

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

February 8, 2017

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, February 8, 2017, 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 Johnson thus constituting a quorum. Also present at the meeting were: Janice Hayes of the North Fort Bend Water Authority ("NFBWA"); Felix DeLeon WCA Waste Corporation; 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"); Angela L. Howes 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. Hayes who attended the meeting to introduce herself as a point of contact for the Board should they need any assistance in the future.

HEAR WCA REPORT

Mr. DeLeon reported that the drivers for the District will not be entering the cul-de-sacs for trash pick-up if it's necessary for the WCA trucks to drive on the cul-de-sac curbs due to parked vehicles in the cul-de-sacs. He stated that the trash cans that are not picked up due to this

issue will be tagged. Mr. DeLeon added that WCA will not pay for any damage to the cul-de-sac curbs since the curbs are maintained by Fort Bend County (the "County"). Ms. Howes stated that since IDS has acquired a number of matters in need of attention by the County she would like to include the damaged cul-de-sac curbs and submit to the County as well.

Director Van Dyck requested WCA close the tops of the trash bins after they are emptied so that the bins won't hold water when it rains. Mr. DeLeon stated that is company policy but he will convey this request to the District's WCA drivers.

APPROVAL OF MINUTES

The Board considered approval of the minutes of the meetings held January 11, 2017. After discussion, upon a motion by Director Stephens and seconded by Director Van Dyck, the Board unanimously voted to approve the minutes of meetings held on January 11, 2017, as amended.

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". Ms. Garcia noted that she opened two (2) CD's with Icon and Integrity Banks for one (1) year. Director Stephens requested the Board investigate other banks for CD investment options, including First Bank. Ms. Garcia stated that she will look into the District's broker's list and report back to the Board regarding this matter.

After consideration, upon a motion brought by Director Abshire, seconded by Director Van Dyck, 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 January 31, 2017. She reported that 94.859% of the 2016 taxes have been collected. Ms. Loaiza noted that the Ilo Mulikat check no. 1135 referenced on her report was not yet executed and will be presented at the District's next meeting. Upon motion by Director Abshire, seconded by Director Van Dyck, 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 January, 2017 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 93%. All water system samples reported negative for bacteriological contamination. Mr. Williams reported that the dumpster building has been completed.

Next, Mr. Dubiel presented and outlined the fire hydrant survey for the Board's review, a

copy of which is attached hereto as Exhibit "E". He noted that most of the fire-hydrants are in need of paint and will present proposals at the District's next meeting. Director Flores requested Mr. Dubiel follow up on the fire hydrant that was leaking.

Director Van Dyck asked if the District could place a reflector at the corner of Westmoor and West Park Tollway to alert drivers of the approaching intersection. He stated that the intersection is poorly marked and is a safety hazard. Ms. Howes stated that she can contact the County regarding this matter as well.

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) authorize writing off uncollectable 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 Mr. Mattingly's report is attached hereto as Exhibit "F".

Director Van Dyck asked about modifications that could be made to the west detention pond fountain to change its spray. Mr. Mattingly stated that he will contact Lake Management regarding this matter and ask for their opinion.

No action was taken.

ENGINEER'S REPORT

Ms. Howes 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. Asset Management Plan
 - No updates this month.
3. Water Plant Tank Inspections
 - This project is on hold until Fall 2017.
4. Fort Bend Co. Municipal Utility District No. 190 ("FBCMUD 190") – Central Facilities
 - D.R. Horton is evaluating the potential for regional water and wastewater facilities with Big Oaks MUD. IDS is working with the D.R. Horton to design the sanitary sewer force main and waterline connections between the District and FBCMUD 190.

5. Wastewater Discharge Permit Renewal

- The permit renewal application is being reviewed by the TCEQ.

No action was taken.

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

Consider imposing 20% penalty on all 2016 delinquent taxes

Mr. Cannon discussed with the Board the District's authority to grant tax exemptions and discussed the District's authority to apply a 20% penalty to delinquent tax accounts. He then advised the Board that the District is authorized as a taxing authority to engage a delinquent tax attorney to collect delinquent taxes on behalf of the District.

Mr. Cannon said that delinquent accounts become subject to collection by the delinquent tax attorney as of April 1 for personal property and July 1 for real property. Mr. Cannon further noted that the 20% penalty is applied to delinquent accounts to offset the expenses incurred by the District for delinquent tax collection.

Following discussion, upon a motion brought by Director Abshire, seconded by Director Flores, the Board voted unanimously to approve and adopt the Resolution Implementing a 20% Penalty for 2016 Delinquent Taxes, and to hire Coats|Rose to collect delinquent taxes for the District.

Consider granting tax exemption for 2017 tax year

Mr. Cannon discussed with the Board the District's authority to grant tax exemptions to eligible taxpayers in the District. Mr. Cannon answered questions and responded to comments from Board members concerning tax exemptions. He reminded the Board that in the years the District has exempted from ad valorem taxation by the District \$10,000 of the appraised value of residence homesteads of individuals who are sixty-five years of age or older or disabled.

Following discussion, upon a motion by Director Abshire, which was seconded by Director Flores, the Board voted unanimously to adopt the Resolution Concerning 2017 Tax Exemptions, electing to grant an exemption of \$10,000 for residence homesteads of individuals 65 or older or disabled for tax year 2016.

Ms. Marquez drew the Board's attention to the District's constable report and the WCA call log attached hereto as Exhibit "H" and Exhibit "I". No action was taken.

This matter was discussed during the operator's report.

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PASSED, APPROVED AND ADOPTED this 8th day of March, 2017.

(DISTRICT SEAL)


Secretary, Board of Directors

