

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

March 28, 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 28th day of March 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 Wach, thus constituting a quorum.

Also present were Ms. Dana Davis of Myrtle Cruz, Inc., the District's Bookkeeper; Ms. Delia Yanez 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 February 28, 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

Delia Yanez presented the Tax Assessor/Collector's Report, a copy of which is attached hereto as an exhibit. Ms. Yanez reported that 96% of the District's 2016 tax levy had been collected. She stated \$125,000 had been transferred to the Debt Service Fund account and \$15,966.69 had been transferred to the Operating Fund account. Ms. Yanez next presented and reviewed the Delinquent Tax Roll, a copy of which is attached hereto as an exhibit. 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 Certificate of Deposit rates were rising. She stated that three months of MUD fees had been received from the City of Pearland (the "City"). Ms. Davis informed the Board that check nos. 3621 and 3622 had been voided. She then reviewed the eighth month of the year-to-date budget and the Investment Report, copies of which are attached hereto as exhibits. Ms. Davis reported that the District had a surplus of approximately \$60,000 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.

ENGINEER'S REPORT/DETENTION POND MAINTENANCE

Jaime Salinas presented the Engineer's Report, a copy of which is attached hereto as an exhibit. He indicated that the mowing had been completed for March and the next scheduled mowing would be in mid-April 2017 along with the spring over-seeding and fertilization. Mr. Salinas said the detention ponds were in good condition. He next informed the Board that he and Ms. Wagner had planned to meet regarding cleaning the downstream drainage channel at Villa D'Este Section 2.

Director McDonald informed the Board that he toured the Riverstone Ranch development site last Sunday. He said the new road was very close to the remote pond, and he requested additional information on the status of the road. Mr. Salinas informed the Board the Riverstone Ranch engineer would meet with the City, and he said the new road construction would probably commence late 2017. Mr. Salinas said the District would need to monitor the construction to ensure the District controlled access once the subdivision was completed.

Mr. Salinas next reported that he followed-up with the City regarding the Villa D' Este storm water quality feature. Mr. Salinas also noted that he had not received a response from the City regarding the District's request for the City to take over maintenance of the property. Upon motion duly made and seconded, the Board voted unanimously to accept the report as presented.

RESOLUTION IMPLEMENTING 20% PENALTY ON 2016 DELINQUENT TAXES

The Board considered ratifying the approval of the Resolution Implementing 20% Penalty on 2016 Delinquent Taxes. Upon motion duly made and seconded, the Board voted unanimously to ratify approval of the Resolution as presented.

RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION FOR THE 2017 TAX YEAR

The Board next considered ratifying approval of the Resolution Concerning Exemptions from Taxation for the 2017 Tax Year. Upon motion duly made and seconded, the Board voted unanimously to ratify approval of the Resolution as presented.

INSURANCE RENEWAL PROPOSAL

Mr. Wallace presented and reviewed the insurance proposals prepared by Texas Municipal League/HARCO and Arthur J. Gallagher & Co. Mr. Wallace provided a brief overview and explanation of coverages. After a brief discussion, and upon motion duly made and seconded, the Board voted to approve the Arthur J. Gallagher & Co. insurance proposal as presented. Director Connor abstained from the motion. A copy of the proposal will be filed in the District's permanent records.

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

(SEAL)




Secretary, Board of Directors