

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

July 23, 2015

THE STATE OF TEXAS       §  
                                     §  
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 special session, open to the public, at 6:00 p.m., on the 23<sup>rd</sup> day of July, 2015, at the Bella Vita Annex, 1548 North Rivera, 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 and Director Gerlach, 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; 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 comments from the public.

Mr. Wallace reported that the notice for the Board meeting was not filed with the Brazoria County Clerk's office in time to meet the 72-hour public notice requirement. He recommended that the Board conduct the meeting as planned and then ratify all actions taken at this meeting at the next regular Board meeting.

## APPROVAL OF MINUTES

Minutes for the meeting of the Board of Directors held on June 23, 2015 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 and the Delinquent Tax Report, copies of which are attached hereto as exhibits. She reported the District collected 98.91% of the 2014 tax levy as of June 30, 2015. Ms. Kumaga then presented four Tax Account checks to the Board for approval.

Following discussion, 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 reported that one certificate of deposit was renewed during the month. Ms. Davis noted funds in the Capital Projects Account totaling \$317,636.23 were moved to the Debt Service Account pursuant to the surplus funds approval. She noted the Debt Service Account total is now \$3,936,901.00, and the debt service payment due on September 1, 2015 will be made from this account. Ms. Davis also reported that MUD fees due the District for the month of May 2015 were received from the City of Pearland.

Following discussion, upon motion duly made and seconded, the Board voted unanimously to approve the Bookkeeper's Report, the Investment Report and the payment of checks, as presented.

## ENGINEERING REPORT

Jaime Salinas presented the Engineer's Report, a copy of which is attached hereto as an exhibit. He reported the District has expended \$109,369 for detention maintenance for the year. He noted that the District's June 2015 mowing is complete, along with the summer fertilization. Mr. Salinas reported the next mowing is scheduled for August 2015. He also noted that the detention ponds were inspected yesterday, and the ponds are in good condition. Photographs of the various detention ponds in the District are attached hereto as exhibits.

Mr. Salinas next informed the Board that Champions Hydro-Lawn is working on proposals for the Board's consideration, including: (1) re-grading the road to the remote pond; and (2) repairs to the backslope interceptor. He also reported that "No Trespass" signs are ready to be installed next week. Upon motion duly made and seconded, the Board voted unanimously to approve the Engineer's Report as presented.

## SECURITY OPTIONS

It was noted that Champions Hydro-Lawn is working on prices for installation of security cameras at the detention ponds in the District. The Board tabled discussion regarding this matter.

## ATTORNEY'S REPORT

Mr. Wallace presented the Attorney's report. He informed the Board that Compass Bank has decided to use letters of credit to meet their collateral requirements for depository pledge agreements. He noted that representatives of Myrtle Cruz, Inc. believe the agreements are satisfactory, and most utility districts are agreeing to this arrangement. Mr. Wallace said a letters of credit agreement with Compass Bank will be presented at the next meeting for the Board's consideration.

Next Mr. Wallace reported that the Municipal Advisory Council of Texas has asked his firm to review and verify their bond sale calculations. Mr. Wallace stated that this is an inappropriate request, since the District's Official Statement from the last bond issue has the requested information; and there is no need for the District's Attorney to spend time on a separate verification.

Mr. Wallace reminded the Board that the next Directors Election is scheduled for May 2016. He then reviewed with the Board various election procedures and notice requirements.

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



  
Secretary, Board of Directors