

MINUTES
BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 28

August 15, 2018

The Board of Directors (the "Board") of Brazoria County Municipal Utility District No. 28 (the "District") met in regular session, open to the public, on the 15th day of August, 2018, at Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2400, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Richard Escamilla	President
Nigel Brooks	Vice President
Linda Clem	Secretary
Ernest Hubert	Assistant Secretary
John Gordon	Assistant Vice President

and all of the above were present.

Also present at the meeting were Tracy Scott of Myrtle Cruz, Inc.; David Patterson of Assessments of the Southwest, Inc.; Chance Vinklerek of LJA Engineering, Inc. ("LJA"); Marsha Jan of McCall, Gibson, Swedlund, Barfoot, PLLC ("McCall Gibson"); Chad Thumann of R West Development; Vanessa Rodriguez of Beazer Homes; and Hannah Brook and Sharon Covan of Allen Boone Humphries Robinson LLP.

MINUTES

The Board considered approving the minutes of the July 18, 2018, regular meeting. Director Brooks noted a correction to the minutes. Following review and discussion, Director Gordon moved to approve the minutes of the meeting, as corrected. Director Clem seconded the motion, which passed by unanimous vote.

DEVELOPER REIMBURSEMENT REPORT; DEVELOPER RECEIPTS, AUTHORIZE DISBURSEMENT OF SURPLUS FUNDS

Ms. Brook said the Texas Commission on Environmental Quality (the "TCEQ") approved the District's request to use surplus funds in the amount of \$480,000 to reimburse developers for completed projects.

Ms. Jan reviewed the developer reimbursement report for the use of surplus funds, prepared by McCall Gibson, a copy of which is attached. After review and discussion, Director Escamilla moved to approve the developer reimbursement report and authorize disbursement of surplus funds, subject to receipt of signed Receipts from

the developers. Director Hubert seconded the motion, which passed by unanimous vote.

AUTHORIZE AUDITOR TO CONDUCT AUDIT FOR FISCAL YEAR END JULY 31, 2018

The Board considered authorizing McCall Gibson to prepare the District's audit for the fiscal year end July 31, 2018. After discussion, Director Escamilla moved to authorize McCall Gibson to prepare the audit. Director Brooks seconded the motion, which passed by unanimous vote.

FINANCIAL AND BOOKKEEPING

Ms. Scott reviewed the bookkeeper's report, a copy of which is attached, and the proposed budget for the fiscal year end July 31, 2019. Director Escamilla asked about the house count report. Director Gordon said he performs the monthly house count report and provides the information to LJA. After review and discussion, Director Escamilla moved to approve the bookkeeper's report and the checks presented for payment. Director Gordon seconded the motion, which passed by unanimous vote.

ARBITRAGE REBATE REPORT FOR SERIES 2013 BONDS

The Board reviewed the arbitrage calculation report for the Series 2013 Bonds prepared by OmniCap. Ms. Brook said that no arbitrage is owed to the Internal Revenue Service.

TAX ASSESSMENT AND COLLECTIONS

Mr. Patterson reviewed the tax assessor/collector's report, a copy of which is attached. After review and discussion, Director Escamilla moved to approve the tax assessor/collector's report. Director Gordon seconded the motion, which passed by unanimous vote.

DISCUSS 2018 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

The Board took no action on this matter.

STORM WATER PERMITTING MATTERS

There was no discussion on this matter.

ENGINEERING MATTERS

Mr. Vinklarek presented the engineering report, a copy of which is attached.

CANTERBURY PARK, SECTION 6, WATER, SEWER AND DRAINAGE

Mr. Vinklarek reported on Canterbury Park, Section 6, water, sewer and drainage facilities. He had no pay estimates to present to the Board.

MIRROR LAKE, CLEARING AND GRUBBING

Mr. Vinklarek said the Mirror Lake, clearing and grubbing project was accepted in May and can be removed from the agenda.

EXCAVATION OF DETENTION POND TO SERVE MIRROR LAKE

Mr. Vinklarek reported on excavation of the detention pond to serve Mirror Lake. He had no pay estimates to present to the Board.

MIRROR LAKE, WATER, SANITARY SEWER, DRAINAGE AND DETENTION FACILITIES

Mr. Vinklarek reported on Mirror Lake, water, sanitary sewer, drainage and detention facilities. He had no pay estimates to present to the Board.

STORM WATER PUMP STATION TO SERVE MIRROR LAKE

Mr. Vinklarek reported on the storm water pump station to serve Mirror Lake. He had no pay estimates to present to the Board.

TRANQUILITY LAKES, SECTION 4, WATER, SANITARY SEWER AND DRAINAGE FACILITIES

Mr. Vinklarek reported on Tranquility Lakes, Section 4, water, sanitary sewer and drainage facilities. He presented and recommended for approval Pay Estimate No. 1 in the amount of \$37,800, Pay Estimate No. 2 in the amount of \$70,696.35, Pay Estimate No. 3 in the amount of \$312,649.56, and Pay Estimate No. 4 in the amount of \$68,421.42, submitted by Triple B Services.

CYPRESS VILLAGE, SECTION 3, WATER, SANITARY SEWER AND DRAINAGE FACILITIES

Mr. Vinklarek reported on Cypress Village, Section 3, water, sanitary sewer and drainage facilities. He presented and recommended for approval Pay Estimate No. 4 in the amount of \$117,696.24, Pay Estimate No. 5 in the amount of

\$6,395.85, and Pay Estimate No. 6 in the amount of \$68,888.07, submitted by Triple B Services.

MAINTENANCE OF DETENTION PONDS

There was no report on the maintenance of detention ponds.

HOUSE COUNT REPORT

Mr. Vinklarek reported on the number of homes in the District. He said there are currently 2,146 lots in the District with 2,135 homes started or built.

Mr. Brooks discussed the historical development of Mirror Lake, including annexation of the tract in 2007, the feasibility study and current construction costs. Ms. Brook reviewed TCEQ rules and regulations concerning development and provisions in the developer financing agreements providing for development and stand-alone values for reimbursement.

After review and discussion, and based on the engineer's recommendation, Director Gordon moved to: (1) approve Pay estimate No. 1 in the amount of \$37,800, Pay Estimate No. 2 in the amount of \$70,696.35, Pay Estimate No. 3 in the amount of \$312,649.56, and Pay Estimate No. 4 in the amount of \$68,421.42, for Tranquility Lakes, Section 4, water, sanitary sewer and drainage facilities; (2) approve Pay Estimate No. 4 in the amount of \$117,696.24, Pay Estimate No. 5 in the amount of \$6,395.85, and Pay Estimate No. 6 in the amount of \$68,888.07 for Cypress Village, Section 3, water, sanitary sewer and drainage facilities; and (3) accept the engineer's report. Director Hubert seconded the motion, which passed by unanimous vote.

DEEDS, EASEMENTS AND CONVEYANCES; ENVIRONMENTAL SITE ASSESSMENT; WAIVERS OF SPECIAL APPRAISAL

Ms. Brook said the City of Pearland desires to purchase land from the District consisting of 58 square feet located at the southeast corner of O'Day Road and Rice Road and the offering price is \$1,000.00. She said the land is for a right-of-way for the McHard Road expansion. After discussion, Director Escamilla moved to accept the purchase offer and authorize execution of the Offer Letter, Purchase Agreement, Acknowledgment of receipt of the Texas Landowner Bill of Rights, Deed, Acknowledgement of Receipt of Appraisal Report, and the Information About Brokerage Services. Director Gordon seconded the motion, which passed by unanimous vote.

WEBSITE

There was no discussion on this matter.

HOMEOWNER ASSOCIATION MATTERS

There was no report on homeowner association matters.

MAINTENANCE AGREEMENTS

There was no report on this matter.

COST SHARING AGREEMENTS

There was no discussion on this matter.

ANNEXATION MATTERS

There was no report on this matter.

DEVELOPER FINANCING AGREEMENTS; AMENDMENTS AND ASSIGNMENTS

There was no discussion on this matter.

DEVELOPMENT IN THE DISTRICT

Mr. Thumann reported on development in Cypress Village. Ms. Rodriguez report on development in the District by Beazer Homes.

MEETING SCHEDULE AND IN-DISTRICT MEETINGS

The Board discussed the next Board meeting on September 19, 2018.

There being no further business to come before the Board, the Board concurred to adjourn the meeting.

(SEAL)



Linda Clem
Secretary, Board of Directors

ATTACHMENTS TO MINUTES

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