

MINUTES OF REGULAR MEETING
BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 18
HARRIS AND BRAZORIA COUNTIES, TEXAS

December 16, 2014

THE STATE OF TEXAS §
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HARRIS AND BRAZORIA §
COUNTIES §

The Board of Directors (the "Board") of Brazoria County Municipal Utility District No. 18 (the "District") of Harris and Brazoria Counties, Texas, met in regular session, open to the public, at 6:00 p.m., on the 16th day of December, 2014, at the BellaVita Clubhouse Annex, 1548 N. Riviera Circle, Pearland, Brazoria County, Texas, within the boundaries of the District, and the roll was called of the duly constituted officers and members of the Board, to-wit:

O. E. (Mickey) McDonald	President
Wesley J. Boyer	Vice President
Richard W. Wach	Secretary/Treasurer
Kerri Connor	Assistant Secretary/Treasurer
Ronald Gerlach	Director

All members of the Board were present, thus constituting a quorum.

Also present were Ms. Dana Davis of Myrtle Cruz Inc., the District's Bookkeeper; Ms. Esther Kumaga of Assessments of the Southwest, Inc., the District's Tax Assessor/Collector; Mr. Zach Hardoin of Champions Hydro-Lawn, Inc., the District's Detention Pond Maintenance Contractor; Mr. Russell Cosbey, P.E. of Huitt Zollars, Inc., the District's Engineer; and Mr. John R. Wallace of Bacon & Wallace, L.L.P., the District's Attorney.

WHEREUPON, following a notation that notices of the meeting had been duly posted in accordance with law, copies of which are attached hereto as exhibits, the meeting was called to order.

PLEDGE OF ALLEGIANCE

Director McDonald led the meeting in the Pledge of Allegiance.

PUBLIC COMMENTS

There were no public comments at this time.

APPROVAL OF MINUTES

Minutes for the meeting of the Board of Directors held on November 18, 2014 were presented for review and approval. Upon motion duly made and seconded, the Board voted unanimously to approve the minutes as amended.

TAX ASSESSOR/COLLECTOR'S REPORT

Esther Kumaga presented the Tax Assessor/Collector's Report and the Delinquent Tax Report, copies of which are attached hereto as exhibits. She reported the 2014 tax statements were mailed out. Ms. Kumaga noted the District collected 4.76% of the 2014 tax levy as of November 30, 2014, which consisted of eight checks.

Upon motion duly made and seconded, the Board voted unanimously to approve the Tax Assessor/Collector's report as presented.

BOOKKEEPER'S REPORT

Dana Davis reviewed the Bookkeeper's report, a copy of which is attached hereto as an exhibit. She reported the Operating Account was reimbursed for the Arbitrage Report invoice. Ms. Davis informed the Board a check was issued to Champions Hydro-Lawn, Inc. from the Capital Projects Fund for detention repairs in the amount of \$96,450.00.

Ms. Davis next reviewed the fifth month of the year-to-date budget and the Investment Report. She noted the deficit was due to the timing of the maintenance tax collections. Ms. Davis informed the Board the City of Pearland Municipal Utility District reimbursement fees in the amount of \$10,497.50 were received for October 2014.

Upon motion duly made and seconded, the Board voted unanimously to approve the Bookkeeper's Report and Investment Report as presented.

ENGINEERING REPORT

Russell Cosbey presented the Engineer's Report, a copy of which is attached hereto as an exhibit. Mr. Cosbey stated the November mowing, overseeding and fertilization had been completed. He noted the ponds are in good condition. Mr. Cosbey informed the Board "No Motorized Vehicles Allowed" signs should be installed as soon as possible to control traffic at the Centennial Pond and the Remote Detention Pond. He noted there has also been some traffic at the Villa Verde Detention Pond. Mr. Cosbey stated the signs will be installed by Champions Hydro-Lawn, Inc. A discussion ensued among the Board. It was suggested the telephone number for the Pearland Police Department should appear on the signs. Director Boyer noted the District should decide whether to prosecute trespassers at the ponds. Director Gerlach stated the BellaVita Homeowners Association Board approved a motion to authorize any employee or Board member to request police action or file a police report on behalf of the Homeowners Association for an infraction on the BellaVita private or common properties. He noted this is intended to allow instant response to incidents. A discussion ensued regarding the language and

location of the signs. Upon motion duly made and seconded, the Board voted unanimously to install two signs at the Centennial Village east pond, two signs at the Remote Pond, and a sign with the name of the District pursuant to Texas Commission on Environmental Quality guidelines.

Zach Hardoin informed the Board that Champions Hydro-Lawn, Inc. has completed their work for the year. Mr. Cosbey noted all work on the District's capital improvements was completed.

Upon motion duly made and seconded, the Board voted unanimously to approve the Engineer's Report as presented.

ATTORNEY'S REPORT

Mr. Wallace reported he is working with the law firm of McCall, Parkhurst & Horton as tax counsel to determine how to structure the Bond refunding and redemption. He presented and reviewed with the Board the Resolution Authorizing Application for Change in Scope and Use of Surplus Funds. The Board plans to use surplus construction funds for debt service payment. Upon motion duly made and seconded, the Board voted unanimously to approve the Resolution as presented.

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



Secretary, Board of Directors