Prade moved to approve the Annual Report to be filed in compliance with the continuing disclosure provisions contained in the bond resolutions and direct that the Annual Report be filed appropriately and retained in the District's official records. The motion was seconded by Director Slade and passed by unanimous vote.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS

Director Prade reported on her attendance at the City's Landfill Matter town hall meeting last month.

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 executive session.

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

Asst. 
Secretary, Board of Directors

(SEAL)



ACTION LIST

1. ABHR will submit the approved notice to the community newsletters.
2. ABHR will submit updates to the District’s website as requested.
3. Ms. Long will contact the City to initiate a written agreement with SCRMA regarding the security cameras.
4. Mr. Wisdom will provide contact information for bids for maintenance of the temporary ball fields.
5. ABHR will send a letter to the City requesting maintenance of the temporary ball fields.

LIST OF ATTACHMENTS TO MINUTES

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