

MINUTES
BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 26

February 5, 2019

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 February, 2019, 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:

Caralynn Prade	President
Melissa Slade	Vice President
Edward T. Mears	Secretary
Fred E. Weary, Jr.	Assistant Vice President
Marie Ferguson	Assistant Secretary

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

Also present at the meeting were David Patterson of Assessments of the Southwest, Inc. ("ASW"); Erin Garcia of Myrtle Cruz, Inc.; Everett Deao of LJA Engineering, Inc. ("LJA"); Officer Natisha Lucas of the City of Pearland (the "City") Police Department; and Lynne Humphries, Hannah Brook, and Erika Smiley of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the January 8, 2019, regular meeting, which were distributed to the Board in advance of the meeting. After review and discussion, Director Mears moved to approve the minutes of the January 8, 2019, regular meeting, as revised. Director Weary seconded the motion, which passed unanimously.

NEWSLETTER 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ABHR to submit: (1) the newsletter notice for publication; and (2) any website updates as posted articles become outdated.

Officer Lucas entered the meeting.

COMMENTS FROM THE PUBLIC

There were no comments from the public.

DEVELOPMENT IN THE DISTRICT

There was no discussion on this matter.

Mr. Deao and Ms. Humphries entered the meeting.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Garcia 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.

The Board discussed the Association of Water Board Directors ("AWBD") winter conference. The Board then considered approving reimbursement of eligible expenses for the winter conference and authorizing attendance to the AWBD summer conference.

After review and discussion, Director Ferguson moved to (1) approve the bookkeeper's report and payment; (2) approve reimbursement of eligible expenses for the winter conference submitted in accordance with the District's travel guidelines; and (3) authorize all interested directors to attend the AWBD summer conference. Director Mears seconded the motion, which passed unanimously.

ENGINEERING MATTERS

Mr. Deao reviewed an engineer's report, a copy of which is attached. There was no action taken.

Mr. Deao left the meeting.

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

The Board reviewed the written security report for Shadow Creek Ranch, provided in advance of the meeting. Officer Lucas requested additional patrol officers for coverage of the current Shadow Creek Ranch patrol schedule. Following review and discussion, Director Ferguson moved to approve an Amended and Restated Security Patrol Services Agreement with one additional officer. Director Mears 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 92.66% of the 2018 taxes have been collected as of January 31, 2018. Following review and discussion, Director Prade moved to approve the tax assessor/collector's report. Director Weary seconded the motion, which passed unanimously.

The Board reviewed a proposed Resolution Concerning Exemptions from Taxation for the 2018 tax year. Following review and discussion, Director Prade moved to approve the tax assessor/collector's report and adopt the Resolution Concerning Exemptions from Taxation reflecting that the Board (i) grants a general homestead exemption of 20%, but not less than \$5,000; and (ii) grants an additional \$50,000 homestead exemption for disabled persons or persons over 65 years of age and direct that the Resolution be filed appropriately and retained in the District's official records. Director Weary seconded the motion and the motion carried by a vote of 3-1 with Director Mears opposed.

STORM WATER PERMIT TXRQ40000

There was no discussion on this matter.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS

Ms. Brook stated that ABHR reached out to SCRMA but did not receive a response.

ATTORNEY'S REPORT

Ms. Brook stated the District's insurance policies will expire on March 19, 2019, and AHBR requested proposals from HARCO Insurance Services ("HARCO") and McDonald & Wessendorff Insurance. She stated that HARCO did not respond. The

Board reviewed proposal summaries from McDonald & Wessendorff Insurance and their current provider, W.I.N. Gallagher.

Following review and discussion, Director Mears moved to approve W.I.N. Gallagher proposal to renew the District's insurance policies. The motion was seconded by Director Ferguson and carried unanimously.

The Board reviewed revisions to the District's 2019 Information Kit submitted by Director Mears. After review and discussion, Director Ferguson moved to approve the 2019 District Information Kit, subject to final revisions. Director Mears seconded the motion, which passed unanimously.

BLUE RIDGE LANDFILL ODOR MATTERS

Director Mears updated the Board regarding the Blue Ridge Landfill matters.

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.

FINANCIAL AND BOOKKEEPING MATTERS (CONTINUED)

Ms. Garcia discussed reimbursement of eligible expenses with the Board. The Board directed ABHR to have the travel guidelines for Board review at the next regular meeting.

MEETING SCHEDULE

The Board discussed the meeting schedule and concurred to hold the regular meeting on March 5, 2019, at 11:00 a.m. at the offices of ABHR.

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




Secretary, Board of Directors