

MINUTES  
BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 26

March 6, 2018

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 6th day of March, 2018, 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:

Herbert Fain	President
Melissa Slade	Vice President
Jason Harrison	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 Ed Mears and Marie Ferguson, District residents; Michael L. Parks, a member of the public; Erin Garcia of Myrtle Cruz, Inc.; Officer Corey Gray of the City of Pearland ("City") Police Department; David Patterson of Assessments of the Southwest, Inc. ("ASW"); Taylor Baumgartner, Gregory Patch, and James Lott of LJA Engineering, Inc. ("LJA"); 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 6, 2018, regular meeting, which were provided in advance. After review and discussion, Director Prade moved to approve the minutes of the February 6, 2018, regular meeting, as submitted. Director Harrison seconded the motion, which passed unanimously.

PUBLIC EDUCATION PROGRAM

The Board reviewed the attached 180 Messaging Update provided by Chris Hill, reflecting the prior month's activities, recommending proposed activities for the District's public education program, and presenting design variations on a proposed District logo. Following review and discussion, Director Prade moved to approve all recommendations reflected in the 180 Messaging Update, including selection of a District logo. The motion was seconded by Director Harrison, which passed unanimously.

## ARTICLES FOR NEWSLETTERS AND WEBSITE

Ms. Brook reported at the most recent meeting of Brazoria-Fort Bend County No. 1 ("BFB 1"), that the Board approved additional webmaster monitoring and alerts as was approved by the Board last month. Discussion ensued regarding website sharing with BFB 1. After discussion, Director Prade moved to create a separate website and terminate the District's portion of the current joint website, subject to receipt of a proposal and pricing from Off Cinco at the next regularly scheduled Board meeting. Director Harrison seconded the motion, which passed unanimously.

## COMMENTS FROM THE PUBLIC

Mr. Mears came forward to address the Board and made numerous requests. The Board requested he submit a summary of his requests in writing to Ms. Brook to file in the District's records.

## DEVELOPMENT IN THE DISTRICT

Mr. Lott distributed and reviewed the attached construction plans for a waterline ("Waterline") extension to serve a proposed senior housing development. He requested on behalf of the developer funding the Waterline to enter into a financing and reimbursement agreement for Waterline costs. Mr. Lott stated the approximate cost of the Waterline is \$75,000. Discussion ensued, after which the Board concurred to directly fund the Waterline from the District's general fund in order to save developer interest and other costs.

## 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 Weary seconded the motion, which passed unanimously.

Mr. Patch entered the meeting.

## TAX ASSESSMENT AND COLLECTION MATTERS

Mr. Patterson 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. He noted 95.67% of the 2017 taxes have been collected as of February 28, 2018.

Mr. Patterson reported on an update from the delinquent tax attorney regarding delinquent accounts.

Mr. Patterson reviewed requests for a waiver of the 2017 tax bill penalty and interest from the property owner of 2403 Bayfront Drive and the property owner of 11803 Sea Shadow Bend, copies of which are attached to the tax assessor/collector's report. Discussion ensued, after which the Board determined there is no basis in the law to grant the waivers.

Following review and discussion, Director Prade moved to approve the tax assessor/collector's report and deny the requests to waive the 2017 tax bill penalty and interest for the property owners of 2403 Bayfront Drive and 11803 Sea Shadow Bend. Director Harrison seconded the motion, which carried by unanimous vote.

### ENGINEERING MATTERS

Mr. Baumgartner distributed and reviewed the engineer's report, a copy of which is attached. He requested the Board authorize LJA to design the Waterline previously discussed to serve the senior housing project. Following review and discussion, Director Prade moved to approve the engineer's report and authorize LJA to design the Waterline. Director Harrison seconded the motion, which passed unanimously.

Messrs. Patch and Lott left the meeting. Mr. Parks entered the meeting.

### RESOLUTION COMMENDING MICHAEL L. PARKS FOR SERVICE TO THE DISTRICT

The Board reviewed a Resolution Commending Michael L. Parks for Service to the District. After review, Director Prade moved to adopt the Resolution Commending Michael L. Parks for Service to the District and direct that it be filed appropriately and retained in the District's official records. Director Harrison seconded the motion, which passed unanimously.

Director Fain presented Mr. Parks with a framed Association of Water Board Director ("AWBD") Journal commemorating Mr. Parks' testimony regarding Hurricane Harvey. Mr. Parks expressed his gratitude for the opportunity to serve on the Board of the District and AWBD and educate the community.

### SECURITY SERVICES REPORT

The Board reviewed the written security report for Shadow Creek Ranch ("SCR").

### STORM WATER PERMIT TXRQ40000

Ms. Brook reminded the Board that the City includes the District in its Storm Water Management Plan ("SWMP") as coordinated by Storm Water Solutions ("SWS"). She reported that SWS requests the Board authorize execution and submittal of the Year

4 Annual Report to the Texas Commission on Environmental Quality ("TCEQ"). After review and discussion, Director Prade moved to authorize execution and submittal of the Year 4 Annual Report to the TCEQ. The motion was seconded by Director Harrison and passed by unanimous vote.

Mr. Baumgartner and Ms. Humphries left the meeting. Officer Gray entered the meeting.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS

The Board discussed an opportunity to attend the annual Gulf Coast Water Conservation Symposium, which will be held on March 22, 2018. The Board informed Mr. Mears that director education gained via attendance at conferences is encouraged state-wide. Mr. Parks discussed the functions of the AWBD, including director education.

Director Weary reported a Next Door post reflecting an account of the most recent Board meeting of BFB 1 submitted by a resident who attended the meeting. Discussion ensued regarding Board responses to social media posts regarding the District. Ms. Brook noted the minutes of each Board meeting are posted on the website following Board approval. She reported on BFB 1 Director Heather Zayas' ongoing communication with City Councilmember Trent Perez, who is also a member of the TCEQ Municipal Solid Waste Management and Resource Recovery Advisory Council ("Council"). Director Zayas reported that Councilman Perez stated the City is compiling a graphic that reflects the timeline and number of resident complaints regarding the Landfill and will provide such to her. After discussion, Director Prade moved to approve posting of the graphic and any Council updates on the District's website and Facebook page. Director Weary seconded the motion, which passed unanimously.

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 convened in executive session at 12:05 p.m. to receive additional information regarding security in the District from Officer Gray.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION REGARDING DEPLOYMENT, OR SPECIFIC OCCASIONS FOR IMPLEMENTATION OF SECURITY PERSONNEL OR DEVICES.

The Board reconvened in general session at 12:19 p.m. Based on a motion made by Director Prade and seconded by Director Harrison, the Board unanimously voted to approve the security report.

Officer Gray left the meeting.

ATTORNEY'S REPORT

Ms. Brook presented a proposal received from Arthur J. Gallagher Risk Management, Inc. ("Gallagher"), the District's current insurance provider, for renewal of the District's insurance policies, which expire on March 19, 2018.

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, 2018.

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

Following review and discussion, Director Prade moved to approve (1) the proposal from Gallagher for renewal of the District's insurance policies; and (2) 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 Harrison and passed by unanimous vote.

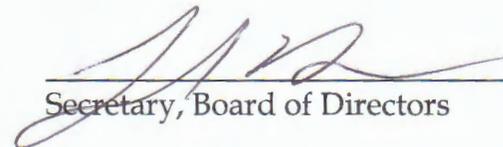
CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE, TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY TO DISCUSS MATTERS RELATED TO BLUE RIDGE LANDFILL, INCLUDING TEXAS COMMISSION ON ENVIRONMENTAL QUALITY AIR QUALITY MONITORING

The Board did not convene in this executive session.

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

(SEAL)



  
Secretary, Board of Directors

ACTION LIST

1. Mr. Hill will submit information to the community newsletters.
2. Mr. Hill will submit updates to the District's website and Facebook page as appropriate.
3. ABHR will request a proposal from the District's webmaster to create a separate District website.

LIST OF ATTACHMENTS TO MINUTES

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