

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

November 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, November 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
Vacant	-	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: Tina Osuala and George Jones, members of the public; Felix DeLeon WCA Waste Corporation; Mike Bohm and Jonathan Woodruff with D.R. Horton; Joe Mattingly of Texas Erosion Solutions; 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. George Jones who introduced himself and discussed his history of living in the District. He stated his qualifications and his desire to be on the Board and support his community.

Next, the Board recognized Ms. Osuala who stated that she received a water termination later from the Operator at the same time her check to the Operator crossed paths in the mail. Ms. Osuala did not contact the Operator to follow up on her delinquent status and assumed the check would prevent water termination for another month until she was able to pay the remaining

balance. Her water was terminated and she felt that the water was terminated unjustly since the check was deposited by the Operator.

Mr. Williams reported that since Ms. Osuala's past due water bill generated a termination letter that required the complete past due balance be paid in full, including the amount charge at the time she mailed her payment. He noted that if Ms. Osuala had called the Operator prior to the termination of her water service the Operator would have assisted in generating a payment plan.

Ms. Osuala stated that she has since paid her past due balance including the fees associated with reconnecting her water. After consideration, upon a motion brought by Director Stephens, seconded by Director Flores, the Board unanimously voted to waive the cut off fee and re-connection fee in the total amount of \$70.00 to credit her account.

CONSIDER APPOINTING DIRECTOR TO FILL VACANCY

This matter was deferred.

RECONSTITUTE BOARD OF DIRECTORS AND ACTING THEREON

This matter was deferred.

CONSIDER AMENDING DISTRICT REGISTRATION FORM

This matter was deferred.

APPROVAL OF MINUTES

The Board considered approval of the minutes of the meeting held October 12, 2016. After discussion, upon a motion by Director Stephens and seconded by Director Abshire, the Board unanimously voted to approve the minutes of the regular meeting held October 12, 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 Van Dyck, the Board unanimously voted to approve the bookkeeper's report as presented.

Director Stephens inquired about the CyCreek mosquito spray service and wondered if the District could get a notification each time the service is completed. The Board instructed the Operator to contact the service company to place a notification on Director Van Dyck's door when each service has been completed.

APPROVE TAX COLLECTOR'S REPORT

The Board recognized Ms. Loaiza who delivered the tax collection report for the period ending October 31, 2016. She reported that 99.394% of the 2015 taxes have been collected.

Upon motion by Director Abshire, seconded by Director Flores, 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 October, 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 2,131. He also reported that the water accountability is at 97%. All water system samples reported negative for bacteriological contamination.

Mr. Williams reported that the enclosure for the dumpster at the wastewater treatment plant is being constructed but has not yet been completed. He also reported that the remaining trail signs have been posted on the walking trail.

Mr. Dubiel presented and outlined an update on the sidewalk repairs, a copy of which is attached hereto as Exhibit "E".

After consideration, upon a motion brought by Director Flores, 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) the write-off of the uncollectible accounts.

HEAR REPORT FROM TEXAS EROSION

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 has prepared the annual report for the MS4.
2. Landscape Improvements to WWTP Site
 - IDS held a final walk through for the original work on Thursday, August 11, which resulted in a minor punch list. The contractor has not completed the punch list from the original scope of work. IDS held a final walk-through inspection for the additional scope of work on Friday, October 21, and there were no punch-list items noted.

- IDS received the contractor’s final pay application, but not in time to present the application to the District this month. IDS plans to present the pay application for the next Board meeting for approval.
 - Mr. Carpenter noted that the letter of completion was submitted by the contractor.
3. Asset Management Plan
 - No updates this month.
 4. Water Plant Tank Inspections
 - IDS has prepared construction plans and technical specification for the rehabilitation of GST 1 and HPT1, and plan to advertise the project for bids in the next week or two, and will hold a bid opening prior to the next Board meeting.
 5. Potential +/-400 Acre Annexation
 - The District has agreed to continue negotiations with DR Horton and Fort Bend County MUD No. 190 regarding a central facilities agreement. IDS is prepared to assist the attorney in the preparation of the agreement.
 6. Wastewater Discharge Permit Renewal
 - The permit renewal application is nearly complete and IDS has submitted the application to the TCEQ for review.
 7. Wastewater Treatment plant – Dumpster
 - If the District approves the cost proposal from the Operator to install the dumpster enclosure, IDS will assist the Operator ins inspecting the work as it is being completed.
 8. Trail Lighting and Cameras
 - IDS has inspected the District for missing street signs and damaged barricades. IDS is preparing a map and a letter to issue to the County to request repair. IDS plans to issue this letter within the next week or two.
 - The Board requested Mr. Carpenter investigate signs posted regarding street parking restrictions on Miller Boulevard and west of Westmoore streets.
 - Director Stephens reported that WCA will be picking up refuse at Westmoore and Bellaire Boulevard.

No action was taken.

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

Discuss and consider approving Agreement regarding Water and Wastewater Facilities (“Agreement”) by and between the District; Fort Bend County MUD No. 190 and D.R. Horton Texas, Ltd. (“D.R. Horton”)

Mr. Cannon outlined the terms of the Agreement and noted that D.R. Horton plans to purchase the approximate 400 acres on November 17, 2016. He stated that D. R. Horton wants the right to buy the District's excess capacity in the water plant and wastewater plant. This would not include the right to expand the District's plants to serve their District at this time, however this may be a matter to consider and negotiate in the future. D.R. Horton is willing to pay the District \$15,000 to offset legal and engineering fees associated with the Agreement and has agreed to purchase the first 100 connections of capacity when the Agreement is executed and they close on the land. Mr. Woodruff and Mr. Bohm presented a map and outlined D.R. Horton's current plans. Director Abshire requested the Engineer confirm the District's capacity. The Board deferred the matter until the special meeting on November 14, 2016 at 12:00 p.m.

Discuss Constable's report

Mr. Cannon drew the Board's attention to the District's constable report attached hereto as Exhibit "H", and a copy of the District's WCA call log attached hereto as Exhibit "I". No action was taken.

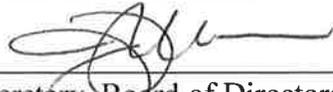
This matter was discussed during the operator's report.

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PASSED, APPROVED AND ADOPTED this 14th day of December, 2016.

(DISTRICT SEAL)





Secretary, Board of Directors