

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

**August 12, 2015**

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 12, 2015, 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
Vacant	-	Vice President
Renee Gay	-	Secretary
Sonyan Stephens	-	Assistant Secretary
Mark Van Dyck	-	Assistant Secretary

All members of the Board were present, thus constituting a quorum. Also present at the meeting were: Leigh Waldon and Brandon Wilburn of Fun Abounds; Trevor Royal and Teri League of WCA Waste Corporation; Drew Masterson of First Southwest Company, the District's Financial Advisor; Joe Mattingly and Spencer Neely of Champions Hydro-Lawn, Inc. ("Champions"); Christina Garcia of Myrtle Cruz, Inc., the District's bookkeeper; 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 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. Royal who presented and outlined a corrective action letter, a copy of which is attached hereto as Exhibit "B". He noted that Director Stephens and has informed him of additional issues that were addressed immediately. Mr. Royal stated that will send an apology letter and new flyer to the residents and will send to the Board prior to mailing said information out.

## DISCUSS PARK BENCHES AND TRASH RECEPTACLES WITH FUN ABOUNDS

The Board recognized Ms. Waldon who presented and outlined trash receptacles and benches for the District's walking trail, a copy of which is attached hereto as Exhibit "C". Director Gay stated that she would contact Ms. Waldon after the Board has discussed the matter further.

## APPROVAL OF MINUTES

The Board considered approval of the minutes of the meeting held July 8, 2015. After discussion, upon a motion by Director Gay and seconded by Director Van Dyck, the Board voted unanimously to approve the minutes of the regular meeting held July 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 "D". She reminded the Board of the Sprint Tract annexation in 2012, for which the District has been unable to collect the balance owed. Ms. Garcia requested the Board authorize said balance to be written off. She noted that she would also send a letter to Ry Reid the manager for the Twin Oaks homeowner's association regarding this matter.

After consideration, upon a motion brought by Director Abshire, seconded by Director Van Dyck, the Board unanimously voted to authorize the uncollected amount relating to the 2012 annexation to be written off; and approve the bookkeeper's report as presented.

## HEAR FINANCIAL ADVISOR'S REPORT AND DISCUSS TAX LEVY FOR 2015, SET PUBLIC HEARING AND PUBLISH NOTICE

The Board recognized Mr. Masterson who recommended the Board maintain a tax rate of \$0.79 consisting of \$0.59 for debt service and \$0.20 for maintenance and operations. Mr. Masterson noted that the overall rate will remain the same, but the amount of the tax dedicated to debt service will decrease by \$0.06 from 2014 and the amount of the tax dedicated to maintenance and operations will remain the same. Mr. Cannon reviewed the procedures for establishing the tax rate and the Board agreed to hold a hearing on the proposed tax rate of \$0.79 at the September 9, 2015 Board meeting. A copy of Mr. Masterson's recommendation is attached hereto as Exhibit "E".

## APPROVE TAX COLLECTOR'S REPORT

The Board recognized Ms. Loaiza who delivered the tax collection report for the period ending July 31, 2015. She reported that 99.076% of the 2014 taxes have been collected. After discussion and upon motion by Director Van Dyck, 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 "F".

## OPERATOR'S REPORT

The Board recognized Mr. Williams and Mr. Dubiel who presented the operator's report for July, 2015 a copy of which is attached hereto as Exhibit "G". 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 93%. All water system samples reported negative for bacteriological contamination.

### Hear NFBWA revenue and expense rate report and consider acting thereon

Mr. Williams presented and outlined rate comparisons from nearby communities in his report. The Board discussed the matter and Mr. Williams answered the Board's inquiries. No action was taken.

After consideration, upon a motion brought by Director Gay, seconded by Director Abshire, the Board unanimously voted to approve (i) the Operator's report as presented; (ii) termination of water for residents listed on cut off list; and (iii) write off the uncollectable accounts listed therein.

## 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 "H". The Board noted that a fallen tree is located at Westmoor and Bellaire. Mr. Mattingly stated that the area is maintained by the County, however he can pick it up if the tree is not too large.

No action was taken.

## ENGINEER'S REPORT

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

1. MS4 Storm Water Quality Management Plan
  - No new activity.
2. Taco Bell
  - IDS has reviewed the construction plans, and provided their engineer with comments.
3. Landscape Improvements to WWTP Site
  - IDS is working to complete the exhibits and bid documents for the field grading and sidewalks from the Cove Bellaire. IDS plans to solicit bids prior to next month's meeting.

#### 4. Asset Management Plan

IDS has developed a capital improvements plan, but believe that it is important for the District to have a view of projected expenses further in time. An asset management plan evaluates all infrastructure and looks at replacements costs when the infrastructure has reached its useful life. IDS plans to begin the preparation of the management plan, and estimates that the cost associated with this work is \$5,000. Upon a motion brought by Director Van Dyck, seconded by Director Abshire, the Board unanimously approve the Asset Management plan.

#### 5. Wastewater Treatment Plant Improvements

At the last meeting we were asked to evaluate improvements that could be made at the WWTP to accomplish two primary goals.

- Reduction in Operation Costs
- Reduction in Odor

Mr. Carpenter outlined the remainder of his report. He stated that the District facility has high concentration of sludge and recommended installing a thickener to save the District funds and noted that it would increase the longevity of the plant by ten years. Mr. Carpenter reported that odor control would be needed while conducting the thickening process. Director Van Dyck requested a cost savings comparison for other options as well. No action was taken.

After review, upon a motion brought by Director Van Dyck, seconded by Director Abshire, the Board unanimously approved the Engineer's report, as presented.

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

#### Adopt Order Establishing Records Management Program and Resolution Adopting Records Management Schedules and Policies

The Board next considered approving an Order Establishing a Records Management Program. Mr. Cannon informed the Board that the Local Government Code provides that a utility district will establish by order an active and continuing records management program to be administered by a Records Management Officer. Mr. Cannon stated that the Order provides that Coats, Rose, Yale, Ryman & Lee, P.C. will act as the Records Management Officer because all of the District's files and records are retained in its office. In addition, the Resolution Adopting Records Management Schedules and Policies will need to be adopted.

Upon a motion made by Director Abshire, seconded by Director Van Dyck, the Board by unanimous vote approved an Order Establishing Records Management Program, appointed Coats, Rose, Yale, Ryman & Lee, P.C. to act as the Records Management Officer and authorized the above-mentioned Order be filed with the Texas State Library including Resolution Adopting Schedules and Policies.

Review and consider approving District insurance renewal expiring October 1, 2015

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

Discuss Director Per Diem Questionnaire

This matter was deferred.

SUCH OTHER MATTERS AS MAY COME BEFORE THE BOARD

Mr. Cannon stated that Director Burgess has sold her home and has resigned from the Board. He requested that the Board accept her resignation. Upon a motion brought by Director Van Dyck, seconded by Director Abshire, the Board unanimously accepted said resignation. The Board discussed how to fill the vacant position. Director Van Dyck suggested implementing a notation in the District's next water bill and stated that he would assist with the language and coordinate with the operator.

Next, the Board discussed contacting the Constable to discuss increased visibility within the community. A copy of the District's constable report is attached hereto as Exhibit "K".

PASSED, APPROVED AND ADOPTED this 9<sup>th</sup> day of September, 2015.

(DISTRICT SEAL)

  
Secretary, Board of Directors

