

BROOKSHIRE MUNICIPAL WATER DISTRICT

MINUTES OF BOARD OF DIRECTORS REGULAR MEETING

December 6, 2021

The Board of Directors (the "Board" or "Directors") of Brookshire Municipal Water District (the "District") met in regular session on the 6th day of December, 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 Glover, thus constituting a quorum. Also attending were Tonya Pierre ("General Manager"); Linda Guevara, employee of the District; John Taylor of Municipal Operations and Consulting, Inc. ("Operator" or "MOC"); Dr. Herman Clay, PhD ("Engineer"); James Weishuhn of Weishuhn Engineering, Inc. ("Weishuhn"); Steve Haskins of Protocol Bookkeeping, Inc. ("Bookkeeper"); Monica A. Garza, attorney, of Radcliffe Bobbitt Adams Polley PLLC ("Attorney" or "RBAP"); Sylvia Patton of the Brookwood Community ("Brookwood"); Michael Foley of Riverway Properties; Yonin Villares of T Construction, LLC ("T Construction"); and all persons on the attached attendance roster.

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 6:06 p.m. and declared it open for such business as may regularly come before it.

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 November 1, 2021. Upon a **motion** by Director Connor, seconded by Director Williams, after full discussion and with three (3) Directors present voting aye, and Director Green abstaining, the Board approved the minutes from the regular meeting of November 1, 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 for Fiscal Year Ending August 31, 2022 and

the year to-date expenses incurred by the District. Mr. Haskins noted that the District is over budget in large part due to maintenance and repairs items.

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

4. 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) (the "Water Line Project"). Mr. Weishuhn reported that all repairs on First Street are completed. Mr. Weishuhn then stated that the water lines on Second, Third and Fourth Streets have been replaced and are ready to be pressure tested. Mr. Weishuhn stated that he will be on-site to inspect the pressure testing of the water lines on Second Street. Mr. Weishuhn further reported that once the pressure testing is completed, water meters will be connected to such lines. Mr. Weishuhn went on to report that work is ongoing regarding the replacement of water lines on Stella Road, Depot Street, Kenney Street and Cooper Street. Mr. Weishuhn then stated that he is coordinating with the contractor to determine a completion date for the Water Line Project.

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

Mr. Taylor reported that Magna Flow Environmental ("Magna Flow") has not provided a complete report to MOC regarding the status of smoke testing the District's sanitary sewer lines. Mr. Taylor further reported that based upon his review of the documentation provided thus far by Magna Flow, missing clean-out caps on the sanitary sewer lines is the most common deficiency identified. Mr. Taylor stated that it will likely be difficult for the District to replace all of the missing clean-out caps.

Director Green then asked if it is possible to differentiate the breaks located in the sanitary sewer lines of residential versus commercial properties. Director Green stated that the Brookshire Economic Development Corporation has indicated to her that they would fund the cost to repair deficiencies in sanitary sewer lines of commercial properties. Mr. Taylor stated he will know if this is possible once he receives the full and electronic report from Magna Flow. Mrs. Pierre stated that she will provide Director Green with a list of commercial properties in the District.

6. Engineer's Report.

Dr. Clay presented the Engineer's Report.

Dr. Clay next updated the Board regarding the status of the Brookwood Community Project and reminded the Board that such project consists of two (2) separate construction contracts: 1) a contract for construction of the force main and the pipe bursting work, and 2) a contract for the lift station improvements. Dr. Clay then reported that T Construction is requesting an increase in the contract price for the force main work by \$16,500.00 due to the increased cost of materials. Ms. Garza explained that such proposed cost increase, if approved by the Board, will be included

in a change order submitted to the District by T Construction. Mr. Villares then explained that the cost of materials, specifically the cost of pipe, has recently increased across the entire industry. Discussion then ensued regarding the amount included in the construction contract with T Construction for contingent expenses. Upon a **motion** by Director Whitaker, seconded by Director Connor, after full discussion and with all Directors present voting aye, the Board approved T Construction's request for an increase of \$16,500.00 to the construction contract amount, subject to RBAP's review of such contract and the receipt of sufficient pricing documentation from T Construction.

Dr. Clay then presented a Capacity Report for a proposed grocery store to be located 4111 Fifth Street. Dr. Clay reported that no impact fee is due from the developer since there will be no change in land use from that of the previous development at such location. Mrs. Pierre explained that such Capacity Report does not require the Board's approval since there is not a change in the use of the property. Mrs. Pierre then reported that Dr. Clay approved the developer's application and added that the necessary documentation was provided to the City of Brookshire (the "City") in order to obtain a certificate of occupancy for such development.

Next, Dr. Clay presented a Capacity Report for a proposed office-warehouse to be located at 3601 Tenth Street. Dr. Clay reported that the impact fee due from the applicant is \$3,714.30. Dr. Clay reported that a portion of such impact fee was already paid by such applicant. 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 the office-warehouse to be located at 3601 Tenth Street.

Dr. Clay then discussed the proposed residential development of Riverwood Farms. Dr. Clay presented a map of such development showing the locations of proposed water and sewer lines. Dr. Clay reported that the developer's application is for 500 homes to be located on 173 acres. Dr. Clay explained that it is not feasible to connect 500 homes to the District's current wastewater treatment plant ("WWTP"). Dr. Clay further explained that the capacity in the current WWTP is sufficient to accommodate only 150 homes within such development and that a package plant would need to be constructed in order to serve the remaining development. Dr. Clay reported that in order to provide sanitary sewer service to such development, the District will need to extend a ten-inch (10") gravity sewer line and upgrade the Stella Road Lift Station. Dr. Clay stated that such costs will be paid by the developer. In response to a question from Mr. Foley, Dr. Clay confirmed that the proposed 12-inch (12") water main line would be adequate to provide water service to the entire development and not just 150 homes.

Mr. Foley then requested that such development be annexed into the District and designated as a defined area within the District. Ms. Garza explained that the conversion of the District from a water control and improvement district to a municipal utility district (the "Conversion") will enable the District to enter into agreements with property owners to designate certain tracts of land they own as defined areas, and that such designation would allow registered voters within such defined areas to vote to provide bond and tax authority for the separate taxation of the defined area. Ms. Garza further explained that such authority is necessary to reimburse developers of land within such defined areas for the water, sewer and drainage facilities necessary to serve such areas. Dr. Clay reported that he will present the Capacity Report for Riverwood Farms at the regular Board meeting on December 20th.

7. **Update on Status of Conversion to a Municipal Utility District.**

Ms. Garza then discussed the status of the Conversion and reminded the Board that it previously adopted a resolution designating a date on which to hold a public hearing regarding such Conversion. Ms. Garza reminded the Board that such hearing will be held at the January 3rd Board meeting. Ms. Garza stated that a notice of such hearing will be provided to Mrs. Pierre and must be published in a newspaper of general circulation within the District during the weeks of December 20th and December 27th.

Dr. Clay, Mr. Weishuhn, Mr. Foley and Mr. Villares exited the meeting at this time.

8. **Review Rate Order.**

Mrs. Pierre then reminded the Board that it previously discussed amending the District's Rate Order to clarify that private water wells and septic systems are prohibited within the District, unless otherwise approved by the Board. Mrs. Pierre further reminded the Board that it also discussed amending such Rate Order to require inspections of water and sewer taps where new construction is occurring on a property that had existing water and sewer connections. Mrs. Pierre reported that she coordinated with RBAP to prepare proposed language regarding such amendments. The Board then discussed such proposed amendments. It was the consensus of the Board to disallow inspections to be performed outside of normal business hours. It was the further consensus of the Board that the District shall provide customers with a notice of delinquent payment two (2) days prior to the scheduled termination date for such customer's service, and that customers will not be charged for the receipt of such notice.

Upon a **motion** by Director Connor, seconded by Director Whitaker, after full discussion and all Directors present voting aye, the Board authorized: 1) amending the District's Rate Order to clarify that private water wells and septic systems are prohibited within the District, unless otherwise approved by the Board, and to clarify responsibility for water taps and sewer tap connections; 2) publishing the required notice regarding the Amended Rate Order in the *Waller Times*; and 3) approved January 1, 2022 as the effective date of such Amended Rate Order.

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 22,119,000 gallons of water was pumped from the District's wells from September 15, 2021 through October 16, 2021.

Mr. Taylor next reported that the WWTP operated at 59% capacity during the month of October. Mr. Taylor further reported that 17,595,200 gallons of influent was treated at the WWTP during the previous month. Mr. Taylor went on to report that last month, the District's average daily flow was 567,587 gallons per day ("gpd") and the peak daily flow was 2,070,400 gpd.

Mr. Taylor then reported that road repairs are ongoing at 819 Franklin Street.

Next, Mr. Taylor reported that the hatch at the Water Plant on Velasco Street will be inspected tomorrow.

Mr. Taylor then reported that the cost of materials has increased in the last several months. Mr. Taylor requested that an item be included on the agenda for the regular Board meeting of January 3rd to discuss MOC's proposed rate increase for labor and the use of MOC's vehicles when performing work on behalf of the District.

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

10. Update on Status of Joint Meeting with City and Brookshire-Katy Drainage District ("BKDD") to Review Development Procedures.

Mrs. Pierre reported that the City held a meeting on November 30th with representatives of the BKDD and engineering firms Jones|Carter Inc. and Gunda Corporation to discuss the development procedures implemented by the City and BKDD. Mrs. Pierre further reported that the District was invited to participate, but that she was unable to attend such meeting. In response to a question from Director Connor, Mrs. Pierre stated that she did not inform anyone else of such meeting, and therefore, no representatives of the District were present at such meeting. Director Connor stated that Mrs. Pierre should have informed the Board of such meeting so that a Director or Ms. Guevara could attend such meeting in Mrs. Pierre's absence.

11. Approve Training, Conferences, or Committee Meetings.

Mrs. Pierre next reported that the Association of Water Board Directors' Mid-Winter Conference will be held on January 28-29, 2022 in Galveston, Texas. Mrs. Pierre further reported that the Government Treasurers' Organization of Texas and the Center for Public Management's Cash Handling Seminar will be held virtually on January 21, 2022. Upon a **motion** by Director Connor, seconded by Director Whitaker, after full discussion and with all Directors present voting aye, the Board authorized attendance at the Cash Handling Seminar on January 21, 2022.

12. Directors' Reports.

Director Green then reminded the Board that it previously authorized her to reach out to the City on behalf of the District regarding grants available through the American Rescue Plan Fund. Director Green reported that upon speaking with Mayor Darrell Branch regarding the availability of such funds, she was instructed to coordinate with the City Secretary regarding the necessary paperwork to apply for a grant on behalf of the District.

Director Green next reported that the Federal government approved 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, Ms. Garza explained that the Federal government typically distributes funds to the states, and each state determines how such funding is distributed to local political subdivisions. Ms. Garza 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 Green requested that the January 3rd Board meeting agenda include an item to hire a grant writer to prepare a request for available funds from the state.

In response to a question from Director Whitaker regarding the lighting at the Cooper Road Water Plant, Mrs. Pierre reported that she is obtaining quotes for the replacement of certain light fixtures at such plant.

13. Adjournment.

There being no further business to come before the Board, the Board meeting was adjourned at 8:06 p.m.

PASSED, APPROVED and ADOPTED this the 10 day of JANUARY, 2022.

Shirley Williams
Secretary, Board of Directors

(DISTRICT SEAL)

