

MINUTES
BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 26

December 6, 2016

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 6th day of December, 2016, 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 except Director Weary, thus constituting a quorum.

Also present at the meeting were Paul Wisdom of Shadow Creek Ranch Maintenance Association ("SCRMA"); Erin Garcia of Myrtle Cruz, Inc.; David Patterson of Assessments of the Southwest, Inc.; Officer Natisha Lucas of the City of Pearland ("City") Police Department; James Ross of LJA Engineering, Inc.; and Hannah Brook and Tracie Brownlee of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the November 1, 2016, regular meeting, which were provided in advance. After review and discussion, Director Prade moved to approve the minutes of the November 1, 2016, regular meeting, as presented. Director Fain seconded the motion, which passed unanimously.

REVIEW AND UPDATE EMINENT DOMAIN REPORT TO THE TEXAS COMPTROLLER

Ms. Brook reported the District must file an Eminent Domain Authority Annual Report with the Comptroller of the State of Texas pursuant to Senate Bill 1812. After discussion, the Board authorized ABHR to file the Annual Report.

DEVELOPMENT IN THE DISTRICT

There was no discussion on this matter.

FINANCIAL AND BOOKKEEPING MATTERS

Director Slade entered the meeting.

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

The Board deferred discussion regarding the January Association of Water Board Directors Conference until next month.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Humphries and Officer Lucas entered the meeting.

Mr. Patterson reviewed the tax assessor/collector's report, including the unpaid accounts tax roll, a copy of which is attached. He noted 4.53% of the 2016 taxes have been collected as of November 30, 2016. Mr. Patterson reviewed a report of delinquent accounts provided by the District's delinquent tax attorney, including accounts recommended to be moved to the District's uncollectible roll. A copy of the report is attached to the tax assessor/collector's report. Following review and discussion, Director Prade moved to (1) approve the tax assessor/collector's report; and (2) authorize moving the recommended delinquent accounts to the District's uncollectible roll. 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 communication with Cara Davis of the City Parks and Recreation Department regarding the Shadow Creek Ranch Sports Park ("Sports Park"). He noted the City expects to open the Sports Park by the end of the year, and a plan for the grand opening is being coordinated.

Following review and discussion, the Board concurred to accept the engineer's report. Mr. Ross then left the meeting.

RECREATIONAL FACILITIES IN AND NEAR THE DISTRICT

The Board reviewed a report from Earthcare Management for the mowing and maintenance of the temporary ball fields, a copy of which is attached.

SECURITY SERVICES REPORT

Officer Lucas reviewed the attached written security report for SCR, responded to questions from the Board, and left the meeting.

ARTICLES FOR NEWSLETTERS AND WEBSITE

The Board reviewed a draft of the notice for submission to the Shadow Creek Community Newsletter and The Connection newsletter and considered updates for the District's website. Following review and discussion, the Board directed ABHR to post the notice to the newsletter, as submitted, and update the website as needed.

ATTORNEY'S REPORT

Ms. Brook reported Danny Worrell with Katten Muchin Rosenman LLP estimated a cost of \$2,500 to send a letter to the Texas Commission on Environmental Quality ("TCEQ") and do initial monitoring of the odor nuisance matter. Ms. Brook reported the attorney for Brazoria County Municipal Utility District No. 34 ("BC 34") reported that BC 34 is willing to cost share, based on the Districts' respective taxable values, certain limited purpose legal expenses, should the District and Brazoria-Fort Bend Municipal Utility District No. 1 determine to engage Katten Muchin Rosenman LLP for monitoring of the matter.

STORM WATER PERMIT TXRQ40000

There was no discussion on this matter.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS

Mr. Wisdom reported on community matters.

Director Parks reported on his interview with Nora Olabi of Community Impact Newspaper and the resulting story related to the Blue Ridge Landfill matter.

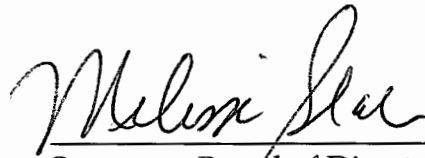
CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE, TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY TO DISCUSS MATTERS RELATED TO BLUE RIDGE LANDFILL, INCLUDING TEXAS COMMISSION ON ENVIRONMENTAL QUALITY AIR QUALITY MONITORING

The Board did not convene in executive session.

COMMENTS FROM THE PUBLIC

Director Slade requested the Board consider using available funds to pay for additional SCR street lighting. The Board requested SCRMA provide an estimate of cost.

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


Secretary, Board of Directors

(SEAL)



ACTION LIST

1. ABHR will submit the approved notice to the community newsletters.
2. ABHR will submit updates to the District's website as needed.
3. Ms. Brownlee will request that SCRMA provide a cost estimate for the purchase and installation of additional street lighting.

LIST OF ATTACHMENTS TO MINUTES

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