

**MINUTES OF MEETING OF THE
BOARD OF DIRECTORS**

March 9, 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, March 9, 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, thus constituting a quorum. Also present at the meeting were: Janet Bettcher of WCA, Inc., 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 Ms. Bettcher, who stated that she is the District's new account manager. No action was taken.

APPROVAL OF MINUTES

The Board considered approval of the minutes of the meeting held February 10, 2016. After discussion, upon a motion by Director Abshire and seconded by Director Stephens, the Board voted unanimously to approve the minutes of the regular meeting held February 10, 2016.

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 "B". After consideration, upon a motion brought by Director Abshire, seconded by Director Stephens, the Board unanimously voted to approve the bookkeeper's report as presented.

Ms. Garcia noted that Compass Bank has not implemented a service fee at this time, however, when and if a service fee is implemented she is confident that the District's interest earned on the account will offset the fee.

Mr. Dubiel added that he received correspondence from Republic Services stating that the District has a five (5) year term contract and outlined charges the District would have to pay to leave the contract. Mr. Cannon requested Mr. Dubiel acquire a copy of said contract.

Next, the Board discussed the Board's per diem fees and implementing a related policy. After discussion, the Board agreed that time spent outside of regular and special meetings, North Fort Bend Water Authority ("NFBWA") and Association of Water Board Director conferences must first be brought to the Board for approval of payment of a per diem for such time.

APPROVE TAX COLLECTOR'S REPORT

The Board recognized Ms. Loaiza who delivered the tax collection report for the period ending February 29, 2016. She reported that 96.304% of the 2015 taxes have been collected. After discussion and upon motion by Director Stephens, seconded by Director Gay, 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 "C".

OPERATOR'S REPORT

The Board recognized Mr. Williams who presented the operator's report for February, 2016 a copy of which is attached hereto as Exhibit "D". 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 95%. All water system samples reported negative for bacteriological contamination. Mr. Williams noted the submission of the Texas Water Development Board Water Use Survey was submitted on behalf of the Board, which is included with his report. Director Abshire inquired as to why the District used groundwater and Mr. Williams stated that the NFBWA shut down for two (2) days.

Mr. Dubiel next reported on the progress of the sidewalk repair project and noted that residents near construction are being notified via door tag. He added that said project may take up to two (2) more months to complete.

Discuss mosquito treatment proposal for District ditches

Mr. Williams reported that he received one (1) quote for mosquito treatment for the District ditches from Cypress Pest Control, and the cost per treatment is \$350.00. He noted that

the District must decide if the District would like the contract to be direct with the District or through the Operator. Mr. Williams stated that a contract through the operator would add an additional 10% mark up.

Consider Amending District Rate Order regarding lead requirements

Mr. Cannon stated that the TCEQ limit for the maximum content of lead in certain pipes were recently lowered from 8% to .25%. He noted that the District's Rate Order needed to be amended to reflect the new requirement.

After consideration, upon a motion brought by Director Abshire, seconded by Director Gay, the Board unanimously voted to approve (i) the Operator's report as presented; (ii) termination of water for residents listed on the cut off list; (iii) approve Cypress Pest Control to treat District property for mosquitos twice a month through the operator; and (iv) amend the District's Rate Order to include the lead requirement of .25%.

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 "E". No action was taken.

Discuss "No Dumping" sign proposal

Mr. Mattingly reported that he would have the proposals for the Board's review at the next meeting. The Board inquired about the approximate cost for two (2) "No Dumping" signs and Mr. Mattingly stated that the cost would likely not exceed \$500 per sign. Upon a motion, second and unanimous vote, the Board authorized Mr. Mattingly to move forward with said signs, not to exceed \$500 per sign.

ENGINEER'S REPORT

Mr. Carpenter presented the engineer's report, a copy of which is attached hereto as Exhibit "F". 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 held a bid opening on February 10, 2016.
3. Asset Management Plan
 - IDS is working to complete the report associated with the tables that they have generated. The report will include recommendations based on field investigations, as well as a cash flow analysis prepared in conjunction with the financial advisor and bookkeeper.

4. Wastewater Treatment Plant Improvements

- Director Van Dyke asked that IDS investigate a crack in the exterior wall of the northern aeration basin. The northern treatment unit was constructed in 2003 and was warrantied for a period of one year for workmanship and materials. One of the inherent problems with concrete construction is that it is fairly common to have cracks that surface over time, and they are more prevalent in circular construction. These cracks, while superficial, can cause concerns and should be investigated. In certain instances the cracks need to be repaired, and in other cases they just merely need to be monitored.
- In this case IDS recommended that the crack be repaired, because there is actually a leak in the tank. The most common repair method is to insert hydrophilic grout into the crack. This material when exposed moisture will expand and will fill the crack. The District performed a similar repair several years ago, and while investigating the current crack, IDS also inspected the previous repair and it appears to be in good repair.
- IDS met with the Contractor (T&C Construction) that made the previous repair in order to obtain a quote for the repair. They proposed to make the repair to the crack, starting near the top of the wall and ending approximately four feet below the ground. The cost to perform this work is \$2,887.50. If the crack is substantial below four feet, they will continue the repair further down at a cost of \$500 per foot of depth. IDS will inspect the work and will confirm the depths at which the repair should end.
- IDS recommended that the District authorize T&C Construction to proceed with the work at the cost of \$2,887.50, as well as authorize the Engineer to have the ability to authorize extra depth as necessary for \$500 per linear foot of depth.
 - Upon a motion brought by Director Gay, seconded by Director Stephens, the Board unanimously voted to authorize (i) T&C Construction to perform the required work; and (ii) the Engineer to manage any issues that may be needed in the interim.

5. Water Plant Tank Inspections

- IDS is working with the Operator to coordinate taking the tanks offline for inspection and plans to have the inspections completed prior to the time of year that water demand increases.

6. Lift Station Odor Control

- Two months ago, the District authorized the installation of filter on the onsite lift station and the two remote lift stations. At the time IDS recommended installing an activated carbon filter at an estimated cost \$5,000 per unit.
- Director Van Dyke reached out to us to discuss the application of the activated carbon filter and asked that IDS provide the District with pros/cons associated with various filters.
- The activated carbon filter that was originally specified for the work is a product that is manufactured by Carbtrol. Carbtrol offers a number of options, including various media and canister materials. The options affect the cost associated with

the unit, and the costs vary from \$900 to \$1,370, which is a delivered cost. The installation of the product will be performed by the operator and the cost associated with doing so will not vary. The least expensive unit is a HDPE (plastic) canister with repurposed activated carbon. The most expensive unit is a steel canister with virgin activated carbon. Based on our past experiences, if the District wishes to proceed with the Carbrol product, we would recommended that the District purchase the HDPE canister with virgin activated carbon for a cost of \$1,020 per unit.

- Director Van Dyke had a series of questions regarding this product and so decided to compare the Carbtrol unit to a purafil product, the details of which are included in the Engineer's report.
 - Mr. Carpenter outlined the remaining odor control options.
 - After review, upon a motion brought by Director Abshire, seconded by Director Gay, the Board unanimously authorized the Engineer to move forward with the Carbtrol unit option.

After review, upon a motion brought by Director Abshire, seconded by Director Gay, the Board has unanimously (i) approved the Engineer's report as presented.

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

Discuss park benches and trash receptacles and consider acting thereon

Director Gay presented and outlined the Fun Abounds proposal for park benches and receptacles, a copy of which is attached hereto as Exhibit "G". After consideration, upon a motion brought by Director Van Dyck, seconded by Director Abshire, the Board unanimously voted to approve said quote, subject to submission of Form 1295.

Consider ratification for approval of trash service at Wastewater Treatment Plant

Mr. Cannon requested the Board's ratification for the approval of WCA to maintain trash service at the wastewater treatment plant. Upon a motion brought by Director Gay, seconded by Director Abshire, the Board unanimously voted to ratify the approval of WAC maintaining trash service at the wastewater treatment plant.

PASSED, APPROVED AND ADOPTED this 13th day of April, 2016.

(DISTRICT SEAL)


Secretary, Board of Directors

