

MINUTES
BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 40

March 27, 2018

The Board of Directors (the "Board") of Brazoria County Municipal Utility District No. 40 (the "District") met in regular session, open to the public, on the 27th day of March, 2018, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2400, Houston, Texas, 77027, outside the boundaries of the District, and the roll was called of the members of the Board:

Alicia Skinner	President
Brandon Guillory	Vice President
Charles M. Eastland	Secretary
Alice Collins	Assistant Secretary
David Kubala	Assistant Vice President

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

Also present at the meeting were Larry Collins and Dave Rodriguez, members of the public; Ryan R. Nesmith of Robert W. Baird & Co., Inc. ("RWB"); Russell Bynum of Hillwood Communities; Donna Bryant of Assessments of the Southwest, Inc. ("ASW"); Scott Wright of MHI Partnership, Ltd. ("MHI"); Brian Edwards of LJA Engineering, Inc.; Allyson Baker of McLennan & Associates, L.P.; and Tim Austin and Ashley Ramos of Allen Boone Humphries Robinson LLP.

MINUTES

The Board considered approval of the minutes from the February 27, 2018, meeting. After discussion, Director Skinner moved to approve the February 27, 2018, minutes. Director Eastland seconded the motion, which carried by unanimous vote.

BOOKKEEPER'S REPORT

Ms. Baker then presented the bookkeeper's report and submitted the bills for the Board's review. A copy of the bookkeeper's report is attached. After discussion, Director Kubala moved to approve the bookkeeper's report and the payment of bills. Director Guillory seconded the motion, which passed unanimously.

ADOPT BUDGET FOR FISCAL YEAR ENDING MARCH 31, 2019

Ms. Baker reviewed a proposed budget for the District's fiscal year ending March 31, 2019, a copy of which is included in the bookkeeper's report. Following review and discussion, Director Kubala moved to adopt the budget for fiscal year ending March 31,

2019. Director Guillory seconded the motion, which carried by unanimous vote. A copy of the bookkeeper's report is attached.

TAX ASSESSOR/COLLECTOR REPORT

Ms. Bryant distributed and reviewed the tax assessor/collector's report for the month of March, a copy of which is attached.

APPROVE FIFTH AMENDMENT TO DEVELOPMENT AGREEMENT

Mr. Austin reviewed the Fifth Amendment to the Development Agreement with the City of Manvel (the "City"). After discussion, Director Eastland moved to approve the Fifth Amendment to the Development Agreement. Director Kubala seconded the motion, which carried by unanimous vote.

ENGINEER'S REPORT

Mr. Edwards presented and reviewed an engineer's report with the Board, a copy of which is attached.

CLEARING AND GRUBBING TO SERVE POMONA PHASE 3 IMPROVEMENTS

Mr. Edwards reported on the clearing and grubbing to serve the Pomona Phase 3 Improvements. He reviewed and recommended approval of Change Order No. 1 to the contract with Great Bear Construction for the clearing and grubbing to serve the Pomona Phase 3 Improvements to increase the contract in the amount of \$15,884.85. The Board determined that Change Order No. 1 is beneficial to the District. Mr. Edwards next recommended approval of Pay Estimate No. 4 in the amount of \$35,666.64 to Great Bear Construction. After review and discussion, Director Guillory moved to (1) approve Change Order No. 1 in the amount of \$15,884.85 as an increase to the contract with Great Bear Construction, based upon the Board's finding that the Change Order is beneficial to the District and the engineer's recommendation; and (2) approve Pay Estimate No. 4 in the amount of \$35,666.64 to Great Bear Construction. Director Skinner seconded the motion, which passed by unanimous vote.

POMONA PHASE 3 DRAINAGE PLAN

Mr. Edwards reported on the Pomona Phase 3 drainage plan.

LAKE G TO SERVE POMONA

Mr. Edwards reported on construction plans for Lake G to serve Pomona, stating the construction plans are with the City for review and approval.

Mr. Edwards stated that Pomona Phase 3, LLC will grant an 8.552-acre Temporary Drainage and Detention Easement to the District. After review and discussion, Director Guillory moved to authorize acceptance of an 8.552-acre Temporary Drainage and Detention Easement from Pomona Phase 3, LLC, and direct that the Easement be filed appropriately and retained in the District's official records. Director Skinner seconded the motion, which passed unanimously.

LIFT STATION NO. 2 TO SERVE POMONA

Mr. Edwards reported on construction plans for Lift Station No. 2 to serve Pomona. He recommended approval by the Board of the plans and specifications for Lift Station No. 2 to serve Pomona. Mr. Edwards next requested authorization from the Board to advertise the project for bids. Following review and discussion, and based upon the engineer's recommendations, Director Guillory moved to (1) approve the plans and specifications for Lift Station No. 2 to serve Pomona; and (2) authorize LJA to advertise the project for bids. Director Skinner seconded the motion, which carried by unanimous vote.

LAKE F PHASE 1 TO SERVE POMONA

Mr. Edwards reported on construction plans for Lake F Phase 1 to serve Pomona.

Mr. Edwards stated that Pomona Phase 3, LLC will grant an 8.058-acre Temporary Drainage and Detention Easement to the District. After review and discussion, Director Guillory moved to authorize acceptance of an 8.058-acre Temporary Drainage and Detention Easement from Pomona Phase 3, LLC, and direct that the Easement be filed appropriately and retained in the District's official records. Director Skinner seconded the motion, which passed unanimously.

CONSTRUCTION OF WATER, SEWER, AND DRAINAGE FACILITIES TO SERVE POMONA, SECTION 9

Mr. Edwards reported on plans for the construction of water, sewer, and drainage facilities to serve Pomona, Section 9. He recommended approval by the Board of the plans and specifications for the construction of water, sewer, and drainage facilities to serve Pomona, Section 9. Mr. Edwards next requested authorization from the Board to advertise the project for bids. Following review and discussion, and based upon the engineer's recommendations, Director Guillory moved to (1) approve the plans and specifications for the construction of water, sewer, and drainage facilities to serve Pomona, Section 9; and (2) authorize LJA to advertise the project for bids. Director Skinner seconded the motion, which carried by unanimous vote.

PAVING TO SERVE POMONA, SECTION 9

Mr. Edwards reported on paving plans to serve Pomona, Section 9. He recommended approval by the Board of the plans and specifications for paving to serve Pomona, Section 9. Mr. Edwards next requested authorization from the Board to advertise the project for bids. Following review and discussion, and based upon the engineer's recommendations, Director Guillory moved to (1) approve the plans and specifications for paving to serve Pomona, Section 9; and (2) authorize LJA to advertise the project for bids. Director Skinner seconded the motion, which carried by unanimous vote.

CONSTRUCTION OF WATER, SEWER, AND DRAINAGE FACILITIES TO SERVE POMONA, SECTION 10

Mr. Edwards reported on plans for the construction of water, sewer, and drainage facilities to serve Pomona, Section 10. He recommended approval by the Board of the plans and specifications for the construction of water, sewer, and drainage facilities to serve Pomona, Section 10. Mr. Edwards next requested authorization from the Board to advertise the project for bids. Following review and discussion, and based upon the engineer's recommendations, Director Guillory moved to (1) approve the plans and specifications for the construction of water, sewer, and drainage facilities to serve Pomona, Section 10; and (2) authorize LJA to advertise the project for bids. Director Skinner seconded the motion, which carried by unanimous vote.

PAVING TO SERVE POMONA, SECTION 10

Mr. Edwards reported on paving plans to serve Pomona, Section 10. He recommended approval by the Board of the plans and specifications for paving to serve Pomona, Section 10. Mr. Edwards next requested authorization from the Board to advertise the project for bids. Following review and discussion, and based upon the engineer's recommendations, Director Guillory moved to (1) approve the plans and specifications for paving to serve Pomona, Section 10; and (2) authorize LJA to advertise the project for bids. Director Skinner seconded the motion, which carried by unanimous vote.

CONSTRUCTION OF WATER, SEWER, AND DRAINAGE FACILITIES TO SERVE POMONA, SECTION 11

Mr. Edwards reported on plans for the construction of water, sewer, and drainage facilities to serve Pomona, Section 11.

PAVING TO SERVE POMONA, SECTION 11

Mr. Edwards reported on paving plans to serve Pomona, Section 11.

REPORT ON DEVELOPMENT

Mr. Bynum reported on development in the District.

ATTORNEY'S REPORT


Mr. Austin reported on the City of Manvel meeting held on March 1, 2018, at ABHR to promote regional facilities.

MEETING SCHEDULE

The Board concurred to conduct the next regular meeting on April 24, 2018, at 10:30 a.m. at ABHR.

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




Secretary, Board of Directors
Vice President

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