

MINUTES
BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 26

April 2, 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 2nd day of April, 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.; Officer Natisha Lucas of the City of Pearland (the "City") Police Department; James Ross and Kenya Franco of LJA Engineering, Inc. ("LJA"); Javier Ortiz and Chris Wilson of Shadow Creek Ranch Maintenance Association ("SCRMA"); and Lynne Humphries, Hannah Brook, and Erika Smiley of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the March 5, 2019, regular meeting, which were distributed to the Board in advance of the meeting. After review and discussion, Director Ferguson moved to approve the minutes of the March 5, 2019, regular meeting. 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ABHR to submit (1) the newsletter notice for publication; and (2) any website updates as posted articles become outdated.

Ms. Brook informed the Board that the District has been removed from the joint website.

COMMENTS FROM THE PUBLIC

There were no comments from the public.

DEVELOPMENT IN THE DISTRICT

There was no discussion on this matter.

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.

Ms. Garcia stated that Director Slade submitted receipts for authorized expenses of the Winter AWBD conference.

After review and discussion, Director Ferguson moved to (1) approve the bookkeeper's report and payment; and (2) reimburse eligible expenses from the winter conference. Director Weary seconded the motion, which passed unanimously.

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 98.16% of the 2018 taxes have been collected as of March 31, 2019.

Mr. Patterson reported that the District received correspondence from the District resident located at 11408 Softbreeze Court, a copy of which is attached to the tax report, requesting the Board waive 2018 District tax penalty and interest fees. Mr. Patterson noted that the District received a check from the resident for taxes but the check was not signed. Discussion ensued regarding the resident's payment history.

Following review and discussion, Director Weary moved to approve the tax assessor/collector's report and authorize the waiver of penalty and interest and based upon their failed attempt to timely make payment. Director Ferguson seconded the motion, which passed unanimously.

Officer Lucas entered the meeting and Director Mears joined the meeting via telephone conference.

ENGINEERING MATTERS

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

Mr. Ross gave an update on the Water Line Extension to serve Shadow Creek Ranch Senior Housing Development. He recommended the Board approve Change Order No. 1 from AR Turnkey Construction Company. The Board decided to review the change order at the next regular meeting.

Following review and discussion, Director Ferguson moved to approve the engineer's report. Director Weary seconded the motion, which passed unanimously.

Ms. Humphries entered the meeting.

STORM WATER PERMIT TXRQ40000; YEAR 5 ANNUAL REPORT

Ms. Brook discussed the conveyance system and facility ownership. She stated that the District does own drainage easements over the detention ponds located within Shadow Creek Ranch and that is the basis for the District's inclusion in the City of Pearland's Storm Water Management Plan.

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

Officer Lucas reviewed the written security report for Shadow Creek Ranch, provided in advance of the meeting, and responded to questions from the Board.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS

Director Mears noted that he registered for the Environmental Trade Fair and Conference hosted by the Texas Commission on Environmental Quality ("TCEQ"). He updated the Board regarding the Blue Ridge Landfill matters.

Mr. Ortiz presented and reviewed the attached Lake Irrigation and Well Repair Proposal. He stated that the repair project is estimated to cost a total of \$647,000, of which the District's share is \$503,000. Mr. Ortiz reported that he was not able to get a firm estimate for the well repair costs, because the wells must first be made functional, then tested to determine if any repairs or upgrades are necessary. Mr. Ross reminded the Board that the District is not responsible for lake maintenance per agreements with the City and the importance of irrigation to maintain the pond side slopes is crucial for proper

drainage. After inquiry from Director Mears, Mr. Ortiz stated that SCRMA does not have an operation and maintenance plan for the lakes and pumps. Mr. Williams stated that the reserve study is underway and costs to maintain lakes and pumps will be included. The Board requested SCRMA (1) draft an operation and maintenance plan; (2) provide the amount SCRMA will contribute; and (3) discuss financial assistance for the project with the City of Pearland Tax Increment Reinvestment Zone No. 2.

The Board decided to discuss the proposal at the next regular meeting and authorize Director Ferguson to attend the Brazoria - Fort Bend Municipal Utility District No. 1 next regular meeting.

ATTORNEY'S REPORT

The Board discussed reimbursement of conference registration fees. The Board decided to review the District's Travel Guidelines at the next regular meeting.

PROXY VOTE FOR BUILD AMERICA MUTUAL INSURANCE COMPANY ANNUAL MEETING

Ms. Brook presented and reviewed a proxy from Build America Mutual ("BAM") for casting a vote for BAM directors in BAM's upcoming annual meeting. There was no action taken on this item.

BLUE RIDGE LANDFILL ODOR MATTERS

There was no discussion on this matter.

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 TCEQ AIR QUALITY MONITORING

The Board did not convene in this executive session.

MEETING SCHEDULE

The Board discussed the meeting schedule and concurred to hold the regular meeting on May 7, 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

ACTION LIST

1. Ms. Smiley will submit the newsletter notice to the community print newsletters.
2. Ms. Smiley will submit updates to the District's website, as appropriate.

LIST OF ATTACHMENTS TO MINUTES

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