

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

January 24, 2017

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 5:00 p.m., on the 24th day of January, 2017, at the Recreational Center, 4141 Bailey Road, 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, with the exception of Director Boyer, 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. Jaime Salinas, P.E., of Huitt Zollars, Inc., the District's Engineer; Ms. Stacey Wagner of Champions Hydro-Lawn; 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 Gerlach led the meeting in the Pledge of Allegiance.

PUBLIC COMMENTS

Director McDonald reported that going forward the Board meetings will be held in the Recreational Center. He stated that the November and December meetings may meet elsewhere. Director McDonald then reported that Director Boyer was absent due to an extremely busy work

schedule at this time. John Wallace informed the Board that the Order Designating Meeting Places had been published.

APPROVAL OF MINUTES

Minutes for the meeting of the Board of Directors held on December 13, 2016 were presented for review and approval. Upon motion duly made and seconded, the Board voted unanimously to approve the minutes as presented.

TAX ASSESSOR/COLLECTOR'S REPORT

Esther Kumaga presented the Tax Assessor/Collector's Report, a copy of which is attached hereto as an exhibit. Ms. Kumaga reported that as of December 31, 2016, 63% of the District's 2016 tax levy had been collected, and \$279,000 had been received since then. Ms. Kumaga presented and reviewed the Delinquent Tax Roll and the Delinquent Tax Report from Purdue, Brandon, Fielder, Collins & Mott LLP, copies of which are attached hereto as exhibits. She informed the Board that collected tax funds would be transferred to the Debt Service Fund and the Operating Fund accounts tomorrow. Upon motion duly made and seconded, the Board voted unanimously to approve the Tax Assessor/Collector's Report and the disbursements from the tax account.

BOOKKEEPER'S REPORT

Dana Davis presented the Bookkeeper's Report, a copy of which is attached hereto as an exhibit. Ms. Davis reviewed the sixth month of the year-to-date budget and the Investment Report, copies of which are attached hereto as exhibits. She informed the Board that the next Debt Service payment was due March 1, 2017. Upon motion duly made and seconded, the Board voted unanimously to approve the Bookkeeper's Report, the Investment Report, and payment of checks as presented.

ENGINEER'S REPORT/DETENTION POND MAINTENANCE

Jaime Salinas presented the Engineer's Report, a copy of which is attached hereto as an exhibit. Mr. Salinas reported that a large amount of silt was found at the Villa D' Este Section 2 pond. The Board discussed solutions regarding how to prevent the run-off of dirt into the pond, and Ms. Wagner stated she would present options and pricing at the February 28, 2017 meeting. Mr. Salinas then reported that the other ponds were in good condition. Mr. Salinas informed the Board that the remote pond was too wet for him to review, and he noted the next full cycle for mowing would be in February.


Director Connor reported on Towne Lake Estates Detention Pond. Director Connor informed the Board that the Homeowners Association ("HOA") requested the District to examine the pond. Mr. Salinas informed the Board that if there were any detention function, then the District could participate in any repairs, and he stated there were no bulkheads. Mr. Salinas noted the HOA already had bids out for installation of a new bulkhead. Upon motion duly made and seconded, the Board voted unanimously to accept the report as presented.

ATTORNEY'S REPORT

Mr. Wallace presented for Board review and approval the Engagement Letter for Bond Management Compliance Program for Series 2016 Refunding Bonds and Arbitrage Compliance Services for Series 2009 Refunding Bonds. Upon motion duly made and seconded, the Board voted unanimously to approve the engagement letters.

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




Secretary, Board of Directors