MINUTES OF MEETING OF THE BOARD OF DIRECTORS

January 13, 2016

STATE OF TEXAS §

COUNTY OF FORT BEND §

BIG OAKS MUNICIPAL UTILITY DISTRICT §

The Board of Directors (the "Board") of Big Oaks Municipal Utility District of Fort Bend County, Texas (the "District"), met in regular session, open to the public, on Wednesday, January 13, 2016, at the offices of Municipal Operations and Consulting, 1825 North Mason Road, Katy, Texas, a designated meeting place outside the boundaries of the District, whereupon, the roll was called of the members of the Board, to-wit:

Michael Abshire	-	President
Renee Gay	-	Vice President
Sonyan Stephens	-	Secretary
Mark Van Dyck	-	Assistant Secretary
Jennifer Flores	-	Assistant Secretary

All members of the Board were present, except Director Gay thus constituting a quorum. Also present at the meeting were: Gregg Naddy of Fort Bend County Emergency Services District No. 1; Christina Garcia of Myrtle Cruz, Inc., the District's Bookkeeper; Joe Mattingly and Travis Labhart of Champions Hydro-Lawn, Inc. ("Champions"); Lina Loaiza of Bob Leared Interests, the District's tax collector ("TAC"); Mike Williams and Brian Dubiel of Municipal Operations and Consulting ("MOC") or (the "Operator"); Matt Carpenter and Christine Winter of IDS Engineering Group ("IDS"), the District's engineer (the "Engineer"); John Cannon, Attorney, and Tiffany Marquez, Paralegal, of Coats Rose, P.C., the District's legal counsel.

WHEREUPON, the meeting was called to order and evidence was presented that public notice of the meeting had been given in compliance with the law. A copy of the posted agenda notice is attached hereto as Exhibit "A".

RECEIVE COMMENTS FROM THE PUBLIC

The Board recognized Mr. Naddy who presented and outlined his proposal to build an 8' wide sidewalk on the north side of Bellaire Blvd. from FM 1464 to the Mission Bend Greenbelt. A copy of said proposal is attached hereto as Exhibit "B". The Board instructed Mr. Cannon to respond via email to Mr. Naddy that the District is not interested in moving forward with said proposal.

APPROVAL OF MINUTES

The Board considered approval of the minutes of the meeting held December 8, 2015. After discussion, upon a motion by Director Stephens and seconded by Director Van Dyck, the Board voted unanimously to approve the minutes of the regular meeting held December 8, 2015.

BOOKKEEPER'S REPORT

The Board next recognized Ms. Garcia, who presented for the Board's review and approval of the bookkeeper's report, a copy of which is attached hereto as Exhibit "C". Ms. Garcia noted that Republic Services has been servicing the dumpster at the wastewater treatment plant ("WWTP") and the rate has increased by $45.59 per month. The Board instructed the Operator and Ms. Marquez to acquire proposals to service the dumpster at the WWTP and present at the next meeting. Ms. Garcia noted that the District may need to approve a resolution declaring intent to reimburse funds from the capital projects account to the operating account for the cost of the water meters being replaced and/or adjusted. Mr. Cannon agreed to place the item on next month's agenda.

After consideration, upon a motion brought by Director Flores, seconded by Director Van Dyck, the Board unanimously voted to approve the bookkeeper's report as presented.

APPROVE TAX COLLECTOR'S REPORT

The Board recognized Ms. Loaiza who delivered the tax collection report for the period ending December 31, 2015. She reported that 74.920% of the 2015 taxes have been collected. After discussion and upon motion by Director Abshire, seconded by Director Van Dyck, and the question being put to the Board, the Board voted unanimously to approve the tax collector's report. A copy of the tax report is attached hereto as Exhibit "D".

OPERATOR'S REPORT

The Board recognized Mr. Williams who presented the operator's report for December, 2015 a copy of which is attached hereto as Exhibit "E". The water well was inspected to ensure proper operation and monitor water usage and the total number of connections is at 2,129. He also reported that the water accountability is at 94%. All water system samples reported negative for bacteriological contamination.

Mr. Williams noted that the District had seven (7) line breaks that were in need of repair. He stated that he will provide the locations of said line breaks to the Engineer and they will both report their findings at the District's next meeting.

After consideration, upon a motion brought by Director Stephens, seconded by Director Van Dyck, the Board unanimously voted to authorize the operator to investigate the most severe sidewalks for potential repairs and approve (i) the Operator's report as presented; and (ii) termination of water for residents listed on the cut off list.

HEAR REPORT FROM CHAMPIONS HYDRO-LAWN, INC.

The Board recognized Mr. Mattingly who gave a report on maintenance of the Twin Oaks Detention Pond and Channel, the West Oaks Village Detention Pond, and the Bellaire Common Area, a copy of which is attached as Exhibit "F".

No action was taken.

ENGINEER'S REPORT

Mr. Carpenter presented the engineer's report, a copy of which is attached hereto as Exhibit "G". A summary of the status of various projects in the District is as follows:

1. MS4 Storm Water Quality Management Plan
    - IDS is preparing the annual report for the MS4.

2. Landscape Improvements to WWTP Site
    - IDS was unable to bid the project over the holiday season, but plans to advertise the project next week, which will result in a bid opening a couple of weeks before the next meeting.

3. Asset Management Plan

    - The asset management plan is nearly complete. IDS plans to have a draft asset management plan ready to present at the next meeting.

4. Wastewater Treatment Plant Improvements

    - Director Van Dyck has requested that the Engineer and the Operator evaluate various alternatives for controlling odor at the WWTP. The Operator has identified three sources of odor at the WWTP: the headworks, the on-site lift station, and the digester basin.
        - The Board requested the Engineer to provide a proposal to repair the headworks gaskets and present at the next meeting.

After review, upon a motion brought by Director Abshire, seconded by Director Van Dyck, the Board has unanimously (i) approved the Engineer's report as presented; and (ii) authorized the Operator to repair or replace the gaskets to work on the WWTP headworks and lift stations not to exceed $7,500 to minimize odor.

HEAR ATTORNEY'S REPORT AND CONSIDER TAKING ANY ACTION REQUESTED BY ATTORNEY

Discuss park benches and trash receptacles and consider acting thereon

This matter was deferred.

Consider approving Letter of Credit Agreement

Ms. Garcia reminded the Board about the Letter of Credit Agreement ("LOC") with Compass Bank ("Compass") and noted that the District currently has an LOC where Compass has a limit on their access to the District's collateral. However, the LOC Compass is requesting is for unlimited access. Ms. Garcia stated to the District that after speaking with Compass Bank ("Compass") she recommended the Board allow Compass unlimited access. Upon a motion brought by Director Van Dyck, seconded by Director Abshire, the Board unanimously voted to approve the LOC with Compass with unlimited access to the District's collateral.

Director Van Dyck stated that perhaps the District might consider a community center in the future for the District. Mr. Carpenter offered to email Director Van Dyck plans for the area south of the WWTP which had previously been prepared. A copy of the District's constable report is attached hereto as Exhibit "H", a copy of the District's constable timesheet is attached hereto as Exhibit "I"; and WCA's call sheet as Exhibit "J".

PASSED, APPROVED AND ADOPTED this 10th day of February, 2016.

(DISTRICT SEAL)

Secretary, Board of Directors