

MINUTES  
BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 26

August 7, 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 7th day of August, 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:

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, thus constituting a quorum.

Also present at the meeting were Jason Harrison and Herbert S. Fain, Jr., District residents; Michael Parks, member of the public; Paul Wisdom of Shadow Creek Ranch Maintenance Association ("SCRMA"); Erin Garcia of Myrtle Cruz, Inc.; Chris Hill of 180 Messaging; David Patterson of Assessments of the Southwest, Inc. ("ASW"); Officer Natisha Lucas of the City of Pearland (the "City") Police Department; James Ross of LJA Engineering, Inc. ("LJA"); Julie Williams of Rathmann & Associates, L.P. ("Rathmann"); and Hannah Brook and Tracie Brownlee of Allen Boone Humphries Robinson LLP ("ABHR").

RESOLUTIONS FOR SERVICE TO THE DISTRICT

Director Prade presented Dr. Fain and Mr. Harrison with a Resolution Commending Herbert S. Fain, Jr. for Service to the District and a Resolution Commending Jason Harrison for Service to the District, respectively. Dr. Fain and Mr. Harrison each thanked the Board for his Resolution and expressed gratitude for the opportunity to serve Shadow Creek Ranch ("SCR").

MINUTES

The Board considered approving the minutes of the June 26, 2018, regular meeting, which were provided in advance. After review and discussion, Director Mears moved to approve the minutes of the June 26, 2018, regular meeting, as presented. Director Ferguson seconded the motion, which passed unanimously.

Dr. Fain left the meeting.



## PUBLIC EDUCATION PROGRAM AND NEWSLETTER AND WEBSITE MATTERS

Mr. Hill reported on activities in progress for the District's public education program.

The Board reviewed an analytics report on the prior month's website activity, a copy of which is attached.

Discussion ensued regarding continuance of the public education program, including the District's Facebook page. Following discussion, Director Mears moved to (1) terminate the contract with 180 Messaging and the District Facebook page; and (2) request Mr. Hill forward all District files created during the engagement with 180 Messaging to ABHR in accordance with the contract with 180 Messaging; and (3) direct that the files be retained in the District's official records. Director Weary seconded the motion, which passed unanimously.

Director Slade joined the meeting.

## COMMENTS FROM THE PUBLIC

The Board opened the meeting to receive comments from the public. No one came forward to address the Board.

## DEVELOPMENT IN THE DISTRICT

No report was presented. The Board generally discussed bridge construction in the vicinity of FM 521.

## 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.

The Board deferred purchase of District apparel for Board members.

Ms. Garcia confirmed documentation for reimbursement of travel expenses to the Brazoria-Fort Bend County Municipal Utility District No. 1 Director to attend a legislative hearing at the State Capitol has not been submitted for review.

Ms. Garcia reviewed a proposed budget for fiscal year ending September 30, 2019. Discussion ensued regarding, among other matters, whether the City's Tax Increment Reinvestment Zone is responsible for paying the cost to maintain equipment to irrigate the District's detention ponds' side slopes.



After review and discussion, Director Mears moved to approve the bookkeeper's report and payment of the bills. Director Ferguson 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 and a quarterly report from the District's delinquent tax attorney. A copy of the tax assessor/collector's report is attached. A copy of the delinquent tax attorney's report is attached to the tax assessor/collector's report. He noted 98.73% of the 2017 taxes have been collected as of July 31, 2018.

Ms. Williams reviewed the attached tax rate analysis from Rathmann, which recommends the District levy a 2018 tax rate of \$0.69 per \$100 of assessed value, with \$0.66 allocated for debt service and \$0.03 allocated for operations and maintenance, the same tax rate as the previous year.

Ms. Williams discussed the maintenance and debt service tax rate components with regard to maintaining a debt service schedule that continues to project early retirement of District debt. Ms. Brook and Ms. Williams responded to questions from the Board regarding calculation of the City's rebate to the District.

Following review and discussion, Director Slade moved to (1) approve the tax assessor/collector's report; and (2) authorize the tax assessor/collector to publish notice of the District's public hearing on September 4, 2018, to set the proposed 2018 tax rate of \$0.69 per \$100 assessed valuation, with \$0.66 allocated for debt service and \$0.03 allocated for operations and maintenance. Director Mears seconded the motion, which carried by unanimous vote.

#### 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. Officer Lucas reviewed the written security reports for SCR provided in advance of the meeting and responded to questions from the Board.

#### ENGINEERING MATTERS

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

Mr. Ross provided an update on the City's expansion of its sewage treatment plant. He stated he will request an update from the City regarding the construction of a proposed maintenance building for the SCR Sports Complex, as requested by the Board.



In response to Director Mears's request, Mr. Ross stated he will provide a copy of the District's storm sewer lamping report to Director Mears.

Following review and discussion, Director Mears moved to approve the engineer's report. Director Ferguson seconded the motion, which carried by unanimous vote.

#### STORM WATER PERMIT TXRQ40000

There was no discussion on this matter.

#### REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS

Director Prade reported receipt of SCRMA's 2016 fiscal year end budget. The Board then requested ABHR request SCRMA provide its current annual budget for consideration at the Board's next meeting.

#### ATTORNEY'S REPORT

No further reports were provided.

#### BLUE RIDGE LANDFILL ODOR MATTERS

Ms. Brook reported on receipt of an email from State Representative Ed Thompson's office in response to the Board's inquiry regarding possible application of microbes to Blue Ridge Landfill. She stated the Texas Commission on Environmental Quality ("TCEQ") responded to Representative Thompson's office and indicated the Blue Ridge Landfill Odor Control Plan required by the TCEQ Agreed Order will not be modified at this time to add microbe application.

Director Mears reported on an additional upcoming Community Information Forum this October sponsored by Representative Thompson to present any updates from the TCEQ 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 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. Ms. Brownlee will submit the newsletter notice to the community print newsletters.
2. Ms. Garcia will bring a catalogue from which the Board may order District apparel.
3. Ms. Brownlee will submit updates to the District's website, as appropriate.
4. Ms. Brownlee will request SCRMA provide its current budget at the next regular meeting.
5. Mr. Ross will request an update from the City regarding construction of a proposed maintenance building to serve the SCR Sports Complex.
6. Mr. Ross will provide Director Mears with a copy of the District's storm sewer lamping report.

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