

MINUTES
BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 26

November 7, 2017

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 November, 2017, 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 Slade, thus constituting a quorum.

Also present at the meeting were Ed Mears, a resident of the District; Shannon Waugh of Off Cinco; Chris Hill of 180 Messaging; Mark Burton and Katherine Foss of EVO, presented by Municipal Financial Services ("EVO"); Symon Vandyke of Triton; Paul Wisdom and Raquel Rodriguez of FirstService Residential, representing the Shadow Creek Ranch Maintenance Association ("SCRMA"); Christina Perry of Myrtle Cruz, Inc.; Officer Natisha Lucas of the City of Pearland ("City") Police Department; David Patterson of Assessments of the Southwest, Inc. ("ASW"); James Ross of LJA Engineering, Inc.; and Lynne Humphries, Hannah Brook, and Tracie Brownlee of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the September 28, 2017, regular meeting, which were provided in advance. After review and discussion, Director Prade moved to approve the minutes of the September 28, 2017, regular meeting, as presented. Director Fain seconded the motion, which passed unanimously.

SECURITY SERVICES REPORT

Officer Lucas reviewed the attached written security report for Shadow Creek Ranch ("SCR") and responded to questions from the Board. The Board considered approval of an extra patrol shift for the holiday season from November 19, 2017, to January 14, 2017. Ms. Brook reported the Board of Directors of Brazoria-Fort Bend County Municipal Utility District No. 1 ("BFB 1") approved this additional patrol at its recent meeting. Following review and discussion, Director Prade moved to approve an

extra patrol shift, as discussed. Director Fain seconded the motion, which passed unanimously.

PROPOSAL TO PREPARE PUBLIC EDUCATION PROGRAM

Director Weary entered the meeting. Officer Lucas left the meeting.

Ms. Foss and Mr. Burton distributed and reviewed information regarding EVO and discussed how EVO would contribute to a District public education program by providing metric reports and comparison.

Mr. Hill discussed his professional background and 180 Messaging. He discussed how he would contribute to a District public education program as a communications consultant.

Mr. Vandyk distributed and reviewed information regarding Triton and discussed how Triton would contribute to a District public education program as a communications consultant.

COMMENTS FROM THE PUBLIC

No members of the public came forward to address the Board.

DEVELOPMENT IN THE DISTRICT

No report was presented on development in the District.

The Board reviewed a developer reimbursement report from McGrath & Co., PLLC for the purpose of verifying the amount to reimburse Perry Homes from the District's Series 2016 Unlimited Tax Bonds for impact fees paid on behalf of the District. Following review and discussion, Director Prade moved to approve the report, direct that it be filed appropriately and retained in the District's records, and authorize disbursement of funds to Perry Homes in the amount indicated by the report. Director Fain seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Perry 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 conducted an annual review of the District's Investment Policy. Ms. Brook reviewed recent legislative action pertaining to water district investment policy requirements. She stated ABHR recommends amending the District's current Investment Policy to comply with these legislative changes.

After review and discussion, Director Prade moved to approve the bookkeeper's report and payment of the bills and adopt a Resolution Regarding Annual Review of Investment Policy and Adoption of Amended Investment Policy and direct that the Resolution be filed appropriately and retained in the District's official records. Director Fain 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 the delinquent tax attorney's report. A copy of the tax assessor/collector's report is attached. He noted 0.12% of the 2017 taxes have been collected as of October 31, 2017.

Following review and discussion, Director Prade moved to approve the tax assessor/collector's report. Director Fain 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 recommended the District's storm sewer system be video recorded, a process known as lamping, and reviewed by LJA to assess if maintenance is needed following Hurricane Harvey. He estimated the cost at \$1,700 per day for possibly two days. Mr. Ross reported the Board of Directors of BFB 1 authorized LJA to obtain a lamping proposal for BFB 1 storm sewer lamping.

Mr. Ross reported the Board of Directors of BFB 1 expressed concern at its October meeting regarding vegetative overgrowth of a ditch centrally located in BFB 1, but which is maintained by SCRMA. Mr. Ross stated LJA can survey cross sections of the ditch to assess if there is indication of diminished detention capacity due to vegetative overgrowth for an approximate cost of \$6,000 to \$8,000. Discussion ensued.

In response to a question from the Board, discussion ensued regarding installation, funding, and maintenance of detention ponds in connection with State Highway 288 improvements. In response to a question from Mr. Mears, Mr. Ross indicated cross section surveying by LJA as proposed does not include those detention ponds, which are owned by TxDOT.

Following review and discussion, the Board concurred to approve the engineer's report and, based upon the recommendation of the engineer, authorization for LJA to obtain a proposal for District storm sewer lamping.

ARTICLES FOR NEWSLETTERS AND WEBSITE

The Board reviewed a draft newsletter notice distributed to the Board in advance of today's meeting. The Board considered website updates and reviewed an analytics report on the prior month's website activity, a copy of which is attached. Following review and discussion, the Board provided direction regarding website updates and concurred to authorize publication of the newsletter notice, as submitted.

ATTORNEY'S REPORT

Ms. Brook noted the Board was forwarded the attached email communication in advance of the meeting from Mr. Mears to the City regarding his review of Blue Ridge Landfill sampling reports submitted to the Texas Commission on Environmental Quality. Mr. Mears responded to questions from the Board regarding his email.

Director Fain and Mr. Patterson left the meeting.

STORM WATER PERMIT TXRQ40000

There was no discussion on this matter.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS

Mr. Wisdom reported on SCRMA matters including the annual budget, landscaping, monuments, Christmas decorations, and ditch maintenance.

Director Parks reported on the 2017 Association of Water Board Directors ("AWBD") Fall Seminar. The Board discussed AWBD winter conference registration.

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.

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

(SEAL)



Asst. 
Secretary, Board of Directors

ACTION LIST

1. ABHR will submit the notice to the community newsletters.
2. ABHR will submit updates to the District's website as appropriate.
3. Mr. Ross will present a proposal at the next regularly scheduled Board meeting for District storm sewer lamping.

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