

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

October 8, 2014

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, October 8, 2014, at Coats|Rose, 9 Greenway Plaza, Suite 1100, Houston, 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
Rosanne Burgess	-	Vice President
Bernice Black	-	Secretary
Renee Gay	-	Assistant Secretary
Sonyan Stephens	-	Assistant Secretary

All members of the Board were present, except Director Black thus constituting a quorum. Also present at the meeting were: Dwayne Cobbs, a resident of the District; Trevor Royal of WCA Waste Corporation; Mark Yentzen of Severn Trent Services; Dave Ciarella of Enhanced Energy; Christina Garcia of Myrtle Cruz, Inc., the District's bookkeeper; Lina Loaiza of Bob Leared Interests, the District's tax collector ("TAC"); Jaison Sanwald, Gene Connor and DJ White, of Texas Operations and Professional Services ("TOPS"); Matt Carpenter of IDS Engineering Group, ("IDS") the District's engineer ("the Engineer"); Joe Mattingly of Champions Hydro Lawn, Inc. ("Champions");

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. Ciarella who presented and outlined a proposal to assist as the District's energy broker, a copy of said proposal is attached hereto as Exhibit "B".

Next, Mr. Yentzen stated that he was making himself available for any questions the Board may have related to Severn Trent's proposal.

The Board recognized Mr. Royal who attended the meeting to follow up with the Board regarding the changes made to the District's trash schedule. The Board requested Mr. Royal send the flyer of the trash schedule and changes to be printed in English and Spanish. Mr. Royal will send said flyer to the District's operator to be send out with the next water bill. Mr. Royal stated that there is an elderly resident who requires assistance with her trash and WCA has been happy to help said resident. He outlined WCA's protocol to assist residents and disabilities who require assistance with their trash.

APPROVAL OF MINUTES

The Board considered approval of the minutes of the meeting held September 10, 2014, After discussion, upon a motion by Director Abshire and seconded by Director

Gay, the Board voted unanimously to approve the minutes of the regular meeting held September 10, 2014.

BOOKKEEPER'S REPORT

The Board next recognized Ms. Garcia, who presented for the Board's review and approval, the bookkeeper's report, a copy of which is attached hereto as Exhibit "C".

Ms. Garcia reported that one of the HOA checks for payment was accidentally sent to the operator and was sent to a holding account when it was not identified and not transferred to the District's operating account, as it should have been. The matter has been corrected. Mr. Cannon asked the bookkeeper to be sure the engineer's costs which are reimbursable from the construction account and specifically referenced on the bookkeeper's report moving forward.

After discussion, upon a motion brought by Director Abshire, seconded by Director Burgess, the Board unanimously voted to approve the bookkeeper's report.

APPROVE TAX COLLECTOR'S REPORT

The Board recognized Ms. Loaiza who delivered the tax collection report for the period ending September 30, 2014. She reported that 99.454% of the 2013 taxes have been collected. After discussion and upon motion by Director Gay, seconded by Director Stephens, 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. Sanwald who presented the operator's report for September, 2014 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 2,151. He also reported that the water accountability average is at 95%. All water system samples reported negative for bacteriological contamination. Mr. Sanwald then reviewed the operations charges of \$24,299.50 and the cash summary for September, 2014.

Mr. Abshire inquired about the high loss of water under the accountability section of the operator's report. Mr. Sanwald stated that it is possible some of the District's fire hydrants may be leaking. Mr. Carpenter inquired about the variance between water bill and water pumped and stated that in the report it is not clear. After review, the Board instructed the operator to include the pumped versus billed water on the report moving forward.

Mr. Sanwald reported that Lift Station No. 3 was backed up and will be repaired. He noted that the trees along the fence at the water plant were overgrown. Mr. Sanwald stated that Seaback can remove said brush for approximately \$900.00. However, the Board stated that they would like to see a proposal from Champions as well.

Next, Mr. Sanwald stated the between 18111-18135 Mayfield Meadow Lane the sewer was backed up. He noted that this issue has occurred more than once in the recent past. He requested authorization from the Board to televise the area and Mr. Carpenter recommended the area be televised as well.

After consideration, upon a motion brought by Director Gay, seconded by Director Stephens, the Board unanimously voted to (i) authorize the operator to televise the described area on May field Meadow Lane; and (ii) approve the Operator's report as presented.

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".

Mr. Cannon stated a resident reported that the detention pond signs referenced the wrong county. Mr. Mattingly stated that the signs will be corrected.

Consider proposal regarding acreage ant treatment

Mr. Mattingly stated that with the winter season approaching this item would be best considered in March or April. This matter was deferred.

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

The SWQMP and NOI were submitted to the TCEQ.

2. Sanitary Sewer and Storm Sewer Cleaning and Televising

The Phase 2 project has been placed on hold for this year. The project will be reconsidered later in the fiscal year.

3. Overlook at the West Oaks Pond

The project has been placed on hold for this year.

No action was taken.

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

Discuss meeting inside the boundaries of the District

Mr. Cannon reminded the Board of Mr. Cobb's suggestion to hold the meetings inside the boundaries of the District. The Board discussed lack of optimal meeting spaces, costs and conflict of schedules. Upon a motion brought by Director Burgess seconded by Director Gay, the Board agreed to maintain its current meeting place. Mr. Cannon will contact Mr. Cobb regarding the Board's decision on the matter.

Discuss operator's contract and take any necessary action of the same

The Board recognized Mr. Connor who wanted to reassure the District that the TOPS is the best option as the District's operator. The Board subsequently considered all proposals provided to them during the Board's previous special meeting. After consideration, upon a motion brought by Director Gay, seconded by Director Burgess, the Board unanimously voted to hire Municipal Operations & Consulting, Inc. as the District's new operator, and to terminate its contract with TOPS.

Mr. Cannon stated that a termination letter will be drafted and sent to TOPS. He will also contact Municipal Operations & Consulting, Inc.

Approve Resolution Using Surplus Construction Funds for Operating Projects

Mr. Cannon presented and outlined a Resolution regarding Surplus Funds without further approval by the Texas Commission on Environmental Quality ("Resolution"). He stated that the surplus funds would be transferred from the

Construction Fund to reimburse the Operating Fund for the costs of televising and cleaning sanitary sewer and storm sewer lines in West Oaks Village, Section One and Associated repairs to those facilities from capital funds to the District's operating account, not to exceed \$73,301.57.

After discussion, upon a motion brought by Director Abshire, seconded by Director Burgess, the board unanimously approved said Resolution.

SUCH OTHER MATTERS AS MAY COME BEFORE THE BOARD

A copy of the District's constable report is attached hereto as Exhibit "H".

PASSED, APPROVED AND ADOPTED this 12th day of November, 2014.



Bernice Black
Secretary, Board of Directors