

MINUTES
BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 26

December 5, 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 5th day of December, 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 Slade, thus constituting a quorum.

Also present at the meeting were David Selsky, a resident of the District; Chris Hill of 180 Messaging; Erin Garcia of Myrtle Cruz, Inc.; Cathy Brittain-Drew of Assessments of the Southwest, Inc. ("ASW"); Mark McGrath of McGrath & Company, PLLC; James Ross of LJA Engineering, Inc.; and Hannah Brook and Tracie Brownlee of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

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

COMMENTS FROM THE PUBLIC

No members of the public came forward to address the Board.

PUBLIC EDUCATION PROGRAM

The Board considered approving a Service Agreement with 180 Messaging. After discussion, Director Fain moved to approve a Service Agreement with 180 Messaging. The motion was seconded by Director Prade and passed unanimously.

Ms. Brook reported the Board of Directors of Brazoria-Fort Bend County Municipal Utility District No. 1 ("BFB 1") were notified at its most recent meeting of the

Board's consideration to implement a public education program. She noted the BFB 1 Board indicated no interest in implementing a public education program at this time.

ARTICLES FOR NEWSLETTERS AND WEBSITE

The Board reviewed a draft newsletter notice distributed to the Board in advance of today's meeting. The Board considered website updates and 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 publication of the newsletter notice, as submitted.

Ms. Brook reminded the Board that two resident emails received via the District's website were forwarded to the Board in advance of today's meeting requesting that the Board (1) not engage a public information consultant; and (2) engage Danny Worrell as legal counsel to provide information to Representative Ed Thompson regarding the Blue Ridge Landfill (the "Landfill").

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Brittain-Drew reviewed the tax assessor/collector's report, including the unpaid accounts tax roll and the delinquent tax attorney's report. A copy of the tax assessor/collector's report is attached. She noted 4.67% of the 2017 taxes have been collected as of November 30, 2017.

Following review and discussion, Director Prade moved to approve the tax assessor/collector's report. Director Fain seconded the motion, which carried by unanimous vote.

CONSENT TO ASSIGNMENT AND APPROVE AMENDMENT OF THE TAX ASSESSOR/COLLECTOR CONTRACT

Ms. Brittain-Drew presented an Assignment of Tax Assessor/Collector Contract, which assigns the District's current contract with Thomas W. Lee for assessment and collection of District taxes to ASW. Ms. Brittain-Drew then reviewed an Amendment of the District's Tax Assessor/Collector Contract, which includes a fee increase. She stated the most recent fee increase was October of 2008. She then reviewed an Overview of Changes, which details the individual rate changes and the total annual fee increase. Following review and discussion, Director Prade moved to approve the Assignment of Tax Assessor/Collector Contract and the Amendment of the District's Tax Assessor/Collector Contract. Director Fain seconded the motion, which passed unanimously.

DEVELOPMENT IN THE DISTRICT

No report was presented on development in the District.

Mr. McGrath reviewed a developer reimbursement report for the purpose of verifying the amount to reimburse Westport Builders, L.P. ("Westport") from the District's Series 2016 Unlimited Tax Bonds for impact fees paid on behalf of the District. Following review and discussion, Director Prade moved to approve the report subject to receipt of an executed Receipt from Westport reflecting the reimbursement, direct that the Receipt and the developer reimbursement report be filed appropriately and retained in the District's records, and authorize disbursement of funds to Westport in the amount indicated by the report. Director Fain seconded the motion, which passed unanimously.

REVIEW AND UPDATE EMINENT DOMAIN REPORT TO THE TEXAS COMPTROLLER

Ms. Brook reported ABHR filed on behalf of the District an Eminent Domain Authority Annual Report with the Comptroller of the State of Texas pursuant to Senate Bill 1812.

FINANCIAL AND BOOKKEEPING MATTERS

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 Fain seconded the motion, which passed unanimously.

Mr. McGrath left the meeting.

ENGINEERING MATTERS

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

Mr. Ross recommended approval of a proposal in the amount of \$4,695.00 from Camino Services to take digital photos of a portion of the District's storm sewer system for review by LJA to assess if maintenance is needed following Hurricane Harvey. He indicated he will notify the City of Pearland before starting the work. Mr. Ross noted Brazoria-Fort Bend County Municipal Utility District No. 1 ("BFB 1") approved a proposal from Camino Services to take digital photos of a portion of its storm sewer system at its most recent Board meeting.

Following review and discussion, Director Prade moved to approve the engineer's report and, as recommended by the District's engineer, the Camino Services proposal. Director Fain seconded the motion, which passed unanimously.

SECURITY SERVICES REPORT

The Board reviewed the attached written security report for Shadow Creek Ranch. Director Parks presented comments provided by Officer Natisha Lucas to the security report.

STORM WATER PERMIT TXRQ40000

There was no discussion on this matter.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS

Director Parks updated the Board regarding his efforts as President of the Association of Water Board Directors.

ATTORNEY'S REPORT

The Board discussed a mailer sent to District residents regarding a class action law suit against the Landfill. The Board considered Mr. Mears's request to engage Mr. Worrell. After discussion, the Board requested ABHR request a cost estimate from Mr. Worrell to provide Representative Ed Thompson information regarding the Landfill.

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.

(SEAL)



Secretary, Board of Directors

ACTION LIST

1. ABHR will submit the notice to the community newsletters.
2. ABHR will submit updates to the District’s website as appropriate.
3. ABHR will request a cost estimate from Danny Worrell to provide information to Representative Ed Thompson regarding the Landfill.

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