

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

October 4, 2013

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 4th day of October, 2013, 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 Palmer, thus constituting a quorum.

Also present at the meeting were Taylor Gunn of Perry Homes; Michael S. Doyle of Development Consultants, Inc.; David Patterson of Assessments of the Southwest, Inc.; Erin Garcia of Myrtle Cruz, Inc.; James Ross of LJA Engineering, Inc. ("LJA"); and Lynne B. Humphries, Hannah Brook, Kristen Hogan, and Tracie Brownlee of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the September 6, 2013, regular meeting, which were provided in advance of the meeting. After review and discussion, Director Axtell moved to approve the minutes as submitted. Director Pope seconded the motion, which passed unanimously.

SECURITY SERVICES REPORT

The Board reviewed the monthly security report, a copy of which is attached. Ms. Brook reported on discussions at the recent Brazoria County Municipal Utility District No. 26 ("MUD 26") meeting with an officer of the City of Pearland (the "City") Police Department. She said MUD 26 asked ABHR to prepare a notice for the newsletters and the MUD 26 page of the website regarding security tips for the upcoming holidays.

## REPORT ON DEVELOPMENT

Mr. Gunn reported on home building activity by Perry Homes.

## UPDATE ON ANNEXATION OF 35-ACRE TRACT INTO THE DISTRICT

Mr. Ross updated the Board on the annexation of a 35-acre tract of land at the southwest corner of the Shadow Creek Ranch area into the District. He said the submittal package was sent to the City on October 1, 2013. Mr. Doyle discussed the plans for development of the tract and reported they recently closed on the purchase of the tract. Mr. Ross said LJA is designing the utility plans for the tract. After discussion, Mr. Doyle said he will send the ownership and lienholder information to ABHR to prepare the remaining annexation and financing agreement documents.

## 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 2012 taxes were 99.69% collected as of September 30, 2013. After review and discussion, Director Axtell moved to approve the tax assessor/collector's report and payment of the tax bills. Director Ruiz seconded the motion, which passed unanimously.

## 2013 TAX RATE

Mr. Patterson stated that he published notice of the public hearing to be held today regarding the adoption of the District's 2013 tax rate. Director Rozell then opened the public hearing. No members of the public came forward to make comments. Director Rozell closed the public hearing. Ms. Brook presented an Order Levying Taxes reflecting a total 2013 tax rate of \$0.85 per \$100 assessed valuation, with \$0.80 allocated for debt service and \$0.05 allocated for operations and maintenance. She then presented an Amendment to Information Form reflecting the newly adopted tax rate. Ms. Brook stated that the Amendment will be filed with Brazoria County, Fort Bend County, and the Texas Commission on Environmental Quality ("TCEQ"). After review and discussion, Director Rozell moved to (1) adopt the Order Levying Taxes; (2) authorize execution of the Amendment to Information Form; and (3) direct that the Order and Amendment be filed appropriately and retained in the District's official records. Director Pope seconded the motion, which passed unanimously. The Board confirmed its intention that the 2013 tax levy include a debt service component for the calendar year ending December 31, 2014, and a maintenance tax component for the fiscal year ending September 30, 2014.

## FINANCIAL AND BOOKKEEPING MATTERS

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. After review and discussion, Director Pope moved to approve the bookkeeper's report and payment of the bills. Director Ruiz seconded the motion, which passed unanimously.

## ENGINEERING MATTERS

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

Mr. Ross requested approval for design and authorization to advertise for bids for construction of the water, sewer, and drainage facilities to serve Shadow Creek Ranch SF-56 owned by Perry Homes.

Mr. Ross then updated the Board on construction projects under way and recommended approval of the following: (1) Pay Estimate No. 1 in the amount of \$115,672.00 for construction of the water, sewer, and drainage facilities to serve Shadow Creek Ranch SF-54 and SF-60, payable to Triple B Services, LLP; and (2) Pay Estimate No. 2 in the amount of \$160,746.30 for the joint District/TIRZ construction of Lakes 3, 4, and 5 to serve Southlake, payable to Lindsey Construction, Inc.

Mr. Ross reported on coordination with Jones-Heroy & Associates, Inc. to prepare bond application no. 6. He said the application should be submitted to the TCEQ soon.

Following review and discussion, Director Ruiz moved to approve the engineer's report and take the following actions, based upon the engineer's recommendation: (1) approve design and authorize advertisement for bids for construction of the water, sewer, and drainage facilities to serve Shadow Creek Ranch SF-56; (2) approve Pay Estimate No. 1 in the amount of \$115,672.00 for construction of the water, sewer, and drainage facilities to serve Shadow Creek Ranch SF-54 and SF-60; and (3) approve Pay Estimate No. 2 in the amount of \$160,746.30 for the joint District/TIRZ construction of Lakes 3, 4, and 5 to serve Southlake. Director Axtell seconded the motion, which carried unanimously.

## RECREATIONAL FACILITIES IN AND NEAR THE DISTRICT

Ms. Brook reported on plans for Ms. Humphries and a representative of MUD 26 to meet with the City regarding the terms for an interlocal agreement.

ARTICLES FOR NEWSLETTERS AND WEBSITE

The Board considered information to be included in the District's monthly notice published in the Shadow Creek Community Newsletter, *The Connection* newsletter, and on the District's page of the website. After discussion, the Board concurred for ABHR to include the District's standard notice in the newsletters.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS

Director Ruiz reported on the Pearland Westside Library Open House.

COMMENTS FROM THE PUBLIC


There were no comments from the public.

DATE, TIME, AND LOCATION FOR NEXT DISTRICT MEETING

The Board noted the next meeting will be on November 1, 2013, at 12:00 p.m., at ABHR.

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



  
Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

Minutes  
Page

security report .....	1
tax assessor/collector's report .....	2
bookkeeper's report .....	3
engineer's report .....	3