

BROOKSHIRE MUNICIPAL WATER DISTRICT

MINUTES OF BOARD OF DIRECTORS REGULAR MEETING

September 7, 2021

The Board of Directors (the "Board" or "Directors") of Brookshire Municipal Water District (the "District") met in regular session on the 7th day of September, 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"); Steve Haskins of Protocol Bookkeeping, Inc. ("Bookkeeper"); John Taylor of Municipal Operations and Consulting, Inc. ("Operator" or "MOC"); Dr. Herman Clay, PhD ("Engineer"); James Weishuhn of Weishuhn Engineering, Inc. ("Weishuhn"); Monica A. Garza, attorney, of Radcliffe Bobbitt Adams Polley PLLC ("Attorney" or "RBAP"); Sylvia Patton of the Brookwood Community ("Brookwood"); and Michael Foley of Riverway Properties.

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 6:07 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 August 2, 2021 and the special meeting of August 10, 2021. Upon a **motion** by Director Connor, seconded by Director Williams, after full discussion and with all Directors present voting aye, the Board approved the minutes from the regular meeting of August 2, 2021 and the special meeting of August 10, 2021, as presented.

3. **Conduct Public Hearing on Tax Rate for 2021.**

The President next declared the public hearing open to discuss the District's proposed tax rate for 2021. As there were no members of the public present, the public hearing on the 2021 Tax Rate was declared closed.

4. **Adopt Order Setting Rate and Levying Tax for 2021 (the "Order").**

Ms. Garza reminded the Board that the 2020 tax rate was \$0.015 per \$100 of assessed valuation and that, per the Financial Advisor's recommendation, the Board authorized publication of the proposed 2021 tax rate at \$0.012 per \$100 of assessed valuation. Discussion then ensued regarding the proposed 2021 tax rate.

Ms. Garza next presented the Order to the Board for adoption, a copy of which is available upon request. Ms. Garza stated that the Order provides for the levy of a 2021 tax rate totaling \$0.012 per \$100 of assessed valuation for debt service purposes only.

Upon a **motion** by Director Connor, seconded by Director Whitaker, after full discussion and with all Directors present voting aye, the Board adopted the Order.

5. **Adopt Resolution Concerning Tax Collection Procedures (the "Resolution").**

Ms. Garza then presented to the Board for adoption the Resolution, a copy of which is available upon request. Ms. Garza next discussed the Resolution, which rejects certain tax collection procedures that permit the District to refrain from sending a tax bill to property owners for less than \$15.00, allows for a split payment option, and allows discounts for early payment. Upon a **motion** by Director Connor, seconded by Director Williams, after full discussion and with all Directors present voting aye, the Board adopted the Resolution.

6. **Review Contract for Tax Assessing and Collecting Services with the City of Brookshire (the "City").**

Ms. Garza then recommend that the District renew the contract with the City allowing the City Tax Assessor/Collector to perform property tax collection services on behalf of the District. Upon a **motion** by Director Connor, seconded by Director Williams, after full discussion and with all Directors present voting aye, the Board renewed the contract with the City for the performance of property tax collection services.

7. **Adopt Order Appointing Tax Assessor/Collector.**

Ms. Garza then presented to the Board for adoption an Order Appointing Tax Assessor/Collector, a copy of which is available upon request. Upon a **motion** by Director Connor, seconded by Director Whitaker, after full discussion and with all Directors present voting aye, the Board adopted the Order Appointing Tax Assessor/Collector.

8. **Approve Amended and Restated District Information Form ("ADIF").**

Ms. Garza then presented to the Board for adoption the ADIF, a copy of which is available upon request. Ms. Garza explained that the ADIF must be amended to reflect the current tax rate and any outstanding debt. Ms. Garza further explained that the ADIF is required to be filed in the Waller County Real Property Records and with the Texas Commission on Environmental Quality (the "TCEQ"). Upon a **motion** by Director Connor, seconded by Director Williams, after full

discussion and with all Directors present voting aye, the Board approved the ADIF and authorized the Attorney to file the same in the Waller County Real Property Records and with the TCEQ.

9. 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 check no. 40668 to MOC was duplicative of check no. 40763, and will be cancelled.

Mr. Haskins stated that the Board will notice an increase in revenue reflected in next month's Bookkeeper's Report as the District's new water and sewer rates will have taken effect by such time.

Mr. Haskins then reported that next month's Bookkeeper's Report will include separate line items regarding the amount that the District paid MOC for services provided and the amount paid to the District's field staff.

In response to a question from Mrs. Pierre regarding the schedule of payment of Director fees of office, it was the consensus of the Board to authorize bi-weekly payment of Director fees of office consistent with the schedule of payment to District employees.

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

10. 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 the majority of such water lines have been replaced. Mr. Weishuhn further reported that once all water lines have been replaced and connected to the District's system, such lines will be flushed.

Mr. Weishuhn then reported that the contractor for the Water Line Project, Texas Pride Utilities, LLC's ("Texas Pride"), has damaged nine (9) of the District's water lines during such project. Mr. Weishuhn further reported that Texas Pride was instructed to notify Mrs. Pierre, the Board and Dr. Clay immediately upon damaging a District water line in the future. In response to a question from Director Green regarding the cost to repair such damage, Mr. Weishuhn reported that MOC repaired such damaged water lines and will submit an invoice to Texas Pride for the cost of such repairs.

Dr. Clay entered the meeting at this time.

Mr. Weishuhn next reported an increase in the number of instances of Texas Pride's crews leaving construction debris in residents' yards; however, Weishuhn addressed such issue with Texas Pride. Mr. Weishuhn stated that such debris should be removed by Texas Pride this week.

11. Update on Matters Related to Compliance with the Sanitary Sewer Overflow ("SSO") Initiative Program.

Dr. Clay next updated the Board regarding the status of the smoke testing of the District's sanitary sewer lines and reported that Magna Flow Environmental ("Magna Flow") is approximately ninety-percent (90%) complete with such project. Mrs. Pierre then reported that earlier today, Magna Flow provided her and the Operator with a report regarding the status of such project. Mr. Taylor discussed such report and noted that 55 cleanouts located within the District are not covered. Mr. Taylor stated that Magna Flow hopes to complete the smoke testing project by September 10th.

Mrs. Pierre then reported that Magna Flow completed smoke testing along Hereford Drive. Director Whitaker requested that Mrs. Pierre obtain a preliminary report from Magna Flow regarding the identification of locations on Hereford Drive of any infiltration into the District's sewer system due to breaks in the District's Wastewater Collection System.

Mr. Taylor next reported that he has provided the TCEQ with the status of the District's progress regarding the projects required to be completed by the District as part of the District's participation in the SSO Program, and stated that the TCEQ is satisfied with such progress and did not request any further information at this time.

12. 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 will consist of two (2) separate construction contracts, one for construction of the force main and the pipe bursting work and a second contract for the lift station upgrades. Dr. Clay further reminded the Board that it previously authorized awarding the contract for construction of the force main and the pipe bursting work to T Construction, LLC ("T Construction"). Dr. Clay reported that such contract was executed by the District and T Construction, and added that he will issue a Notice to Proceed to T Construction next week. Dr. Clay further reported that the lift station upgrades project was re-advertised.

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 he provided his draft report regarding the Conversion to Mrs. Pierre, RBAP, and the District's Financial Advisor for review.

Ms. Patton exited the meeting at this time.

Next, Dr. Clay discussed recent development inquiries, including a proposed mobile home park and a manufacturing storage building.

Mr. Foley then introduced himself to the Board as the developer of Riverwood Farms, a proposed residential development to be located near Royal High School. Mrs. Pierre reported that Dr. Clay is reviewing the plans submitted by Mr. Foley for such development.

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

Dr. Clay exited the meeting at this time.

13. 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 20,619,000 gallons of water was pumped from the District's wells from June 16, 2021 through July 15, 2021.

Mr. Taylor next reported that the District's wastewater treatment plant ("WWTP") was operating at 81% capacity during the month of July. Mr. Taylor further reported that 24,303,200 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 970,000 gallons per day ("gpd") and the peak daily flow was 1,983,200 gpd.

Mr. Taylor then discussed the inspections of various manholes within the District, as required by the TCEQ as part of the District's participation in the SSO Program. Mr. Taylor reported that a report regarding such manhole inspections was provided to the TCEQ. Mr. Taylor further reported that inspections of additional manholes will be performed next year, pursuant to the SSO Program deadlines, and a corresponding report will be submitted to the TCEQ at such time.

Mr. Taylor next reported that the Operator has noticed an increased number of wipes/rags contained in the influent entering the District's WWTP. Mr. Taylor then discussed issues with the pumps at the Stella Road Lift Station and noted that such lift station is approximately 40 years old.

Mr. Taylor then reported that there are no ongoing street repairs being performed within the District 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.

Mr. Weishuhn exited the meeting at this time.

14. Review Procedures for Notifying City of District's Approval of Development Applications.

Discussion next ensued regarding the approval of development applications by the District and the City. Director Green stated that the District needs to coordinate with the City and the Brookshire-Katy Drainage District ("BKDD") regarding each entity's requirements for approval of development applications. Upon a **motion** by Director Connor, seconded by Director Williams after full discussion and all Directors present voting aye, the Board authorized RBAP to send a letter to the City and the BKDD requesting a joint meeting with the District to discuss the process for approval of development applications.

15. Discuss Leasing Vehicles for District Use.

Director Green and Mrs. Pierre then discussed quotes obtained for leasing vehicles for District use. Discussion then ensued regarding the quantity and type of vehicles needed by the District. Further discussion ensued regarding whether to lease or purchase such vehicles and the amount of funds included in the District's budget for the Fiscal Year Ending August 31, 2022 for the acquisition of such vehicles. Mr. Taylor advised that purchasing a vehicle is more cost effective than leasing. The Board then requested that Mrs. Pierre continue to obtain quotes for the lease and/or purchase of a District vehicle.

16. Discuss Reimbursing Employees for Use of Personal Vehicles During Work.

Director Green then recommended that since the District does not currently have enough District vehicles for the field staff, the Board should consider authorizing reimbursement to such field staff if they choose to use their personal vehicles while performing work on behalf of the District. Director Green stated that the District has only one (1) operational vehicle at this time and added that the District's other vehicle is currently out of service and has recently required multiple repairs. Mrs. Pierre stated that she has reached out to several local mechanics requesting quotes for vehicle repairs.

Discussion next ensued regarding reimbursement of the District's field staff for the use of their personal vehicles while performing work on behalf of the District, including a monthly stipend and reimbursement for mileage. Ms. Garza explained that the District's Personnel Policy will need to be amended if the Board authorizes such reimbursement. Mrs. Pierre stated that she will coordinate with the District's field staff to determine whether they would like to temporarily use their personal vehicles while performing work on behalf of the District if the District offered them reimbursement.

17. Review Matters Involving Administration/Personnel.

In response to a question from Director Green regarding the status of hiring District employees, Mrs. Pierre reported that a temporary worker was hired to assist the field staff with performing an inventory of the equipment at the water plants.

18. Directors' Reports.

Director Connor stated that she recently became aware of a street name change in the District and expressed concern that customers may not be receiving their water/sewer service bills. Director Connor requested that Mrs. Pierre review the cut-off list to determine if the street name has been updated in the District's records and confirm whether any customers have not submitted payment as a result of such change.

Director Green then reported that she attended a conference for newly elected directors of water districts.


Next, discussion ensued regarding whether to allow members of the public and the District's consultants to participate in Board meetings by telephone conference call.

Mrs. Pierre then presented a letter from the District's insurance provider, Texas Municipal League, stating that upon renewal of the District's insurance coverage, the District will receive a credit of \$27.26 each month during the next plan year.

19. Adjournment.

There being no further business to come before the Board, the Board meeting was adjourned at 8:13 p.m.

PASSED, APPROVED and ADOPTED this the 04 day of OCTOBER, 2021.


Secretary, Board of Directors

(DISTRICT SEAL)

