

MINUTES
BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 40

June 26, 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 26th day of June, 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, except Directors Skinner and Guillory, thus constituting a quorum.

Also present at the meeting were Larry Collins, a member of the public; 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, Angela Lutz, and Ashley Ramos of Allen Boone Humphries Robinson LLP.

MINUTES

The Board considered approval of the minutes from the May 22, 2018, meeting. After discussion, Director Collins moved to approve the May 22, 2018, minutes. Director Kubala 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 Eastland moved to approve the bookkeeper's report and the payment of bills. Director Collins seconded the motion, which passed unanimously.

TAX ASSESSOR/COLLECTOR REPORT

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

AUTHORIZE DELINQUENT TAX ATTORNEY TO PROCEED WITH THE COLLECTION OF DELINQUENT TAXES

There was no action on this agenda item because the 2017 taxes are 100% collected.

ENGINEER'S REPORT

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

LAKE G TO SERVE POMONA

Mr. Edwards reported on the construction of Lake G to serve Pomona. He reviewed and recommended approval of Change Order No. 2 to the contract with Harris Construction Company, Ltd. ("Harris Construction") for the construction of Lake G to serve Pomona to increase the contract in the amount of \$9,045.00 to relocate an existing dirt stockpile per request from owner. The Board determined that Change Order No. 2 is beneficial to the District. Mr. Edwards next reviewed and recommended approval of Change Order No. 3 to the contract with Harris Construction for the construction of Lake G to serve Pomona to increase the contract in the amount of \$38,000.00 to adjust the quantities for the mass grading incentive payment and remove eroded material from the County Road 48 ditch. The Board determined that Change Order No. 3 is beneficial to the District. He then recommended approval of Pay Estimate No. 2 in the amount of \$301,549.10 to Harris Construction. After review and discussion, Director Eastland moved to (1) approve Change Order No. 2 in the amount of \$9,045.00 as an increase to the contract with Harris Construction, based upon the Board's finding that the Change Order is beneficial to the District and the engineer's recommendation; (2) approve Change Order No. 3 in the amount of \$38,000.00 as an increase to the contract with Harris Construction, based upon the Board's finding that the Change Order is beneficial to the District and the engineer's recommendation; and (3) approve Pay Estimate No. 2 in the amount of \$301,549.10 to Harris Construction. Director Collins seconded the motion, which passed by unanimous vote.

LAKE F PHASE 1 TO SERVE POMONA

Mr. Edwards reported on the construction of Lake F Phase 1 to serve Pomona. He reviewed and recommended approval of Change Order No. 1 to the contract with Harris Construction for the construction of Lake F Phase 1 to serve Pomona to increase the contract in the amount of \$3,350.00. Mr. Edwards added that the reason for the change order is to plug and dewater the existing outfall for Lake C-1, which is located in Brazoria County Municipal Utility District No. 39, in order to evaluate a potential leak. The Board determined that Change Order No. 1 is beneficial to the District. After review and discussion, Director Eastland moved to approve Change Order No. 1 in the

amount of \$3,350.00 as an increase to the contract with Harris Construction, based upon the Board's finding that the Change Order is beneficial to the District and the engineer's recommendation. Director Collins seconded the motion, which passed by unanimous vote.

CONSTRUCTION OF WATER, SEWER, AND DRAINAGE FACILITIES AND PAVING TO SERVE POMONA, SECTIONS 9 AND 10, AND LIFT STATION NO. 2 TO SERVE POMONA

Mr. Edwards reported on the construction of water, sewer, and drainage facilities and paving to serve Pomona, Sections 9 and 10, and the construction of Lift Station No. 2 to serve Pomona. He stated the Notice to Proceed was issued on June 25, 2018, and construction is underway.

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.

CLEARING AND GRUBBING TO SERVE POMONA PHASE 4 IMPROVEMENTS

Mr. Edwards reported on the clearing and grubbing to serve Pomona Phase 4 Improvements. He stated LJA requests Board authorization to prepare construction plans and specifications for the clearing and grubbing to serve Pomona Phase 4 Improvements. Mr. Edwards stated LJA recommends approval by the Board of the plans and specifications. He next stated LJA requests Board authorization to advertise for bids of the Pomona Phase 4 Improvements. Following review and discussion, and based on the engineer's recommendation, Director Eastland moved to (1) authorize LJA to prepare construction plans and specifications; (2) approve the plans and specifications for the Pomona Phase 4 Improvements; and (3) authorize LJA to advertise for bids for the Pomona Phase 4 Improvements. Director Collins seconded the motion, which carried by unanimous vote.

DEEDS AND EASEMENTS

No deeds or easements were submitted for Board approval.

REPORT ON DEVELOPMENT

Mr. Wright reported on development in the District.

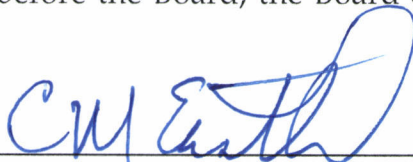
ATTORNEY'S REPORT

There was no report on this agenda item.

MEETING SCHEDULE

The Board concurred to conduct the next regular meeting on July 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



LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Bookkeeper's report.....	1
Tax assessor/collector's report	1
Engineer's Report.....	2