

BROOKSHIRE MUNICIPAL WATER DISTRICT
MINUTES OF BOARD OF DIRECTORS REGULAR MEETING

October 18, 2021

The Board of Directors (the "Board" or "Directors") of Brookshire Municipal Water District (the "District") met in regular session on the 18th day of October, 2021, at 6:00 p.m., in the meeting room of the District, 4004 6th Street, Brookshire, Texas pursuant to notice of said meeting posted in accordance with Chapter 551 of the Texas Government Code, whereupon the roll was called of the members of the Board, to-wit:

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

All members of the Board were present, except Director Williams, thus constituting a quorum. Also attending were Tonya Pierre ("General Manager"); Dr. Herman Clay, PhD ("Engineer"); Elliot M. Barner, attorney, of Radcliffe Bobbitt Adams Polley PLLC ("Attorney" or "RBAP"); and all persons on the attached attendance roster.

The President, after finding that the 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 6:09 p.m. and declared it open for such business as may regularly come before it.

1. Public Comment.

The President then opened the meeting to public comment.

A customer of the District introduced himself to the Board and expressed his concern regarding the District's fire hydrants and whether they were capable of providing adequate water pressure, are inaccessible or are improperly sized. Such customer encouraged the District to further research such matter and added that he, as former volunteer for the Brookshire Volunteer Fire Department, and the City of Brookshire's (the "City") former Code Enforcement Officer, Mr. McDonald, had been investigating such matter before such offer left his position at the City. Director Green requested that such customer contact Mrs. Pierre to further discuss his concerns regarding such fire hydrants.

There being no further public comments, the President directed the Board to proceed with the agenda.

2. Engineer's Report.

Dr. Clay then explained that representatives from Pumps of Houston and Grundfos are present tonight at the meeting to present certain information related to Grundfos pumps that may

be beneficial in awarding the Brookwood Community ("Brookwood") Lift Station Improvements Project.

Dr. Clay then went on to present a bid tabulation containing bids received from three (3) contractors. Dr. Clay noted that Tidal Construction ("Tidal") submitted the lowest bid of \$172,487.00 and recommended that the District award such project to Tidal.

Dr. Clay then reported that Grundfos submitted a separate proposal to provide the pumps for such project and explained that Grundfos' pumps are not the pumps included in such bid tabulation. Dr. Clay further reported that requiring the use of Grundfos' pumps for such project would save the District \$8,200.00 on the total cost of the project.

Next, Mr. Nic Piano introduced himself to the Board as a representative of Pumps of Houston, and Mr. Jay Guan introduced himself as a representative of Grundfos. Messrs. Piano and Guan then explained the histories of their respective companies and the services offered by each such company.

Director Whitaker entered the meeting at this time.

Dr. Clay then reported that Tidal is amenable to using Grundfos' submersible lift station pump for the Lift Station Improvements Project, but noted that the District has never before purchased such pumps from Grundfos. Dr. Clay next discussed concerns relating to maintenance and repair of such pumps and recommended investigating further. Dr. Clay further discussed warranty information provided by Grundfos for such pumps.

Dr. Clay next updated the Board regarding the status of the Brookwood Project and reminded the Board that such project will consist of two (2) separate construction contracts, one (1) for construction of the sanitary sewer force main and the pipe bursting work and a second (2nd) contract for the lift station upgrades. Dr. Clay reiterated that Tidal submitted the lowest bid of \$172,487.00 for the Lift Station Improvements Project and that he recommends that the Board award such project to Tidal.

Upon a **motion** by Director Connor, seconded by Director Whitaker, after full discussion and with all Directors present voting aye, the Board: 1) approved issuance of the Notice of Award to Tidal in the amount of \$172,487.00 for the Lift Station Improvement Project; 2) authorized execution of the construction contract for the Lift Station Improvement Project, subject to the Attorney's review of bonds and insurance and receipt of a Form 1295 Certificate of Interested Parties and subject to the Attorney review of certain project procurement requirements in order to confirm that the District can specify the use of Grundfos' pumps if they are determined by Dr. Clay to be suitable for such project; and 3) authorized issuance of the Notice to Proceed, subject to execution of the construction contracts and subject to Brookwood's concurrence with the same.

Messrs. Barner and Clay then stated that the Attorney and Financial Advisor reviewed a draft of the Preliminary Engineer's Report (the "PER") regarding the conversion of the District from a water control and improvement district to a municipal utility district ("Conversion") and provided comments to such report. Mr. Barner further stated that RBAP consulted with the Texas Commission on Environmental Quality (the "TCEQ") regarding certain legislative changes passed by the 86th Texas Legislature that affect the process for the Conversion. Mr. Barner next

explained that after it reviews the PER, he recommends that the Board consider and take action on a resolution authorizing submittal of an application for Conversion to the TCEQ. Mr. Barner further explained that he recommends that the Board then schedule a date on which to hold the requisite public hearing regarding Conversion prior to submitting such application for Conversion to the TCEQ. Mr. Barner went on to explain that following submittal of such application and all necessary information and documents, the TCEQ then issues an order granting the District's application for Conversion, the District will publish such order and then the Conversion will take effect 20 days following the publication of such order.

Dr. Clay then presented a Capacity Report for a development by Horizon Distributors, located at 34505 Interstate 10. Dr. Clay explained that such development does not strictly meet the definition of an office-warehouse, and the Impact Fee calculations were performed accordingly. Dr. Clay reported that an Impact Fee was not paid by the previous owner of the property; therefore, the applicant, Horizon Distributors, will owe an impact fee of \$7,439.67. Upon a **motion** by Director Whitaker, seconded by Director Connor, after full discussion and with all Directors present voting aye, the Board approved the Capacity Report for Horizon Distributors' development to be located at 34505 Interstate 10.

Dr. Clay next presented a Capacity Report for a proposed duplex located at 8 Donna Court in the Heritage Place Subdivision. Dr. Clay stated that a separate water meter and tap will be required for each unit since it is new construction. Dr. Clay then reported that the applicant will owe an impact fee of \$6,284.00. Upon a **motion** by Director Connor, seconded by Director Whitaker, after full discussion and with all Directors present voting aye, the Board approved the Capacity Report for 8 Donna Court.

Dr. Clay then presented information related to three (3) potential residential developments within the District and a proposed location for a future wastewater treatment plant.

In response to a question from Mr. Larry Reifschneider, a developer, regarding the status of the capacity report for his development, the application for which was originally submitted to the District in March, Director Green explained that such report is not complete, and that Mrs. Pierre will be in contact with him to discuss the status of such report.

Director Green exited the meeting at this time.

3. Annual Review of Investment Policy and Investment Strategies.

Mr. Barner explained that pursuant to Texas Government Code, Section 2256.005(e), as amended, the District is required to review its Investment Policy and investment strategies not less than annually. Mr. Barner clarified that such review did not mean that such policy was required to be amended by the Board, but that such review required that the Board adopt an order acknowledging that it had reviewed such policy and that no changes had been recommended to same. Upon a **motion** by Director Connor, seconded by Director Whitaker, after full discussion and all Directors present voting aye, the Board adopted an Order Reviewing Investment Policy and Investment Strategies.

4. **Adopt Order Amending List of Authorized Brokers.**

Mr. Barner next reported that the Bookkeeper provided a list of the District's authorized brokers and stated that there were no new brokers added to such list since the Board approved such list last year. Upon a **motion** by Director Whitaker, seconded by Director Connor, after full discussion and two (2) Directors present voting aye and Director Glover abstaining, the motion failed for a lack of majority.

Director Green entered the meeting at this time.

Upon a **motion** by Director Whitaker, seconded by Director Connor, after full discussion and three (3) Directors present voting aye and Director Glover abstaining, the Board reapproved its Authorized Brokers List.

5. **Approve Minutes of Prior Meeting.**

The Board then considered approval of the minutes from the regular meeting of September 20, 2021. Upon a **motion** by Director Connor, seconded by Director Whitaker, after full discussion and with three (3) Directors present voting aye and Director Glover abstaining, the Board approved the minutes from the regular meeting of September 20, 2021.

6. **General Manager's Report.**

Mrs. Pierre next reviewed with the Board the General Manager's Report, a copy of which is available upon request.

Director Connor then stated that the District's office staff should provide detailed information to customers who call the District regarding the recent increase of water and sewer rates.

Discussion next ensued regarding service calls received by the District and resolution of such calls by the District's Operator ("MOC") or field staff.

Director Green then explained that Mr. Willis Holmes, a member of the District's field staff, obtained his class D wastewater license, and that both Mr. Holmes and another member of the field staff are working toward obtaining their customer service inspection licenses and backflow inspection licenses.

7. **Review Administration/Personnel Matters.**

Discussion then ensued regarding the amount of work performed by the District's field staff versus MOC and the operational licensure that must be obtained by such field staff in order to perform additional work for the District.

8. **Discuss Association of Water Board Directors - Texas ("AWBD") Bylaws Election.**

Mr. Barner reminded the Board that the AWBD held an election at the 2021 Annual Conference to amend its bylaws; however, votes were not cast by at least two-thirds ($\frac{2}{3}$) of the

member districts as is required in order to amend the AWBD's bylaws, therefore, such proposed amendments did not pass. Mr. Barner then reported that the AWBD is currently conducting another election regarding such proposed bylaw amendments, and as a member of the AWBD, the District may cast a ballot in such election. Mr. Barner reminded the Board that it previously appointed Director Green as the District's voting representative to cast a ballot on behalf of the District in the Bylaws Amendment Election. Mr. Barner then stated that the proposed amendments are available to view on the AWBD's website. Upon a **motion** by Director Connor, seconded by Director Whitaker, after full discussion and all Directors present voting aye, the Board authorized Director Green to serve as the District's representative for purposes of casting a ballot in the AWBD Bylaws Amendment Election.

9. Attorney's Report.

Mr. Barner then briefly reviewed with the Board RBAP's 87th Legislative Update Memorandum and discussed certain proposed constitutional amendments.

10. Directors' Reports.

Director Green then reported that she and Director Connor met with representatives of the City and the Brookshire-Katy Drainage District to discuss each entity's requirements for approval of development applications. Director Green further reported that the City proposed certain changes to their development approval process. Director Green explained that such entities do not receive all of the forms submitted to the other entities by applicants. Director Green then discussed certain development projects that are pending approval from the City.

11. Review Administration/Personnel Matters.

Next, Director Green requested that Mrs. Pierre communicate with the Directors more frequently in between Board meetings regarding the status of ongoing projects within the District.

Director Connor then requested to meet with Mrs. Pierre tomorrow regarding certain office management issues.

12. Adjournment.

There being no further business to come before the Board, the Board meeting was adjourned at 7:19 p.m.

PASSED, APPROVED and ADOPTED this the 15th day of November, 2021.

(DISTRICT SEAL)



Shirley Williams
Secretary, Board of Directors