

MINUTES
BRAZOS COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

August 21, 2015

The Board of Directors (the "Board") of Brazos County Municipal Utility District No. 1 (the "District") met in regular session, open to the public, on the 21st day of August, 2015, at 17777 State Highway 6 S, Tower Conference Room, College Station, Texas, inside the boundaries of the District, and the roll was called of the members of the Board:

R. Hunter Goodwin	President
Charles Moreau	Vice President
L. B. Hodges Jr.	Secretary
Kyle Davis	Assistant Secretary
Brian G. Fisher	Assistant Vice President

and all of the above were present, thus constituting a quorum.

Also present at the meeting were Bill Mather and Lisa Huerta of Grid Raceplex Holdings, Ltd.; Tami Martin of Texas World Speedway; Adam Brumbaugh of Jones & Carter, Inc.; Avik Bonnerjee of B&A Municipal Tax Service, LLC; Rose Montalbano of F. Matuska, Inc.; and Stephen M. Robinson and Kristen Hogan of Allen Boone Humphries Robinson LLP.

MINUTES

The Board considered approving the minutes of the April 17, 2015, regular meeting and the May 8, 2015, public hearing. Following review and discussion, Director Moreau moved to approve the minutes as submitted. Director Fisher seconded the motion, which passed unanimously.

PROPOSED STRATEGIC PARTNERSHIP AGREEMENT WITH THE CITY OF COLLEGE STATION

PUBLIC HEARING

After duly providing notice as required by law, the Board convened the second hearing, open to the public, for the purpose of receiving public comments regarding the proposed adoption by the District of the Strategic Partnership Agreement ("Agreement") with the City of College Station (the "City").

The Board opened the hearing, soliciting questions or comments from the public relating to the terms of the Agreement, a copy of which is available for public viewing.

There being no members of the public present, and there being no further business to conduct, the hearing was adjourned.

EXECUTION OF STRATEGIC PARTNERSHIP AGREEMENT

After review and discussion, Director Moreau moved to approve and authorize execution of the Agreement. Director Fisher seconded the motion, which carried by unanimous vote.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Montalbano distributed and reviewed the bookkeeper's report, including the list of checks presented for approval and the budget comparison, a copy of which is attached. She presented two additional checks, including one to Brazos County (the "County") for discussion under agenda item no. 8. After review and discussion, Director Fisher moved to approve the bookkeeper's report and payment of the bills, with the exception of the check to the County to be discussed under agenda item no. 8. Director Davis seconded the motion, which passed by unanimous vote.

TAX ASSESSMENT AND COLLECTION MATTERS

Mr. Bonnerjee distributed and reviewed a tax assessor/collector's report, noting the District's 2015 certified value from the Brazos Central Appraisal District. He discussed plans to open a District tax account at Wells Fargo Bank at the appropriate time for the future levy of taxes. In response to questions, Mr. Robinson said the Board will have an opportunity to consider optional tax procedures and exemptions in the spring of each year prior to the levy of a tax rate in the fall of that same year. Mr. Mather reported on tax collection procedures of the County for collection of County taxes. Following review and discussion, Director Goodwin moved to authorize execution of signature cards for the District's tax account to be opened at Wells Fargo Bank. Director Hodges seconded the motion, which passed unanimously. A copy of the tax assessor/collector's report is attached.

REPORT ON DEVELOPMENT IN THE DISTRICT

Mr. Mather discussed development plans for the District and responded to questions from the Board.

REPORT ON ENGINEERING MATTERS

Mr. Brumbaugh presented the engineer's report, a copy of which is attached. He discussed the City's land plan and design requirements and reported on such efforts.

Mr. Brumbaugh discussed the three design contracts between Jones & Carter, Inc. and the developer, on behalf of the District, for (1) mass grading and demolition, (2)

master drainage study, and (3) offsite trunk water and sanitary sewer improvements, phase I. Mr. Robinson presented an Assignment of Engineering Contracts for the assignment of such contracts from the developer to the District.

After review and discussion, Director Davis moved to accept and authorize execution of the Assignment of Engineering Contracts. Director Moreau seconded the motion, which passed unanimously.

ENGINEERING REPORT

Mr. Brumbaugh distributed and reviewed an engineering report with summaries of costs associated with the construction of water, sewer, drainage, and paving facilities to serve the District. After review and discussion, Director Moreau moved to accept the engineering report. Director Davis seconded the motion, which passed unanimously.

ORDER CALLING CONFIRMATION ELECTION, DIRECTORS ELECTION, BOND ELECTIONS, AND OPERATION AND MAINTENANCE TAX ELECTIONS

Mr. Robinson discussed recent legislation regarding procedures for conducting elections on the November uniform election date. He also reported that the County has submitted an application to the Secretary of State to implement election day county-wide polling places, or vote centers, in lieu of individual precinct polling places. Mr. Robinson said if such application is approved, the District will be required to contract with the County to conduct the District's November 3, 2015, elections. He said if such application is not approved, the District may conduct early voting at the polling place within the District and election day voting at the County polling place in the precinct in which the District is located.

The Board considered adopting an Order Calling Confirmation Election, Directors Election, Bond Elections, and Operation and Maintenance Tax Elections ("Election Order"), subject to final review based on the results of the County's vote center application. Mr. Robinson stated that voter approval of the propositions to be submitted to the District's voters at the elections to be held on November 3, 2015, would (1) confirm the creation of the District, (2) elect five directors, (3) authorize the District to issue water, sewer, and drainage bonds and to levy and collect a tax upon all taxable property within the District for the payment of principal and interest on such bonds, (4) authorize the District to issue road bonds and to levy and collect a tax upon all taxable property within the District for the payment of principal and interest on such bonds, (5) authorize the levy and collection of an operation and maintenance tax on all taxable property within the District, and (6) authorize the levy and collection of a road operation and maintenance tax on all taxable property within the District. After review and discussion, Director Goodwin moved to adopt the Election Order, subject to final review based on the results of the County's vote center application, and direct it be filed

and posted appropriately and retained in the District's official records. Director Hodges seconded the motion, which passed by unanimous vote.

The Board next considered authorizing execution of a contract with the County to conduct the District's elections if the County's vote center application is approved and effective for the November election date. The Board also considered approving a check to the County for the associated election deposit, if required under such contract. Upon a motion made by Director Hodges and seconded by Director Moreau, the Board voted unanimously to authorize the following actions to be taken should the County receive approval of its vote center application for the November election date: (1) execution of a contract with the County to conduct the District's elections; and (2) execution of a check to the County in an amount not to exceed \$5,000.

PAY FOR ELECTION OFFICIALS

The Board considered setting pay for election officials to serve during the District's elections should the County's vote center application not be approved for the November election date. Mr. Robinson stated that the Texas Election Code authorizes the Board to set the pay for election officials serving during District elections. He said the County will provide election officials if it conducts the District's elections. After discussion, Director Davis moved to set the pay for the election officials serving at the November 3, 2015, elections at \$12.00 per hour if the District is not required to contract with the County for conduct of the elections. Director Fisher seconded the motion, which passed by unanimous vote.

MEETING SCHEDULE AND ITEMS FOR INCLUSION ON THE NEXT AGENDA

The Board concurred the next meeting will be held in November to canvas the election results.

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



Secretary, Board of Directors



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