

MINUTES  
BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 40

April 23, 2019

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 23rd day of April, 2019, 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 Collins and Guillory, thus constituting a quorum.

Also present at the meeting were Cory Burton of Municipal Accounts & Consulting, L.P.; Donna Bryant of Assessments of the Southwest, Inc.; Rick Marriott of Si Environmental, LLC ("Si"); Katie Summers of TBG Partners ("TBG"); Russell Bynum of Hillwood Communities; Brian Edwards of LJA Engineering, Inc. ("LJA"); and Tim Austin and Holly Huston of Allen Boone Humphries Robinson LLP.

MINUTES

The Board considered approval of the minutes from the March 26, 2019, meeting. After discussion, Director Eastland moved to approve the March 26, 2019, minutes. Director Skinner seconded the motion, which carried by unanimous vote.

PUBLIC COMMENTS

There was no discussion on this agenda item.

BOOKKEEPER'S REPORT

Mr. Burton then presented the bookkeeper's report and submitted the bills for the Board's review. A copy of the bookkeeper's report is attached.

Mr. Austin presented and reviewed with the Board a Resolution Changing and Appointing Investment Officer reflecting Ghia Lewis and Mark Burton as the Investment Officers for the District.

The Board considered accepting annual disclosures from the District's bookkeeper and Investment Officer for filing with the Texas Ethics Commission as required by the Public Funds Investment Act.

Ms. Austin stated that due to the appointment of Ghia Lewis and Mark Burton as the new Investment Officers, Exhibits A to the Depository Pledge Agreements between the District and Compass Bank will be amended. He reviewed amended Exhibits A to the Depository Pledge Agreements between the District and Compass Bank.

The Board then considered authorizing filing of an updated District Registration Form with the Texas Commission on Environmental Quality ("TCEQ"), reflecting the new Bookkeeper.

After discussion, Director Skinner moved to (1) approve the bookkeeper's report and the payment of bills; (2) accept the Annual Disclosure Statement under the Public Funds Investment Act from the District's bookkeeper and Investment Officer and direct that the Statements be filed with the Texas Ethics Commission and retained in the District's official records; (3) adopt the Resolution Changing and Appointing Investment Officer and direct that the Resolution be filed appropriately and retained in the District's official records; (4) approve the amended Exhibit A to the Depository Pledge Agreement between the District and Compass Bank and direct that they be filed appropriately and retained in the District's official records; and (5) authorize filing of the updated District Registration Form with the TCEQ and direct that the District Registration Form be filed appropriately and retained in the District's official records. Director Eastland seconded the motion, which passed by unanimous vote.

#### TAX ASSESSOR/COLLECTOR REPORT

Ms. Bryant distributed and reviewed the tax assessor/collector's report for the month of March, including a check presented for approval, a copy of which is attached. She stated that the report reflects the District's 2018 taxes were 100% collected as of March 31, 2019. Following review and discussion, Director Eastland moved to approve the tax assessor/collector's report. Director Kubala seconded the motion, which carried by unanimous vote.

#### DISCUSS CHANNEL AND DETENTION POND MAINTENANCE

There was no report on this agenda item.

#### OPERATOR'S REPORT

Mr. Marriott reported on maintenance and repairs within the District.

## ENGINEER'S REPORT

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

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

Mr. Edwards reported on the construction of water, sewer, and drainage facilities and paving to serve Pomona, Section 11. He reviewed and recommended approval of Change Order No. 1 payable to Clearwater Utilities, Inc. ("Clearwater"), for the construction of water, sewer, and drainage facilities and paving to serve Pomona, Section 11 to decrease the contract in the amount of \$83,258.16 for the final adjustment of quantities based on actual work completed. Mr. Edwards next reviewed and recommended approval of Pay Estimate No. 4 and final in the amount of \$148,967.03, payable to Clearwater for the construction of water, sewer, and drainage facilities and paving to serve Pomona, Section 11 and recommended acceptance of the project. Following review and discussion, and based on the engineer's recommendation, Director Kubala moved to (1) approve Change Order No. 1 in the amount of \$83,258.16 as a decrease to the contract with Clearwater, based upon the Board's finding that the change order is beneficial to the District and the engineers recommendation; and (2) approve Pay Estimate No. 4 in the amount of \$148,967.03, payable to Clearwater and acceptance of the project. Director Skinner seconded the motion, which passed by unanimous vote.

### 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 no pay estimates were submitted K&K Earth Works, LLC ("K&K"), for Board approval.

### LAKE F PHASE 2 TO SERVE POMONA

Mr. Edwards reported on the construction of Lake F Phase 2 to serve Pomona. He reviewed and recommended approval of Pay Estimate No. 2 in the amount of \$307,800.00, payable to Bilberry Construction, LLC ("Bilberry"), for the construction of Lake F Phase 2 to serve Pomona. Following review and discussion, and based on the engineer's recommendation, Director Kubala moved to approve Pay Estimate No. 2 in the amount of \$307,800.00 payable to Bilberry. Director Skinner seconded the motion, which carried by unanimous vote.

## WATER SUPPLY PLANT NO. 1, PHASE 2

Mr. Edwards reported on the construction of the Water Supply Plant No. 1, Phase 2 expansion project, stating construction is underway. He stated no pay estimates were submitted by Gemini Contracting Services, Inc., for Board approval.

### CONSTRUCTION OF WATER, SEWER, AND DRAINAGE FACILITIES TO SERVE POMONA PARKWAY, PHASE 3 AND POMONA, SECTIONS 13 AND 15, AND CONSTRUCTION OF PAVING TO SERVE POMONA PARKWAY, PHASE 3, PUBLIC PORTION OF POMONA, SECTION 13 AND POMONA, SECTION 15

Mr. Edwards reported on the construction of water, sewer, and drainage facilities to serve Pomona Parkway, Phase 3, and Pomona, Sections 13 and 15 and construction of paving to serve Pomona Parkway, Phase 3, public portion of Pomona, Section 13, and Pomona, Section 15. He stated the two canal crossing agreements required for the utility crossings under the canal and for the utility crossings over the canal approved at the January meeting have been received from the Gulf Coast Water Authority. Mr. Edwards next reviewed and recommended approval of Pay Estimate No. 1 in the amount of \$59,966.10, payable to Clearwater for the construction of water, sewer, and drainage facilities to serve Pomona Parkway, Phase 3, and Pomona, Sections 13 and 15 and construction of paving to serve Pomona Parkway, Phase 3, public portion of Pomona, Section 13, and Pomona, Section 15. Following review and discussion, and based upon the engineer's recommendation, Director Kubala moved to approve Pay Estimate No. 1, in the amount of \$59,966.10 payable to Clearwater. Director Skinner seconded the motion, which passed by unanimous vote.

### CONSTRUCTION OF WATER, SEWER, AND DRAINAGE FACILITIES AND PAVING TO SERVE POMONA, SECTIONS 12 AND 14

Mr. Edwards updated the Board on the status of construction of water, sewer, and drainage facilities and paving to serve Pomona, Sections 12 and 14. He stated no pay estimates were submitted by Clearwater for Board approval.

### CONSTRUCTION OF WATER, SEWER, AND DRAINAGE FACILITIES AND PAVING TO SERVE POMONA, SECTION 16

Mr. Edwards reported on the plans for the construction of water, sewer, and drainage facilities and paving to serve Pomona, Section 16.

CONSTRUCTION OF WATER, SEWER, AND DRAINAGE FACILITIES AND  
PAVING TO SERVE POMONA PARKWAY, PHASE 4

Mr. Edwards reported on the plans for the construction of water, sewer, and drainage facilities and paving to serve Pomona Parkway, Phase 4. He stated approval of the Cost Sharing Agreement between the District and Brazoria County Municipal Utility District No. 39 will be presented to the Board at the next Board meeting.

LANDSCAPE ARCHITECT'S REPORT

Ms. Summers presented and reviewed a report on landscape matters, a copy of which is attached.

PHASE 3 LANDSCAPE TO SERVE POMONA

Ms. Summers reported on landscaping improvements for Phase 3 to serve Pomona. She stated no pay estimates were submitted by Earthfirst Landscape, LLC, for Board approval.

PHASE 4 LANDSCAPE TO SERVE POMONA SECTION 12

Ms. Summers reported on the plans for landscaping improvements to serve Phase 4, Pomona Section 12. She stated TBG requests Board authorization prepare construction plans and specifications for landscaping improvements to serve Phase 4, Pomona Section 12. Following review and discussion, Director Eastland moved to authorize TBG to prepare construction plans and specifications for landscaping improvements to serve Phase 4, Pomona Section 12. Director Skinner seconded the motion, which carried by unanimous vote.

PHASE 4 LANDSCAPE TO SERVE POMONA SECTIONS 13, 14, AND 15

Ms. Summers reported on the plans for landscaping improvements to serve Phase 4, Pomona Sections 13, 14, and 15. She stated TBG requests Board authorization prepare construction plans and specifications for landscaping improvements to serve Phase 4, Pomona Sections 13, 14, and 15. Following review and discussion, Director Eastland moved to authorize TBG to prepare construction plans and specifications for landscaping improvements to serve Phase 4, Pomona Sections 13, 14, and 15. Director Skinner seconded the motion, which carried by unanimous vote.

DEEDS AND EASEMENTS

There was no discussion on this agenda item.

## REPORT ON DEVELOPMENT

Mr. Bynum reported on development in the District.

## SIXTH AMENDMENT TO DEVELOPMENT AGREEMENT

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

## ANNEXATION MATTERS

There was no action taken on this agenda item.

## ATTORNEY'S REPORT

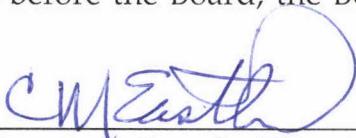
There was no action on this agenda item.

## MEETING SCHEDULE

The Board concurred to conduct the next regular meeting on May 8, 2019, at 10:00 a.m. at ABHR.

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



  
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Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

|                                      | Minutes     |
|--------------------------------------|-------------|
|                                      | <u>Page</u> |
| Bookkeeper's report.....             | 1           |
| Tax assessor/collector's report..... | 2           |
| Engineer's Report.....               | 3           |
| Landscape Architect Report.....      | 5           |



TBG

pomona

progress photos

Manvel, Texas  
04/23/2019  
MUD 40