

MINUTES  
BRAZOS COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

June 28, 2019

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 28th day of June, 2019, at the offices of Jones & Carter, Inc., 150 Venture Drive, Suite 100, College Station, Texas, outside 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 except Directors Moreau and Davis, thus constituting a quorum.

Also present at the meeting were Avik Bonnerjee of B&A Municipal Tax Service, LLC; Rose Montalbano of F. Matuska, Inc.; Bill Mather of Grid Raceplex Holdings, Ltd.; Derek Walton and Alex Pfefferkorn of Jones & Carter, Inc. (“J&C”); and Stephen M. Robinson and Rachel Wooten of Allen Boone Humphries Robinson LLP (“ABHR”).

MINUTES

The Board considered approving the minutes of the March 22, 2019, regular meeting, and the April 15, 2019 special meeting. Following review and discussion, Director Hodges moved to approve the minutes as submitted. Director Fisher seconded the motion, which passed unanimously.

COMMENTS FROM THE PUBLIC

There were no public comments.

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. The Board discussed reimbursement owed to BV Southern Pointe, Inc. (“BV Southern”), for the City of College Station’s participation in the Sanitary Sewer Collection Line. Mr. Robinson stated BV Southern funded construction of the Sanitary Sewer Collection Line on behalf of the District, and the City of College Station (the “City”) will be reimbursing the District for their participation in the Sanitary Sewer Collection Line, pursuant to the Acknowledgement of Participation Agreement and the

Utility Agreement with the City. He noted BV Southern should be reimbursed for the City's portion of the Sanitary Sewer Line when the reimbursement check is received from the City.

After review and discussion, Director Fisher moved to approve the bookkeeper's report and payment of the bills, and authorize a check to BV Southern for reimbursement of the City's participation in the Sanitary Sewer Collection line, in an amount not to exceed \$20,000. Director Hodges seconded the motion, which passed by unanimous vote.

TAX ASSESSMENT AND COLLECTION MATTERS

Mr. Bonnerjee distributed and reviewed the monthly tax assessor/collector's reports for March 2019 - May 2019, copies of which are attached. He reported that the District's 2018 taxes were 100% collected. Mr. Bonnerjee reviewed the list of checks presented for payment from the tax account. The Board discussed a check not included in the tax/assessor collector report to the Brazos Central Appraisal District ("BCAD") for payment of the third quarter assessment. Following review and discussion, Director Fisher moved to approve the check for payment of the third quarter assessment to BCAD, in an amount not to exceed \$200. Director Hodges seconded the motion, which passed by unanimous vote.

Mr. Bonnerjee reported the District's 2019 preliminary value from BCAD was \$8,700,000. The Board discussed the process for BCAD to certify property values, and Mr. Bonnerjee responded to Board member's questions regarding property value disputes.

After review and discussion, Director Fisher moved to approve the tax assessor/collector's report and payment of the tax bills listed in the report. Director Hodges seconded the motion, which passed unanimously.

Following a question from the Board, Mr. Robinson discussed delinquent tax collection procedures.

ADOPT RESOLUTION ESTABLISHING ADDITIONAL OUT-OF-DISTRICT MEETING PLACE AND ADOPT RESOLUTION CHANGING DISTRICT OFFICE

The Board considered designating J&C's new office address as a District office and out-of-district meeting place. Mr. Robinson reviewed a Resolution Changing District Office and a Resolution Establishing an Additional Out-of-District Meeting Places reflecting J&C's new office as an additional office and out-of-district meeting location. Following review and discussion, Director Hodges moved to (1) adopt a Resolution Changing District Office; (2) adopt the Resolution Establishing Additional Out-of-District Meeting Places; and (3) and direct that the Resolutions be filed

appropriately and retained in the District's official records. Director Fisher seconded the motion, which passed unanimously.

REPORT ON DEVELOPMENT IN THE DISTRICT INCLUDING APPROVAL OF ANY FINANCING AGREEMENTS, ASSIGNMENTS OR AMENDMENTS THERETO AND ACKNOWLEDGEMENT OF PARTIAL ASSIGNMENTS OF DEVELOPMENT AGREEMENTS

Mr. Mather reported on development activity in the District and responded to Board members questions regarding development. He stated construction of the first homes has been completed and residents are moving into the District.

REPORT ON ENGINEERING MATTERS

Mr. Walton distributed and reviewed the engineer's report, a copy of which is attached.

Mr. Walton discussed and requested approval of the plans and specifications and authorization for J&C to advertise for bids for the following projects: (1) mass grading for Southern Pointe, Section 101; (2) water, sanitary, and drainage facilities to serve Southern Pointe, Section 101; (3) mass grading for offsite water transmission facilities to serve Southern Pointe; and (4) offsite water transmission facilities to serve Southern Pointe. He then requested authorization to bid the mass grading for Southern Pointe, Section 101 and the mass grading for offsite water transmission facilities to serve Southern Pointe as a combined project, if determined by J&C that combining the projects is advantageous to the District.

Following review and discussion and based on the engineer's recommendation, Director Godwin, moved to approve the plans and specifications and authorize J&C to advertise for bids the following projects: (1) mass grading for Southern Pointe, Section 101; (2) water, sanitary, and drainage facilities to serve Southern Pointe, Section 101; (3) mass grading for offsite water transmission facilities to serve Southern Pointe; and (4) offsite water transmission facilities to serve Southern Pointe, and authorize J&C to combine the mass grading projects, if deemed advantageous to the District. Director Fisher seconded the motion, which passed unanimously. Mr. Walton updated the Board on the construction of the offsite sanitary sewer facilities to serve Southern Pointe, as reflected in his report. He presented and recommended approval of Pay Estimate No. 10 in the amount of \$49,712.12, payable to Elliott Construction, LLC. Following review and discussion, Director Hodges moved to approve Pay Estimate No. 10, in the amount of \$49,712.12 for construction of the offsite sanitary sewer facilities to serve Southern Pointe, based on the engineer's recommendation. Director Fisher seconded the motion, which passed unanimously.

Mr. Walton updated the Board on construction of the phase I lift station and force main to serve Southern Pointe, as reflected in his report. He presented and

recommended approval of Pay Estimate No. 8 in the amount of \$28,453.50, and Pay Estimate No. 9 in the amount of \$66,694.95, payable to Teal Services, LLC. Mr. Walton also presented and recommended approval of Change Order No. 2, which increases the total contract amount by \$14,474.00 for modification of the electrical service connection, as required by Entergy. After discussion, the Board determined that Change Order No. 2 was beneficial to the District. Following review and discussion, Director Godwin moved to approve Pay Estimate No. 8 in the amount of \$28,453.50, Pay Estimate No. 9 in the amount of \$66,694.95, and Change Order No. 2 in the amount of \$14,474.00 for the phase I lift station and force main to serve Southern Pointe, based on the engineer's recommendation. Director Fisher seconded the motion, which passed unanimously.

Mr. Walton reported on construction of the water, sewer, drainage, and paving facilities to serve Southern Pointe, Section 100, as reflected in his report. He presented and recommended approval of Pay Estimate No. 9 in the amount of \$84,048.83, Pay Estimate No. 10 and Final in the amount of \$381,764.78, and the Certificate of Acceptance for the project. Following review and discussion, Director Hodges moved to approve Pay Estimate No. 9 in the amount of \$84,048.83, Pay Estimate No. 10 and Final in the amount of \$381,764.78, the Certificate of Acceptance for water, sewer, drainage, and paving facilities to serve Southern Pointe, Section 100.

DISCUSS BOND ISSUANCE PROCESS

Mr. Robinson generally reviewed the bond issuance process with the Board.

MEETING SCHEDULE AND ITEMS FOR INCLUSION ON THE NEXT AGENDA

The Board concurred for ABHR to contact the Board members to schedule the next meeting.

EXECUTIVE SESSION

The Board did not convene in executive session.

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

(SEAL)

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Secretary, Board of Directors

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