

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

August 8, 2018

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, August 8, 2018, 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
Sonyan Stephens	-	Vice President
Jennifer Flores	-	Secretary
Mark Van Dyck	-	Assistant Secretary
David Johnson	-	Assistant Secretary

All members of the Board were present, except Director Flores, thus constituting a quorum. Also present at the meeting Tara Klein of Four and One, LLC; Christine Crotwell of Masterson Advisors, LLC, the Financial Advisor for the District; Bryan Disdier of Double Oak Erosion ("Double Oak"); Christina Perry of Myrtle Cruz, Inc., ("MCI") the District's Bookkeeper; Lina Loaiza of Bob Leared Interests, the District's tax collector ("TAC"); Mike Williams of Municipal Operations and Consulting ("MOC") or (the "Operator"); Matt Carpenter of IDS Engineering Group ("IDS"), the District's engineer (the "Engineer"); John Cannon, Attorney, and Tiffany Ehmke, 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".

HEAR FROM THE PUBLIC

No comments were given.

HEAR FROM FINANCIAL ADVISOR'S REPORT

Discuss tax levy for 2018, set Public Hearing and authorize publication of notice thereof

The Board recognized Ms. Crotwell who recommended the Board levy a total tax rate of \$0.81. Mr. Cannon reviewed the procedures for establishing the tax rate and the Board agreed to hold a hearing on the proposed tax rate of \$0.81 at the September 12, 2018 Board meeting. The Board requested the Bookkeeper provide budget scenarios relating to the maintenance and operation tax.

Following discussion and based on a motion brought by Director Van Dyck and seconded by Director Johnson, the Board voted to set and publish notice of the hearing on the tax rate for Wednesday, September 12, 2018. A copy of Ms. Crotwell's tax rate recommendation is attached hereto as Exhibit "B".

HEAR PRESENTATION FROM TARA KLEIN

The Board recognized Ms. Klein who presented and outlined a general proposal for the Board's review, a copy of which is attached hereto as Exhibit "C". She then answered the Board's questions regarding work history and qualifications.

The Board instructed Ms. Ehmke to request other vendors to present landscape proposals for the Board's consideration.

APPROVAL OF MINUTES

The Board considered approval of the minutes of the meeting held on July 11, 2018. After discussion, upon a motion by Director Abshire and seconded by Director Stephens, the Board unanimously voted to approve the minutes of the meeting held on July 11, 2018.

BOOKKEEPER'S REPORT

The Board next recognized Mrs. Perry, who presented for the Board's review and approval of the Bookkeeper's report, a copy of which is attached hereto as Exhibit "D".

The Board recognized Mr. Cannon who reported that he contacted Fort Bend County MUD No. 190's ("FBCMUD190") attorney regarding the Agreement with the District and the charges for the sewer portion of said agreement. He requested the Bookkeeper provide all invoices related to said agreement and he will draft a letter to FBCMUD190's attorney.

After consideration, upon a motion brought by Director Abshire, seconded by Director Van Dyck, the Board unanimously voted to approve (i) the Bookkeeper's report; and (ii) payment of the bills.

APPROVE TAX COLLECTOR'S REPORT

The Board recognized Ms. Loaiza who delivered the tax collection report for the period ending July 31, 2018. She reported that 99.412% of the 2017 taxes have been collected. Upon motion by Director Stephens, seconded by Director Johnson, and the question being put to the Board, the Board voted unanimously to approve the tax collector's report, a copy of which is attached hereto as Exhibit "E".

OPERATOR'S REPORT

The Board recognized Mr. Williams who presented the operator's report for July, 2018 a copy of which is attached hereto as Exhibit "F". The water well was inspected to ensure proper operation and monitor water usage and the total number of connections is at 2,132.

Mr. Williams reported there were a few main line breaks throughout the District. He added that there was a power outage at the water plant and the generator was working however the transfer switches did not work. Therefore the District used its interconnect for approximately two (2) hours. Mr. Williams stated that he submitted a claim to the District's insurance company for the transfer switches.

Director Van Dyck recommended that on the day to day matters that require notification to the residents, such as water discoloration or temporary loss of water pressure that the Operator should contact OffCinco directly so that a notification can be created and posted on the District's website, and at least one Director be notified as well. In an emergency such as a hurricane, the Engineer will communicate with the Board and OffCinco for notification postings and coordinate with OffCinco.

Director Van Dyck stated that there was more graffiti on electrical boxes near the skate park. Mr. Carpenter will investigate who owns the property and contact Director Abshire, who will then contact the owner and coordinate a solution to deter further graffiti on the electrical boxes.

Director Stephens reported that a manhole cover was missing near 1464 Orchid Ridge. Director Stephens also requested the Operator contact Monarch regarding a water meter Monarch believes may be missing a ball valve.

After consideration, upon a motion brought by Director Stephens, seconded by Director Van Dyck, 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; and (iii) approve write-off of the uncollectable accounts.

HEAR REPORT FROM DOUBLE OAK EROSION

The Board recognized Mr. Disdier 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 Double Oak's report is attached hereto as Exhibit "G".

Mr. Disdier presented a new budget proposal for the walking trail maintenance for the Board's review and consideration, a copy of which is attached hereto as Exhibit "H". He also presented a proposal for the removal of the graffiti at the pedestrian bridge and West Oaks pond, a copy of which is attached hereto as Exhibit "I". The Board requested Mr. Disdier provide a proposal for the use of "anti-graffiti paint" in said areas.

After consideration, upon a motion brought by Director Abshire, seconded by Director

Van Dyck, the Board unanimously voted to approve the walking trail maintenance budget and the Double Oak Erosion report.

ENGINEER'S REPORT

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

- 1. Water Plant Improvements
 - Mr. Carpenter requested approval of Pay Application No. 2 in the amount of \$14,400.00. The project is approximately 40% complete and he noted the project is suspended until the Fall.

- 2. Extreme Event Drainage Analysis
 - In order to outfall separately to the north-south drainage ditch that is maintained by Fort Bend County MUD No. 30. Mr. Carpenter needs to evaluate their stream to confirm that the additional flow will not impact any property owners downstream. IDS has requested the study from Fort Bend County MUD No. 30 and will evaluate the impact and report to the Board as soon as the analysis is complete. In the interim, Mr. Carpenter will provide bids to the Board at the next meeting and discuss financial options with the Bookkeeper. Mr. Carpenter will also investigate the District's capital improvements plan.

Upon a motion brought by Director Abshire, seconded by Director Van Dyck, the Board unanimously voted to approve the Engineer's report, including Pay Application No. 2 in the amount of \$14,400.00 for the water plant improvements.

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

Ratify Resolution of Declaring Intent to Reimburse Expenses by the District

Mr. Cannon requested the Board ratify the Resolution Declaring Intent to Reimburse Expenses by the District (the "Resolution") approved at the District's last meeting. Upon a motion brought by Director Van Dyck, seconded by Director Johnson, the Board unanimously voted to ratify the approval of the Resolution.

CONSIDER RENEWING DISTRICT INSURANCE

The Board recognized Mr. Cannon who presented and outlined the District's insurance renewal proposal summary, attached hereto as Exhibit "K". After review, upon a motion brought by Director Abshire, seconded by Director Van Dyck, the Board unanimously voted to approve the insurance renewal proposal with HARCO Insurance.

CONSIDER APPROVING CONSTABLE CONTRACT RENEWAL WITH FORT BEND COUNTY CONSTABLE, PRECINCT 2 AND CONTRACTS WITH HOMEOWNER'S ASSOCIATIONS TO PARTICIPATE IN COST SHARINGS

Mr. Cannon reminded the Board that at last month's Board meeting the budget for the Constable contract was presented, a copy of which is attached hereto as Exhibit "L". He requested the Board approve said budget for the Constable contract with Fort Bend County Constable, Precinct 2 and added that the homeowner's associations ("HOA") Agreement with Twin Oaks and West Oaks be approved as well. A copy of the agreement with the HOA's is attached hereto as Exhibit "M".

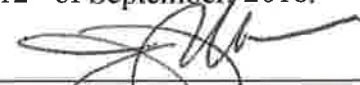
Upon a motion brought by Director Van Dyck, seconded by Director Johnson the Board approved the Constable's contract and related Agreement with Twin Oaks and West Oaks HOAs.

Mr. Cannon drew the Board's attention to the District's constable report and the WCA call log attached hereto as Exhibit "N" and Exhibit "O", respectively. No action was taken.

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PASSED, APPROVED AND ADOPTED this day of 12th of September, 2018.

(DISTRICT SEAL)



Secretary, Board of Directors

