

BROOKSHIRE MUNICIPAL WATER DISTRICT

MINUTES OF BOARD OF DIRECTORS REGULAR MEETING

August 2, 2021

The Board of Directors (the "Board" or "Directors") of Brookshire Municipal Water District (the "District") met in regular session on the 2nd day of August, 2021, at 6:00 p.m., in the meeting room of the District, 4004 6th Street, Brookshire, Texas and via telephone conference call pursuant to Texas Government Code, Section 551.125, as amended, and as modified by the temporary suspension of various provisions thereof effective March 16, 2020, by the Governor of Texas (the "Governor") in accordance with the Texas Disaster Act of 1975, all as related to the Governor's proclamation on March 13, 2020, certifying that the COVID-19 pandemic ("COVID-19") poses an imminent threat of disaster and declaring a state of disaster for all counties in Texas; whereupon the roll was called of the members of the Board, to-wit:

Stephanie Green	President/Investment Officer
LaKethia Connor	Vice President
Shirley Williams	Secretary
Havanaugh Glover	Assistant Secretary
Michael Whitaker, Jr.	Director

All members of the Board were present, with Director Glover attending via telephone conference call, thus constituting a quorum. Also attending were Tonya Pierre ("General Manager"); Steve Haskins of Protocol Bookkeeping, Inc. ("Bookkeeper"); John Taylor of Municipal Operations and Consulting, Inc. ("Operator" or "MOC"); Elliot M. Barner, attorney, of Radcliffe Bobbitt Adams Polley PLLC ("Attorney" or "RBAP"); and David and Monika Hand, members of the public. Also attending via telephone conference call were Dr. Herman Clay, PhD ("Engineer"); James Weishuhn of Weishuhn Engineering, Inc. ("Weishuhn"); and Rick and Yvonne Kershner, members of the public.

The President, after finding that notice of the meeting was posted as required by law and determining that a quorum of the Board was present, called the meeting to order at 6:02 p.m. and declared it open for such business as may regularly come before it.

Director Whitaker and Dr. Clay entered the meeting at this time.

1. **Public Comment.**

The President first opened the meeting to public comment. There being no public comments, the President directed the Board to proceed with the agenda.

2. **Approve Minutes of Prior Meetings.**

The Board then considered approval of the minutes from the regular meeting of July 12, 2021. Upon a **motion** by Director Williams, seconded by Director Connor, after full discussion and with four (4) Directors present voting aye, and Director Glover abstaining, the Board approved the minutes from the regular meeting of July 12, 2021, as presented.

3. Bookkeeper's Report.

Mr. Haskins then presented the Bookkeeper's Report, a copy of which is available upon request. Mr. Haskins reviewed the District's budget and the year to-date budget items related to maintenance and repairs. Mr. Haskins noted that the District's general operating fund does not contain any unrestricted funds at this time.

Discussion next ensued regarding the amount by which the District is over-budget for maintenance and repair items.

Director Glover then requested that Mr. Haskins determine the amount that the District pays MOC for services provided and the amount that is paid to the District's field staff. Director Glover noted that the number of individuals employed as the District's field staff has increased, but MOC continues to perform most repairs required by the District.

Upon a **motion** by Director Connor, seconded by Director Williams, after full discussion and with all Directors present voting aye, the Board approved the Bookkeeper's Report, as presented.

4. Set A Date for Budget Workshop.

Director Green explained that the Board needs to hold another special meeting in order to discuss the updated values in the proposed budget for the Fiscal Year Ending August 31, 2022. It was the consensus of the Board to hold such meeting on August 10, 2021 at 5:00 p.m.

5. Texas Water Development Board Projects.

Mr. Weishuhn next updated the Board on the water line replacement project that will replace asbestos clay water lines along Texas Farm-to-Market ("FM") 1489 and in a residential area north of U.S. Highway 90 and east of FM 362 (Project Information Form No. 62829). Mr. Weishuhn reported that the majority of such water lines have been replaced and pressure tested. Mr. Weishuhn further reported that once the installation of the remaining new water lines is complete, all such lines will be disinfected and subsequently connected to the District's system.

Mr. Weishuhn then reported that Texas Pride Utilities, LLC's ("Texas Pride") Pay Application No. 2 in the amount of \$116,876.60 was submitted to Mrs. Pierre and recommended payment of the same. Mr. Weishuhn further explained that such pay application includes a five percent (5%) retainage.

Mr. Weishuhn next reported that after addressing certain complaints with Texas Pride, Weishuhn has received no additional complaints from residents that Texas Pride's crews are leaving trash in residents' yards during lunch breaks.

6. Update on Matters Related to Compliance with the Sanitary Sewer Overflow Initiative Program.

Dr. Clay then updated the Board regarding the status of the smoke testing of the District's sanitary sewer lines and discussed the timeframe for completing such project. Dr. Clay reported

that Magna Flow Environmental ("Magna Flow") has started work on such project. Dr. Clay then explained that while he was involved in bidding the smoke testing project and coordinating with Magna Flow regarding execution of the contract for such project, MOC will coordinate with Magna Flow going forward regarding the status of such project. Discussion then ensued regarding MOC obtaining more detailed information concerning each area of the District in which Magna Flow is working and when such work is being performed.

7. **Engineer's Report.**

Dr. Clay presented the Engineer's Report.

Dr. Clay then presented a Capacity Report for a proposed development consisting of office space and residential space located at 903 Cooper Street. Dr. Clay reported that no impact fee will be due from the developer for such project because the land use of the proposed development is similar to the previous land use. In response to a question from Mrs. Pierre, Director Green stated that the District will proceed with its process relating to approval of new development while the property owner obtains necessary permits from the City of Brookshire (the "City"). Discussion then ensued regarding the number of water meters required for such development. Dr. Clay stated that one (1) water meter is currently installed on such property, and recommended that the Board agree to provide service to such property through a single metered connection despite the fact such property has two (2) units. Dr. Clay explained that due to the age of the building on such property, it would be difficult for the property owner to modify the plumbing to install a second (2nd) water meter. It was the consensus of the Board that service to such building will be provided through one (1) metered connection, provided that the property owner submits proof of compliance with the City's requirements for occupancy of the building. Upon a **motion** by Director Whitaker, seconded by Director Williams, after full discussion and all Directors present voting aye, the Board approved the Capacity Report for the proposed development located at 903 Cooper Street.

Dr. Clay next presented a Capacity Report for a proposed duplex to be located at 4824 Hubbard Road. Dr. Clay reported that the existing building located at such property is a mobile home that is served by one (1) water meter. Dr. Clay then reported that the proposed development includes modifying such mobile home into a duplex, which will require an additional water meter. Dr. Clay further reported that, based on the information submitted by the applicant, he calculated the impact fee for such project to be \$3,142.00, and added that only one (1) sewer connection will be required for such development. Mrs. Pierre stated that the photographs provided by the applicant indicate three (3) or four (4) additional structures located on such property. The Board requested that Mrs. Pierre coordinate with the applicant to verify the number of structures on such property for which such applicant is requesting service. It was the consensus of the Board to table further discussion regarding such Capacity Report until the next regular Board meeting.

Dr. Clay then presented a Capacity Report prepared for service to an office-warehouse located at 3601 10th Street. Dr. Clay reported that a multi-unit office-warehouse was constructed in 2019, and the developer paid the impact fee for such development at the time of construction. Dr. Clay explained that now, a tenant will be renting space in such office-warehouse to store cosmetic products. Dr. Clay further explained that no manufacturing of products will occur at such office-warehouse. Dr. Clay then reported that, based on the information submitted by the

applicant, no impact fee is due from such tenant. Upon a **motion** by Director Whitaker, seconded by Director Connor, after full discussion and all Directors present voting aye, the Board approved the Capacity Report for the proposed development located 3601 10th Street.

Dr. Clay next presented a Capacity Report for a proposed tattoo parlor and art studio to be developed at 606 Waller Avenue. Dr. Clay reported that the previous use of such property was a medical clinic, which would likely have had higher water usage than the proposed development. Dr. Clay stated that an impact fee is not due from the applicant because no additional water is required for such development. Upon a **motion** by Director Whitaker, seconded by Director Connor, after full discussion and all Directors present voting aye, the Board approved the Capacity Report for the proposed development located 606 Waller Avenue.

Next, Dr. Clay presented a Capacity Report for a proposed furniture and mattress store to be located at 4107 Highway 90. Dr. Clay explained that the applicant previously operated a retail store at such location, but such store closed temporarily and such applicant is now reopening it. Dr. Clay further explained that because the land use of such property will remain the same, no impact fee is due from the applicant. Upon a **motion** by Director Connor, seconded by Director Williams, after full discussion and all Directors present voting aye, the Board approved the Capacity Report for the proposed development located 606 Waller Avenue.

Discussion then ensued regarding the status of conversion of the District from a water control and improvement district to a municipal utility district ("Conversion"). Dr. Clay stated that his draft report regarding the Conversion will be complete within the next two (2) weeks and will be provided to the Board and consultants for review upon completion.

Next, Dr. Clay discussed recent development inquiries, including a proposed residential development consisting of 1,000 to 1,200 homes located outside the boundaries of the District. Dr. Clay explained that service to such development would require such property to be annexed into the District.

Dr. Clay then reported that the District received a service application from the developer of a large mobile home park to be developed at Royal Road and FM 362.

Mr. and Mrs. Kershner exited the meeting at this time.

Dr. Clay next updated the Board regarding the status of the Brookwood Community Project and reminded the Board that such project originally consisted of two (2) separate construction contracts, one (1) for construction of the force main and lift station upgrades and a second (2nd) contract for the pipe bursting work. Dr. Clay further reminded the Board that it previously authorized awarding the two (2) construction contracts for such project to T Construction, LLC ("T Construction"); however, T Construction subsequently decided that it could not perform both contracts in their entirety and agreed to perform only the pipe bursting work and construction of the force main. Dr. Clay reported that T Construction was provided with a revised contract relating to the pipe bursting work and construction of the force main, but noted that such contract has not yet been executed. Dr. Clay then reported that the lift station upgrades were removed from the contract that originally included both the construction of the force main and lift station upgrades, and stated that the lift station upgrades project has been re-advertised.

8. Review and Discuss Reimbursement for Sewer Repairs at 314 Hereford.

Mr. and Mrs. Hand introduced themselves to the Board and explained that there was recently a backflow of sewage on their property. Mr. Hand reported that MOC inspected the three (3) District manholes located around his property and informed Mr. Hand that the problem was in his private sewer line. Mr. Hand further reported that based upon such information, he rented machinery and excavated his private sewer line. Mr. Hand went on to report that he located a leak in such line and repaired it. Mr. Hand explained that during such repair, he replaced approximately twelve feet (12') of pipe. Mr. Hand stated that such repair did not resolve the backflow of sewage at his home, and he requested that MOC televise such line. Mr. Hand explained that upon televising the sewer lines, MOC located a blockage and informed him that such blockage was located in the District's sewer line. Mr. Hand stated that he is requesting reimbursement for the repairs made to his private line because it is his opinion that the backflow was caused by a blockage in the District's line.

In response to a question from Director Green, Mr. Taylor clarified that the entire length of the sewer line from a customer's home to the District's main line, including the tap, is the responsibility of the customer. Mr. Taylor further clarified that at the request of Mr. Hand, MOC inspected the District's main line but found no evidence of a blockage in such line. Mr. Taylor reported that when MOC returned to such customer's home the following day, such customer had excavated and damaged portions of his private sewer line. Mr. Taylor next reported that on July 23rd, such customer again complained of sewage backflow at his home; however, when MOC inspected the District's main line, there was no blockage in such main line. Mr. Taylor then reported that MOC asked Enviro Services to televise Mr. Hand's private line. Mr. Taylor explained that Enviro Services located a blockage in such private line at a point within the utility easement. Mr. Taylor then reported that the location of the blockage was excavated and it was determined that such blockage was located in the customer's private line; however, MOC proceeded to repair such line as a courtesy to such customer.

Mrs. Hand expressed her frustration that the District and MOC provided them with no clear direction regarding a resolution of the sewage backflow at her property.

In response to a comment from Mrs. Hand, Mr. Barner then requested that Mr. and Mrs. Hand provide the District with the video and photographs that they took of the backflow at their property and the sewer line blockage. Director Green then stated that the reports and documentation provided by MOC indicate that the sewage backflow was caused by a blockage in the customers' private line. Director Green further stated that MOC repaired such line as a courtesy to the customers and now the District will be billed by MOC for the cost of such repair. In response to a question from Mrs. Hand, Director Green stated that if Mr. and Mrs. Hand have documentation that MOC told them that the sewage backflow was caused by a blockage in the District's line or was the fault of MOC, then such documentation needs to be provided to the District.

9. Operator's Report.

Mr. Taylor then presented the Operator's Report, a copy of which is available upon request. Mr. Taylor reported that a total of 22,259,000 gallons of water was pumped from the District's wells from May 15, 2021 through June 16, 2021. Mr. Taylor further reported that the District's

wastewater treatment plant ("WWTP") was operating at 92% capacity during the month of June, whereas such plant typically operates at around 50% capacity. Mr. Taylor explained that such percentage indicates an increase in infiltration into the District's wastewater collection system, likely caused by the excessive rainfall received last month.

Mr. Taylor next reported that 26,631,400 gallons of influent was treated at the WWTP during the previous month. Mr. Taylor further reported that last month, the District's average daily flow was 887,713 gallons per day ("gpd") and the peak daily flow was 2,603,000 gpd.

Mr. Taylor then reported that MOC obtained two (2) quotes, one (1) for \$3,000 and another for \$4,500, to clean out debris from the small clarifier attached to the aeration basin at the WWTP and to evaluate a damaged pipe located in such clarifier.

Mr. Weishuhn exited the meeting at this time.

Next, Mr. Taylor reported increased levels of grease found in samples taken of the influent at the WWTP. Mr. Taylor further reported that such samples will be tested to determine the level of fat, oil, and grease ("FOG") contained therein. Mr. Taylor stated that improper disposal of FOG into the District's wastewater collection system is addressed in the District's Industrial Waste Order ("IWO"). Mr. Taylor further reported that such samples will determine whether such grease was improperly disposed of by D'Gusto Foods.

Mr. Taylor then reported that there was one (1) street repair that the County performed within the District during the past month. Mr. Taylor reported that there are no ongoing street repairs being performed within the District at this time.

Director Green exited the meeting at this time.

Upon a **motion** by Director Connor, seconded by Director Williams after full discussion and all Directors present voting aye, the Board approved the Operator's Report, as presented.

Director Green entered the meeting at this time.

10. Annual Review of Order Regulating Introduction of Wastewater into the Sanitary Sewer System of the District (the "Order").

Messrs. Barner and Taylor then reminded the Board that such Order sets forth standards and criteria for effluent discharges and allows the District to impose certain restrictions and penalties on customers who are in violation of such Order. It was the consensus of the Board that Director Whitaker, Mrs. Pierre, Mr. Taylor, and Dr. Clay will coordinate to further review and discuss the Order.

11. Review Matters Involving Administration/Personnel.

Mrs. Pierre then updated the Board regarding the status of her evaluations of the District's employees.

12. Discuss Backflow Letters to Tenants.

Director Green then presented a proposed letter to be sent to certain commercial customers who do not have an inspection report on file with the District for their backflow prevention assembly devices. Director Green explained that currently, such letters are sent to tenants rather than the property owners; however, since compliance with the District's backflow prevention requirements is the responsibility of the property owner, such letters should be sent to those property owners as well.

Discussion then ensued regarding Shire Distillery located on Baines Street and their repeated refusal to comply with the District's backflow prevention requirements. Mr. Taylor explained that backflow devices protect all customers of the District. Further discussion then ensued regarding the public health risk caused by certain customers' failure to comply with such requirements.

Mr. Taylor then clarified that MOC recommends that backflow preventers be inspected and certified every three (3) years, while reduced pressure zone assembly devices should be inspected and certified yearly.

13. Approve Training, Conferences, or Committee Meetings.

Discussion then ensued regarding the Directors' attendance at the Association of Water Board Directors' ("AWBD") workshop for newly elected or appointed directors to be held on August 20, 2021.

In response to a question from Director Glover, Mr. Barner explained that pursuant to the District's ethics policy, attendance at conferences and meetings held by the AWBD, Texas Rural Water Association, and West I-10 Chamber of Commerce are automatically approved for Directors desiring to attend without the need for the Board to make such motion.

14. Directors' Reports.

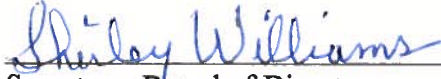
Director Green then stated that the Federal government is considering a large infrastructure bill that includes funding for water and wastewater infrastructure. In response to a question from Director Green regarding how to apply for such funding, Mr. Barner explained that the Federal government typically distributes funds to the states, and each state determines how such funding is distributed. Mr. Barner further explained that if Texas accepts such funds from the Federal government, the District will likely need to submit an application to the Texas Water Development Board (the "TWDB") to receive funds through the TWDB's Clean Water State Revolving Fund and Drinking Water State Revolving Fund, or possibly submit an application to receive funds through the General Land Office or the Texas Department of Agriculture.

Director Williams next reported that Maureen Hall, a District customer, expressed her appreciation for certain street repairs performed by the District.

15. **Adjournment.**

There being no further business to come before the Board, the Board meeting was adjourned at 8:23 p.m.

PASSED, APPROVED and ADOPTED this the 7 day of SEPTEMBER, 2021.


Secretary, Board of Directors

(DISTRICT SEAL)

