

MINUTES  
BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 40

May 8, 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 8th day of May, 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.; 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 April 23, 2019, meeting. After discussion, Director Eastland moved to approve the April 23, 2019, minutes. Director Skinner seconded the motion, which carried by unanimous vote.

ADOPT ORDER CANVASSING RETURNS AND DECLARING RESULTS OF ROAD BOND ELECTION

The Board reviewed the certified returns from the Brazoria County election officials for the District's May 4, 2019, Road Bond Election. Mr. Austin presented an Order Canvassing the Returns and Declaring Results of the Road Bond Election, reflecting that the election resulted favorably for the road bonds, as indicated in the certified returns: 2 votes in favor and 0 votes opposed. Director Skinner, President of the Board, noted the completion of the canvass of the returns of the election pursuant to Section 67.004(g), Texas Election Code. After review and discussion, Director Skinner moved to adopt the Order Canvassing the Returns and Declaring Results of the Road Bond Election and direct that the Order be filed appropriately and retained in the District's official records. Director Kubala seconded the motion, which passed 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. After discussion, Director Kubala moved to approve the bookkeeper's report and the payment of bills. Director Eastland seconded the motion, which passed by unanimous vote.

Mr. Austin reported that the District is not required to prepare an audit for the fiscal year ending March 31, 2019, because the District's annual revenues and expenditures will be less than \$250,000. He stated that the District is required instead to file an annual financial report with the Texas Commission on Environmental Quality. After discussion, Director Eastland moved to authorize the District's bookkeeper to prepare and submit a year-end financial report on behalf of the District. Director Collins seconded the motion, which passed unanimously.

## AMENDMENT TO MUNICIPAL ACCOUNTS AND CONSULTING'S CONTRACT

Mr. Burton presented an Amendment of Bookkeeping Contract (the "Amendment") reflecting proposed fee adjustments to the District's current bookkeeping contract to include joint facility bookkeeping services with Brazoria County Municipal Utility District No. 39 ("MUD 39"). He then reviewed such fee adjustments. Following review and discussion, Director Kubala moved to approve the Amendment. Director Collins seconded the motion, which carried unanimously.

## TAX ASSESSOR/COLLECTOR REPORT

Ms. Bryant distributed and reviewed the tax assessor/collector's report for the month of April, a copy of which is attached. She stated that the report reflects the District's 2018 taxes were 100% collected as of April 30, 2019. Following review and discussion, Director Kubala moved to approve the tax assessor/collector's report. Director Eastland 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. Austin reviewed with the Board the Critical Load Spreadsheet for the District's facilities. He noted that the District's bookkeeper, engineer, and operator have reviewed and approved the Critical Load Spreadsheet. After review and discussion, Director Eastland moved to authorize the annual filing of the Critical Load Spreadsheet

if necessary, and direct that the Critical Load Spreadsheet be filed appropriately and retained in the District's official records. Director Collins seconded the motion, which passed 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 4 IMPROVEMENTS

Mr. Edwards reported on the clearing and grubbing to serve Pomona Phase 4 Improvements. He reviewed and recommended approval of Change Order No. 1 to the contract with K&K Earth Works, LLC ("K&K"), for clearing and grubbing to serve Pomona Phase 4, Improvements to decrease the contract in the amount of \$37,912.50 for the final adjustment of quantities based on the actual work completed. The Board determined that Change Order No. 1 is beneficial to the District. After review and discussion, Director Kubala moved to approve Change Order No. 1 in the amount of \$37,912.50 as a decrease to the contract with K&K, based upon the Board's finding that the change order is beneficial to the District and the engineer's recommendation. Director Skinner seconded the motion, which passed by unanimous vote.

#### LAKE F PHASE 2 TO SERVE POMONA

Mr. Edwards reported on the construction of Lake F Phase 2 to serve Pomona. He stated no pay estimates were submitted by Bilberry Construction, LLC, for Board approval.

#### 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 no pay estimates were submitted by Clearwater Utilities, Inc. ("Clearwater"), for Board approval.

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. He stated approval of the Cost Sharing Agreement between the District and MUD 39 will be presented to the Board at the next Board meeting.

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.

LANDSCAPE ARCHITECT'S REPORT

There was no discussion on this agenda item.

DEEDS AND EASEMENTS

There was no discussion on this agenda item.

REPORT ON DEVELOPMENT

There was no discussion on this agenda item.

ANNEXATION MATTERS

There was no action taken on this agenda item.

ATTORNEY'S REPORT

There was no action taken on this agenda item.

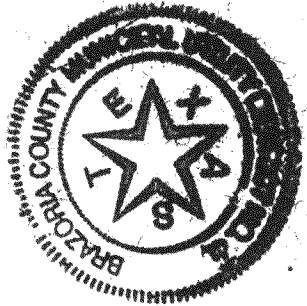
MEETING SCHEDULE

The Board concurred to conduct the next regular meeting on June 25, 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.

  
Secretary, Board of Directors

(SEAL)





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