

MINUTES
BRAZORIA-FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

August 3, 2012

The Board of Directors (the "Board") of Brazoria-Fort Bend County Municipal Utility District No. 1 (the "District") met in regular session, open to the public, on the 3rd day of August, 2012, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Michael D. Rozell	President
Geoffrey Pope	Vice President
Terry Ruiz	Secretary
Karri Axtell	Assistant Vice President
Jalene Palmer	Assistant Secretary

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

Also present at the meeting were Rick Hale of Perry Homes; David Patterson of Assessments of the Southwest, Inc.; Christina Garcia of Myrtle Cruz, Inc.; Taylor Baumgartner of LJA Engineering & Surveying, Inc.; and Adisa Harrington and Michelle Bryan of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the July 13, 2012, regular meeting, which were provided in advance of the meeting. After review and discussion, Director Ruiz moved to approve the minutes of the July 13, 2012, regular meeting, as submitted. Director Palmer seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS AND BUDGET FOR FISCAL YEAR
END SEPTEMBER 30, 2013

Ms. Garcia distributed and reviewed the bookkeeper's report, including the investment report, budget comparison, and list of checks presented for approval, a copy of which is attached. She then presented the draft budget for fiscal year end September 30, 2013. After review and discussion, Director Ruiz moved to approve the bookkeeper's report and payment of the bills. Director Axtell seconded the motion, which passed unanimously.



ASSOCIATION OF WATER BOARD DIRECTORS CONFERENCES

The Board discussed the Association of Water Board Directors ("AWBD") summer conference. Ms. Garcia noted the expenses submitted were in accordance with the District's travel guidelines. She added that Director Palmer has not submitted her expenses for reimbursement. After review and discussion, Director Axtell moved to (1) approve reimbursement of eligible expenses for the summer conference, which were submitted in accordance with the District's travel and reimbursement guidelines; (2) authorize Ms. Garcia, upon review, to reimburse Director Palmer for eligible expenses for the summer conference, in accordance with the District's Travel Reimbursement Guidelines; and (3) authorize all interested directors to attend the AWBD winter conference. Director Palmer seconded the motion, which carried by unanimous vote.

SUPPLEMENTAL SECURITY SERVICES

The Board reviewed the July security report.

Ms. Harrington presented a First Amendment to the Security Patrol Services Agreements with each patrol officer for security patrol within the District and Brazoria County Municipal Utility District No. 26 ("MUD 26") and a First Amendment to Security Patrol and Coordination Services Agreement with Officer Pratt (collectively, the "Agreements"). She stated that the Agreements need to be amended to include that the contractor will be responsible for uniforms and all other expenses of the officers and to specify that federal taxes will be withheld as required by the Internal Revenue Service. Following review and discussion, Director Axtell moved to approve the First Amendment to the Security Patrol Services Agreements with each patrol officer and the First Amendment to Security Patrol and Coordination Services Agreement with Officer Pratt and direct that the Agreements be filed appropriately and retained in the District's official records. Director Ruiz seconded the motion, which carried unanimously.

REPORT ON DEVELOPMENT

Mr. Hale reported on development and home sales in the District.

TAX ASSESSMENT AND COLLECTION MATTERS

Mr. Patterson distributed and reviewed the tax assessor/collector's report, including the delinquent tax roll, a copy of which is attached. He noted that the 2011 taxes were 99.58% collected as of July 31, 2012. After review and discussion, Director Ruiz moved to approve the tax assessor/collector's report and payment of the tax bills. Director Axtell seconded the motion, which passed unanimously.



ENGINEERING MATTERS

Mr. Baumgartner distributed and reviewed the engineer's report, a copy of which is attached. He noted there were no action items for the Board's consideration. Following review and discussion, Director Palmer moved to approve the engineer's report. Director Ruiz seconded the motion, which carried unanimously.

RESOLUTION ESTABLISHING ADDITIONAL OUT-OF-DISTRICT MEETING PLACE

The Board considered establishing an additional meeting place outside the boundaries of the District at the Hilton Garden Inn so that the Board may attend Shadow Creek Ranch Management Association ("SCRMA/HOA") meetings. After review and discussion, Director Ruiz moved to adopt a Resolution Establishing Additional Out-of-District Meeting Place to establish an additional meeting place at the Hilton Garden Inn, 12101 Shadow Creek Parkway, Pearland, Texas 77584; (2) direct that proper notice of the meeting place be published in *The Pearland Reporter*; and (3) direct that the Resolution be filed appropriately and retained in the District's official records. Director Palmer seconded the motion, which passed by unanimous vote.

ARTICLES FOR NEWSLETTERS AND WEBSITE

The Board considered information to be included in the District's monthly notice published in the Shadow Creek Area Community Newsletter; the SCRMA/HOA newsletter, *The Connection*; and the District's website. After discussion, the Board concurred for ABHR to run the standard monthly notice in the newsletters directing residents to the website for information about District meetings.

Director Ruiz reported on efforts for a library in Shadow Creek Ranch. She stated that a fundraiser will take place in October to finance books, computers, and other necessary materials for the library. Director Ruiz stated that she will provide ABHR a notice to include on the District's website.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS

The Board continued to discuss the AWBD summer conference, including presentations attended by the Directors.

COMMENTS FROM THE PUBLIC

There were no comments from the public.



DATE, TIME, AND LOCATION FOR NEXT DISTRICT MEETING

The Board agreed the next meeting will be on September 7, 2012, at 12:00 p.m., at ABHR.

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

(SEAL)




Secretary, Board of Directors



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