

BROOKSHIRE MUNICIPAL WATER DISTRICT
MINUTES OF BOARD OF DIRECTORS REGULAR MEETING

January 10, 2023

The Board of Directors (the "Board" or "Directors") of Brookshire Municipal Water District (the "District") met in regular session on the 10th day of January, 2023 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
Erin Jackson	Secretary
Shirley Williams	Investment Officer
<i>Vacant</i>	Director

All members of the Board were present, thus constituting a quorum. Attending in person were Tonya Pierre ("General Manager"); Mario Garcia of Municipal Operations and Consulting, Inc. ("Operator" or "MOC"); Steve Haskins of Protocol Bookkeeping, Inc. ("Bookkeeper"); James Weishuhn of Weishuhn Engineering, Inc. ("Weishuhn"); Elliot M. Barner, attorney, of Radcliffe Bobbitt Adams Polley PLLC ("Attorney" or "RBAP"), Jared Daugherty of Comcast of Houston ("Comcast"); and all persons on the attached attendance roster. Also attending via telephone was Dr. Herman Clay, PhD ("Engineer").

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 6:08 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 December 5, 2022. Upon a **motion** by Director Connor, seconded by Director Jackson, after full discussion and with all Directors present voting aye, the Board approved the minutes from the regular meeting of December 5, 2022, 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 the Fiscal Year Ending ("FYE") August 31, 2023 and the year to-date expenses incurred by the District.

Mr. Haskins then reviewed with the Board the Quarterly Investment Report ("QIR") for the first (1st) quarter of the FYE August 31, 2023.

Upon a **motion** by Director Williams, seconded by Director Jackson, after full discussion and with all Directors present voting aye, the Board approved: 1) the Bookkeeper's Report, as presented; and 2) the QIR for the first (1st) quarter of the FYE August 31, 2023.

4. Texas Water Development Board Projects.

Regarding 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 ("Highway 90") and east of FM 362 (Project Information Form No. 62829) (the "Water Line Project"), Mr. Weishuhn reported that the Water Line Project remains approximately 89% complete. Mr. Weishuhn further reported that Texas Pride Utilities, LLC ("Texas Pride") installed line breaks and valves at Kinney Street and Highway 90. Mr. Weishuhn went on to report that the new water line crossing beneath the railroad and Highway 90 was connected to the District's existing facilities and was placed into operation.

Mr. Weishuhn next reported that the District's water line located within the Texas Department of Transportation's ("TxDOT") right-of-way was constructed underneath the pavement of Highway 90. Mr. Weishuhn further reported that such line remains in operation and cannot be disconnected without coordinating with TxDOT to close a lane of traffic and excavate a portion of Highway 90.

Mr. Weishuhn then reported that this month, Texas Pride will install a line break in the twelve-inch (12") water line located at Stella Road and Briarbrook Drive in order to connect such line to a new valve.

Mr. Weishuhn next reported that pursuant to a recent change order extending the completion date for the Water Line Project, the anticipated substantial completion date for such project is January 15th; however, it is unlikely that such project will be complete by such date.

5. Engineer's Report.

Dr. Clay then presented the Engineer's Report.

Dr. Clay next updated the Board regarding the status of the lift station improvements for the Brookwood Community Project. Dr. Clay reminded the Board that construction of such improvements is being delayed until certain electrical equipment is delivered to the contractor. Dr. Clay added that such equipment delay will not cause a delay in the development of the Brookwood Community as the developer has not yet broken ground on construction.

Dr. Clay then updated the Board regarding MASN's development located at FM 1489 and South Street. Dr. Clay reminded the Board that MOC located an abandoned District wastewater line within such development and performed pressure testing on such line to determine whether it can be utilized to serve MASN. Dr. Clay further reminded the Board that it is waiting to receive

certain information requested by Dr. Clay from the developer in order to approve the Capacity Report for MASN.

Dr. Clay next reported that Comcast is requesting the District's approval of four (4) sets of construction plans for the proposed installation of buried cable in certain locations within the District. Dr. Clay explained that Comcast will install such cable by boring into the ground and noted there is a risk that Comcast may damage a District water or wastewater line. Dr. Clay further explained that in order to reduce the likelihood of damaging such lines, Comcast will first perform exploratory excavation in an attempt to locate District lines. Dr. Clay cautioned that such work is being performed in older areas of the District in which the records and maps of the District's facilities are incomplete and/or inaccurate. Dr. Clay then recommended that Mrs. Pierre provide Comcast with the District's maps depicting the District's water and wastewater lines in such area but added that Mrs. Pierre should also provide Comcast with a letter advising Comcast that the accuracy of such records has not been verified. Dr. Clay further recommended that Comcast revise its construction plans to include language stating that Comcast will provide the District with at least 72-hours of notice prior to commencing any boring or excavation within the District. A discussion then ensued regarding Dr. Clay's recommendations.

Mr. Daugherty next introduced himself to the Board as the construction manager for the Comcast cable installation project and stated that Comcast agrees to comply with Dr. Clay's recommendations. In response to a question from Mr. Daugherty, Mrs. Pierre stated that the District confirmed the locations of the water and wastewater lines identified by Texas811. In response to a question regarding the depth at which the District's facilities are buried, Mr. Weishuhn clarified that in most areas of the District, facilities are buried approximately four-feet (4') to six-feet (6') below ground; however, near the railroads, the District's facilities may be buried as deep as ten-feet (10') to twelve-feet (12') below ground.

Dr. Clay then updated the Board regarding the status of the revised Capacity Report for the proposed 173-acre 500-lot single-family residential development of Riverwood Farms ("Riverwood"). Dr. Clay reminded the Board that such Capacity Report was revised to address the available capacity in the District's Wastewater Treatment Plant ("WWTP") necessary to serve Riverwood.

Upon a **motion** by Director Connor, seconded by Director Jackson, after full discussion and with all Directors present voting aye, the Board approved Comcast's construction plans, subject to the revisions recommended by Dr. Clay.

6. **Update on Financing Agreement Between the District and Riverway Properties for Riverwood.**

Mr. Barner then reminded the Board that the Financing Agreement for Riverwood has not be finalized because of certain outstanding terms related to the source of wastewater treatment capacity to serve Riverwood. Mr. Barner reminded the Board that Maple Development Group, LLC ("Maple") previously requested water and wastewater service to a proposed 155-acre 500-home single-family residential development and the District issued a Capacity Report the identified the District's existing WWTP as the source of wastewater treatment capacity of such development. Mr. Barner further reminded the Board that both Mrs. Pierre and Riverwood's

engineer had reached out to Maple to find out if they intended to move forward with such development but that no response had been provided. Mr. Barner went on to explain that he reached out to Maple at the Board's direction to inform them that wastewater treatment capacity from the existing WWTP was no longer available to Maple. Mr. Barner noted that Maple's representative stated that he had not been contacted but that Maple still did not know if it wanted to proceed with such development. Dr. Clay added the Capacity Report is not a promise of capacity or service, to which Mr. Barner agreed.

7. Operator's Report.

Mr. Garcia then presented the Operator's Report, a copy of which is available upon request. Mr. Garcia reported that a total of 21,492,000 gallons of water was pumped from the District's wells from October 16, 2022 through November 15, 2022.

Mr. Garcia next reported that the District's WWTP operated at 33% capacity during the month of November. Mr. Garcia further reported that 9,632,200 gallons of influent was treated at the WWTP during the previous month. Mr. Garcia went on to report that last month, the District's average daily flow was 321,073 gallons per day ("gpd") and the peak daily flow was 693,600 gpd.

Mr. Garcia then updated the Board regarding the failure of District's lift station located near the KOA campground. Mr. Garcia reminded the Board that it previously approved the excavation of the existing lift station and purchase and installation of a refurbished lift station pursuant to the terms of four (4)-month payment plans for the same.

Mr. Garcia then updated the Board regarding the status of repairs to certain District fire hydrants and manholes.

Ms. Pierre next reported that Horizon Distributors, Inc. ("Horizon") has requested that the District consent to the City's issuance a temporary certificate of occupancy because of a lack of water pressure in District's water distribution system near the property. Ms. Pierre added that the District is trying to locate the cause of low pressure. Ms. Pierre went on to explain that such certificate will allow Horizon to operate its business despite such low water pressure.

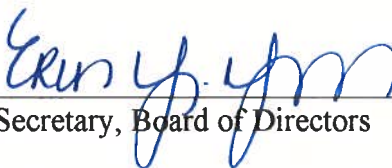
8. Adjournment.

There being no further business to come before the Board, the Board meeting was adjourned at 7:11 p.m.

PASSED, APPROVED and ADOPTED this the 6th day of February, 2023.

(DISTRICT SEAL)




Secretary, Board of Directors