

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

June 27, 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 27th day of June 2017, at the City of Pearland Recreation Center, 4141 Bailey Road, Pearland, Brazoria County, Texas, outside 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 Connor, thus constituting a quorum.

Also present were Ms. Dana Davis of Myrtle Cruz, Inc., the District's Bookkeeper; Ms. Rhonda Patterson 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 McDonald led the meeting in the Pledge of Allegiance.

APPROVAL OF MINUTES

Minutes for the meeting of the Board of Directors held on May 23, 2017 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

Rhonda Patterson presented the Tax Assessor/Collector's Report, a copy of which is attached hereto as an exhibit. Ms. Patterson reported that 98.47% of the District's 2016 tax levy had been collected. She then informed the Board that the May delinquent notices would be mailed July 1, 2017 and the 20% penalty applies. Ms. Patterson next reviewed the Delinquent Tax Roll, a copy of which is attached hereto as an exhibit. She stated the City of Pearland (the "City") tax rebate payment seemed high, and she noted that they had offered to reduce next year's payment. Mr. Wallace then asked Ms. Patterson to follow up with the Auditor, and stated he preferred to reconcile payment correctly for each year. 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. She informed the Board that the next debt service payment would be made September 1, 2017. Ms. Davis then reviewed the year-to-date budget. She stated the City's operating fees were still being verified and their payments are received quarterly instead of monthly.

Ms. Davis then reviewed the draft budget for fiscal year ending June 30, 2018. Upon motion duly made and seconded, the Board voted unanimously to approve the budget for fiscal year ending June 30, 2018. 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

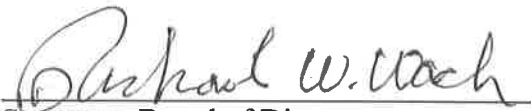
Jaime Salinas presented the Engineer's Report, a copy of which is attached hereto as an exhibit. He informed the Board that the detention ponds were in good condition. Mr. Salinas then reviewed photos of the overflow swale. He stated he met with Director McDonald and Champions Hydro-Lawn and they determined that additional work was needed for the overflow swale.

Director McDonald informed the Board that the four wheelers were still driving on the remote pond. Stacey Wagner stated she had seen the police patrol the area, and they were aware of resident complaints. Mr. Salinas next informed the Board that the existing sign at the Towne Lakes Estates had been removed and the new sign would be installed shortly.

ENGAGE AUDITOR

The Board discussed engaging Roth & Eyring LLC, the District's Auditors, to prepare the audits for June 30, 2017 and June 30, 2018. Upon motion duly made and seconded, the Board voted unanimously to approve engagement of the Auditor subject to receipt of the engagement letter.

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


Secretary, Board of Directors

