

MINUTES  
BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 26

July 7, 2015

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 July, 2015, 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, thus constituting a quorum.

Also present at the meeting were Christina Garcia of Myrtle Cruz, Inc. ("MCI"); David Patterson of Assessments of the Southwest, Inc. ("ASW"); James Ross 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 June 2, 2015, regular meeting, which were provided in advance. After review and discussion, Director Prade moved to approve the minutes of the June 2, 2015, regular meeting as presented. Director Weary seconded the motion, which passed unanimously.

DEVELOPMENT IN THE DISTRICT

There was nothing to report on this topic.

DISCUSS ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") SUMMER CONFERENCE, APPROVE REIMBURSEMENT OF ELIGIBLE EXPENSES, AND AUTHORIZE ATTENDANCE AT WINTER CONFERENCE

The Board discussed the AWBD summer conference. Ms. Garcia noted the Directors' expenses submitted were in accordance with the District's travel reimbursement guidelines. After review and discussion, Director Prade moved to: (1) approve reimbursement of eligible expenses for the summer conference, less advances received, which were submitted in accordance with the District's travel and

reimbursement guidelines; and (2) authorize all interested directors to attend the AWBD winter conference. Director Slade seconded the motion, which carried by unanimous vote.

#### 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. Ms. Garcia reviewed the District's Certificates of Deposit and answered questions from the Board regarding the District's investments. After review and discussion, Director Prade moved to approve the bookkeeper's report and payment of the bills, including check no. 3709, which was not included in today's report, in the amount of \$875.57 to Director Slade for reimbursement of expenses to attend AWBD. Director Slade seconded the motion, which passed unanimously.

Ms. Humphries entered the meeting.

#### TAX ASSESSMENT AND COLLECTION MATTERS

Mr. Patterson reviewed the tax assessor/collector's report, including the delinquent tax roll, a copy of which is attached. He noted 99.26% of the 2014 taxes had been collected as of June 30, 2015. Mr. Patterson answered questions from the Board regarding the homestead exemption and noted he expects to have the District's 2015 certified taxable value at the next meeting. Following review and discussion, Director Prade moved to approve the tax assessor/collector's report and payment of the tax bills. Director Slade seconded the motion, which carried by unanimous vote.

#### ENGINEERING MATTERS

Mr. Ross distributed and reviewed the engineer's report, a copy of which is attached. Mr. Ross reported on the progress of ongoing projects in the District.

Mr. Ross provided an update on the rehabilitation of the detention pond side slopes. He discussed scheduling of the final inspection with the City of Pearland (the "City") and noted he contacted Charlie Norton of Shadow Creek Ranch Maintenance Association ("SCRMA") to request his attendance. In response to questions from the Board, Mr. Ross and Ms. Humphries discussed maintenance of the detention ponds in the District and Brazoria-Fort Bend County Municipal Utility District No. 1 ("BFB1") (the "Detention Ponds"). She stated that SCRMA is responsible for maintenance of the Detention Ponds going forward, according to the Cost Sharing Agreement for Detention Facilities and Land. The Board considered sending a letter to SCRMA to communicate the following: (1) the District and BFB1 will be dissolved in the future; (2) SCRMA is obligated by the City to maintain the Detention Ponds; and (3) a schedule for

maintenance of the Detention Ponds should be established and followed.

Discussion ensued regarding expansion of the City's sewer treatment plant ("STP") that serves Shadow Creek Ranch ("SCR"). In response to a question from the Board, Ms. Humphries said the City will provide regular updates to the District and BFB1 regarding the STP, according to a letter sent from the City which was reviewed by Trent Epperson at the May 5, 2015 Board meeting. Mr. Ross said he would include updates on the STP in his monthly Board report going forward.

Discussion ensued regarding the outcome of submitting the 2011 inspection report compiled by LJA to inform the City of needed maintenance of water and sewer facilities in the District and follow up letters sent by the District requesting action and reports on said maintenance. Mr. Ross reported on information he received periodically from the City on maintenance of certain facilities listed in the inspection report. He noted the information has been neither comprehensive nor reported with regularity. The Board considered inviting City Council Member Derrick Reed to attend a District Board meeting and a meeting with Mr. Ross and Directors Slade and Fain for discussion on this topic.

Following review and discussion, the Board concurred to (1) accept the engineer's report; (2) direct LJA to send a letter on behalf of the District and BFB1 regarding the Detention Ponds as discussed; and (3) request Director Slade invite Councilman Reed to attend a Board meeting and a meeting with herself, Director Fain, and Mr. Ross to discuss the City's maintenance of District constructed facilities.

#### ATTORNEY'S REPORT

No report was given.

#### STORM WATER PERMIT TXRQ40000

No updates were presented.

#### REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS

Director Slade commended Ms. Humphries on Ms. Humphries's AWBD presentation on Municipal Utility District ("MUD") park development. Director Slade then reported on a discussion at AWBD with Michael Murr of Park Rangers, LLC regarding management of the temporary ball fields. Following discussion, the Board concurred to discuss contracting with Park Rangers, LLC to manage the temporary ball fields with the Board of BFB1 at the July 10, 2015, joint meeting.

The Board discussed community involvement among SCR residents. Director Parks suggested that SCRMA be asked to blast, via text and email, notifications of City

Council meetings and include a new post on the District's website regarding the blasts, once instituted.

Ms. Humphries reported on email exchanged with the office of Texas State Representative Ed Thompson regarding several reports by resident Goray Mookerjee, who attended last month's meeting, which contained inaccurate information about the District. Director Parks reported on attempts to meet with Mr. Mookerjee at the request of Mr. Mookerjee. Following discussion, the Board concurred that, because Mr. Mookerjee reported inaccurate information about the District, Directors Parks and Fain should attempt to meet with Mr. Mookerjee to review pertinent District documents and the District's website to clear up any misunderstandings Mr. Mookerjee has about the District. The Board requested that Ms. Brownlee provide the necessary supporting documents. The Board concurred Ms. Humphries should meet with Mr. Mookerjee, if necessary, since requested by Representative Thompson's office.


COMMENTS FROM THE PUBLIC

No members of the public came forward to speak.

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

(SEAL)



  
Secretary, Board of Directors

ACTION LIST

1. ABHR will request SCRMA send blasts via text and email to notify SCR residents of City Council meetings and post notification of the blasts on the District's website.
2. Mr. Ross will initiate ongoing communication with the City regarding expansion of the STP and include updates in his monthly report.
3. Directors Parks and Fain will request a meeting with Mr. Mookerjee to answer any questions he may have about the District.
4. Ms. Brownlee will provide documentation to assist Directors Parks and Fain.
5. Director Slade will invite Councilman Reed to attend a Board meeting and a meeting with herself, Director Fain, and Mr. Ross to discuss City maintenance of District facilities.

LIST OF ATTACHMENTS TO MINUTES

	Minutes <u>Page</u>
Bookkeeper's report.....	2
Tax assessor/collector's report .....	2
Engineer's report.....	2