

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

July 26, 2016

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 regular session, open to the public, at 5:00 p.m., on the 26th day of July, 2016, at the City of Pearland Public Library, 3522 Liberty Drive, 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. Jaime Salinas, P.E., of Huitt Zollars, Inc., the District's Engineer; Ms. Marie Flickinger, editor of South Belt-Ellington Leader; Mr. Bill Burdick; President of Villa Masters Homeowners Association; and Mr. John 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.

APPROVAL OF MINUTES

Minutes for the meeting of the Board of Directors held on June 28, 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. She informed the Board that 99.03% of the District's 2015 tax levy had been collected as of the previous month. Ms. Kumaga then reviewed and presented the Delinquent Tax Roll, a copy of which is attached hereto as an exhibit. She indicated that the delinquent tax accounts was sent to Purdue, Brandon, Fielder, Collins & Mott. L.L.P for collections.

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, 2016. Ms. Davis indicated that the City of Pearland tax rebate check had not been received.

Ms. Davis next reviewed the twelve month of the year-to-date budget and the Investment Report, copies of which are attached hereto as exhibits. She then informed the Board that the 2016 fiscal year budget had ended, and the District's budget surplus was \$77,599 for the year. 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.

Ms. Davis then presented and reviewed with the Board the Operating Budget for the fiscal year ending June 30, 2017, a copy of which is attached hereto as an exhibit. Upon motion duly made and seconded, the Board voted unanimously to approve the 2017 Operating Budget 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 stated that the mowing and fertilization for July had been completed. He then informed the Board that Champion Hydro-Lawn Inc. maintenance charges to date was \$19,373, and he noted that the next mowing was scheduled for August 2016.

Mr. Salinas informed the Board that the Villa D'Este Section 2 overflow swale repair project was near completion. He then stated that he was uncertain if the swale would drain completely; however, he would know after the current rain. Director McDonald expressed his concerns regarding the original work that was performed and if it was done properly. Director McDonald then stated that one day the District may need to correct the issue. Mr. Salinas stated that it would require tearing out and replacing the swale. Director Gerlach suggested injecting concrete. Mr. Salinas then informed the Board that the concrete did not settle well because it was

poured with in a bowl like structure. He indicated that one solution would be to fill the hole with concrete. Mr. Salinas indicated that he would get Uretek to take a look at the swale to determine repair possibilities; otherwise, the swale would need to be replaced.

Mr. Salinas next reported on the extreme event overflow swale at Bellavita Section 5. He stated that Champions Hydro-Lawn was preparing a proposal to regrade the swale. He then indicated that he met with Bellavita's residents, and it was determined that the damage to the swale was caused by the subdivision mowing contractors.

Mr. Salinas informed the Board that the trees in the right-of-way along Bailey Road and the Ravenwood Estates Detention Pond had been removed by the City of Pearland. He then stated that the MUD identification signs had arrived and they would be installed shortly.

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

Marie Flickinger introduced herself to the Board. Ms. Flickinger discussed the background of BRIO Superfund site and Dixie Oil Processor Superfund site. She next explained to the Board that the issues related to the BRIO Superfund site were not due to the contamination of groundwater; however, it was related to the air quality. Ms. Flickinger then mentioned that there were numerous children in area who had experienced health problems. She then described the ongoing cleanup procedures. Ms. Flickinger indicated that the biggest problem with the Dixie Oil Processors Superfund was copper contamination. Director McDonald expressed concerns about the soil being hauled away and used as fill dirt for other projects. Mr. Flickinger informed the Board that the testing revealed the soil was no longer contaminated.

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




Secretary, Board of Directors