

BROOKSHIRE MUNICIPAL WATER DISTRICT
MINUTES OF BOARD OF DIRECTORS REGULAR MEETING

August 5, 2024

The Board of Directors (the "Board" or "Directors") of Brookshire Municipal Water District (the "District") met in regular session on the 5th day of August, 2024, 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
NaKeshia Barley	Assistant Secretary

All members of the Board were present, thus constituting a quorum. Attending were Tonya Pierre, General Manager of the District; Willis Holmes, District Field Staff Supervisor; John Taylor of Municipal Operations and Consulting, Inc. ("Operator" or "MOC"); Steve Haskins of Protocol Bookkeeping, Inc. ("Bookkeeper"); James Weishuhn of Weishuhn Engineering, Inc. ("Engineer" or "Weishuhn"); John F. Howell, Jr. of The GMS Group, L.L.C ("GMS") via telephone; Meredith King, attorney, of Radcliffe Adams Barner PLLC ("Attorney" or "RAB"); Michael Foley of Riverway Properties ("Riverway"); Paul Mata, owner of PRM BBQ Co. LLC ("PRM"); and Juanita Stevenson and Stanley Smallwood, 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.

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 Meeting

The Board then considered approval of the minutes from the regular meeting of July 1, 2024. 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 July 1, 2024, as presented

3. Financial Advisor's Report

Mr. Howell presented to the Board a tax rate study and recommended a proposed tax rate of \$0.001400 per \$100 assessed valuation for the 2024 tax year based upon the District's cash flow and debt obligations. Mr. Howell reminded the Board that the District's 2023 tax rate was \$0.009 per \$100 assessed valuation. Further discussion then ensued regarding the proposed 2024 tax rate to be published in *The Waller Times*.

Director Williams entered the meeting at this time.

Mr. Howell then recommended a proposed tax rate of \$1.45 per \$100 of assessed valuation for the Defined Area No. 1 (the "Defined Area"). Mr. Howell further stated that the developer for the Defined Area had suggested this rate. Mr. Howell stated that notice of the proposed rate would be in the form of a letter which would be mailed to the one (1) property owner inside the Defined Area.

Upon a **motion** by Director Connor, seconded by Director Jackson, after full discussion and with all Directors present voting aye, the Board voted to: 1) publish a 2024 tax rate of \$0.01400 per \$100 assessed valuation; and 2) authorize publication of the proposed 2024 tax rate in *The Waller Times*, which is a newspaper of general circulation within the District, at least seven (7) days prior to the date of the public hearing on the 2024 tax rate.

Upon a **motion** by Director Connor, seconded by Director Williams, after full discussion and with all Directors present voting aye, the Board voted to: 1) publish a 2024 tax rate for the Defined Area of \$1.45 per \$100 assessed valuation; 2) authorize providing notice in the form of a letter to any owner of property within such area; and 3) conduct the requisite public hearing on the District's 2024 tax rate and the 2024 tax rate for the Defined Area on September 3, 2024, at 6:00 p.m.

Mr. Foley exited the meeting at this time.

4. 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 FYE August 31, 2024, and the year-to-date expenses incurred by the District.

A discussion ensued regarding Director Barley being added as an authorized signatory for the District's checks.

Upon a **motion** by Director Connor, seconded by Director Jackson, after full discussion and with all Directors present voting aye, the Board : 1) approved the Bookkeeper's Report, as presented; and 2) authorized Director Barley to be added as a check signatory.

5. **Adopt Order Adopting Budget for Fiscal Year Ending ("FYE") August 31, 2025**

Mr. Haskins reviewed the District's budget for the FYE August 31, 2025, and the year-to-date expenses incurred by the District. Mr. Haskins further stated that there is a special meeting scheduled for August 6, 2024, to further discuss such budget.

6. **Texas Water Development Board Project Engineer's Report, including Water Line Replacement Project along FM 1489**

Mr. Weishuhn reminded the Board that the Water Line Replacement Project that will replace asbestos clay water lines along Farm-to-Market ("FM") 1489 and in a residential area north of U.S. Highway 90 and east of FM 362 (the "Water Line Project") has \$1,259.00 remaining from the project fund. Mr. Weishuhn recommended that the District utilize such funds to purchase the materials, not including a flush valve, from Texas Pride for the line extension on Purdy Street. Mr. Weishuhn further stated that the Texas Water Development Board ("TWDB") did inform him that the District will need to find another project to utilize the remaining funds and to make such change through a change order. A discussion ensued regarding who would conduct the work for such project, to which Mr. Holmes responded that he will speak to MOC regarding assisting with the work.

Mr. Weishuhn next reported that the TWDB has a new program called CFO to Go which is provided at no cost to water districts. Mr. Weishuhn explained that, through the CFO to Go program, the TWDB would send in a certified public accountant to audit the office operations to assist the District with identifying areas to improve on. Mr. Weishuhn stated that Dennis Kyhos, with the TWDB, would be able to join the September 3, 2024 Board meeting over the phone or through videoconference if the Board would like to hear more about the program. It was the consensus of the Board to have Mr. Kyhos join over videoconference at the September 3, 2024 Board meeting to present further on this topic.

Mr. Weishuhn then reviewed the District's TWDB Clean Water State Revolving Fund Project Information Form Rating Report. Mr. Weishuhn then informed the Board on how to improve the District's ranking for such report. Mr. Weishuhn stated that Steve Walden, with Steven Walding Consulting, would be able to perform a survey within the District to show that the average income within the District is below the necessary threshold to be considered a low-to-moderate income district. The Board requested that Mrs. Pierre reach out to Mr. Walden to have him present further on this topic at the September 3, 2024 Board meeting.

Upon a **motion** by Director Connor, seconded by Director Jackson, after full discussion and with all Directors present voting aye, the Board: 1) accepted the TWDB project report, as presented; and 2) authorized the use of the \$1,259 remaining funds from the Water Line Project to be used for purchasing materials for the line extension on Purdy Street.

7. **Engineer's Report**

Mr. Weishuhn then stated that the Capacity Report for Nita's Place had been previously approved by the Board; however, a new water line will need to be installed in order to provide service to the property. Mr. Weishuhn explained that the District could either: 1) install a

two-inch (2") water line; 2) install a separate long tap to connect to the Nita's Place property; or 3) extend the water line located at 11th Street. Mr. Weishuhn noted that the water line on 11th Street may need to be repaired. Mrs. Pierre stated that she will request a quote to extend the water line on 11th Street. The Board stated that they would like Mr. Weishuhn to go forward with the most cost-effective route. In response to a question from Mr. Weishuhn regarding the permitting process with the Texas Department of Transportation ("TxDOT"), Ms. King stated that Mr. Weishuhn would contact TxDOT regarding the permitting process and the property owner would cover the cost for such permitting, if they bore under FM 1489.

Mr. Weishuhn then presented a Capacity Report for Summers Cottage Assisted Living ("Summers Cottage"). Mr. Weishuhn explained that Summers Cottage is developing a 12-bed assisted living facility. Mr. Weishuhn further explained that Summers Cottage proposes to utilize the existing water meters and wastewater lines on the property. Mr. Weishuhn reported that Summers Cottage will owe an Impact Fee of \$14,577.84.

Mr. Weishuhn next presented a Capacity Report for Magnolia Lash and Nails ("Magnolia Nails"). Mr. Weishuhn explained that Magnolia Nails will consist of a beauty shop. Mr. Weishuhn further explained that Magnolia proposes to utilize the existing two-inch (2") diameter water meter and wastewater lines. In response to a question from Mr. Holmes, Mr. Weishuhn stated that he will find out if a backflow preventer is needed for the property and amend the capacity report if so. Mr. Weishuhn reported that Magnolia will owe an Impact Fee of \$10,125.10.

Mr. Weishuhn then presented a Capacity Report for MIDH Technologies ("MIDH"). Mr. Weishuhn explained that MIDH will consist of a 1,046 square foot office space. Mr. Weishuhn further explained that MIDH proposes to utilize the existing water meter and wastewater line. Mr. Weishuhn reported that MIDH will owe an Impact Fee of \$1,293.85.

Mr. Weishuhn next presented a Capacity Report for PRM. Mr. Weishuhn explained that PRM will consist of a 3,000 square feet manufacturing space, 1,400 square feet of retail space and 400 square feet of office space. Mr. Weishuhn further explained that PRM proposes to utilize the existing water meter and wastewater line. Mr. Weishuhn reported that PRM will owe an Impact Fee of \$3,818.71.

Mr. Weishuhn then presented a Capacity Report for De Todo Un Poco LLC ("De Todo"). Mr. Weishuhn explained that De Todo will consist of a 1,300 square feet retail space. Mr. Weishuhn further explained that De Todo proposes to utilize the existing water meter and wastewater line. Mr. Weishuhn reported that De Todo will owe an Impact Fee of \$1,136.75.

Mr. Weishuhn stated that he received an application from Grundfos Americas Corporation; however, the application did not include enough information to classify the type of use. Mr. Weishuhn stated that he emailed Ms. Pierre and Ms. Vela to find out more information.

Mr. Weishuhn then stated that Blackline Engineering submitted a plat for his review. Mr. Weishuhn stated that he has sent correspondence to Blackline Engineering to clarify their request for water service and has yet to receive a response.

Mr. Weishuhn next stated that he received a request from Fat Bottom Trailer Rentals & Car Haulers in the District. Mr. Weishuhn stated that he had requested additional information from Mr. Robert Fairchild and has yet to receive a response. The Board requested that Mr. Weishuhn reach out to Mr. Fairchild and clarify that the City of Brookshire must approve the use of any temporary structure(s) before the District can determine the Impact Fee for his property.

Ms. Stevenson exited the meeting.

Mr. Mata exited the meeting at this time.

Upon a **motion** by Director Connor, seconded by Director Williams, after full discussion and with all Directors present voting aye, the Board approved the Engineer's Report, as presented, including the Capacity Reports for: 1) Summers Cottage; 2) Magnolia, subject to Mr. Weishuhn confirming if a backflow preventer is required; 3) MIDH; 4) PRM; and 5) De Todo.

8. Review and Award Bid for rehabilitation of Clarifier at Wastewater Treatment Plant

Mr. Weishuhn then presented two (2) bids for the rehabilitation of the clarifier at the Wastewater Treatment Plant ("WWTP") (the "Project"). The first (1st) bid was from AUC Group, LLC ("AUC") in the amount of \$188,500.00 and the second (2nd) bid was from Branch Construction Group in the amount of \$265,000.00. An extensive discussion ensued regarding each bid amount. Mr. Weishuhn then stated that AUC's references all provided positive feedback and that he recommended awarding the Project to AUC.

Upon a **motion** by Director Connor, seconded by Director Jackson, after full discussion and with all Directors present voting aye, the Board awarded AUC the bid for the Project in the amount of \$188,500.00 and authorized execution of the Owner-Contractor Agreement with AUC, subject to RAB's review.

9. Operator's Report

Mr. Taylor presented the Operator's Report, a copy of which is available upon request. Mr. Taylor reported that a total of 22,930,000 gallons of water was pumped from the District's wells from May 15, 2024 through June 16, 2024.

Mr. Taylor then reported that the District's WWTP operated at 51% capacity during the month of June. Mr. Taylor further reported that 12,013,000 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 400,433 gallons per day ("gpd") and the peak daily flow was 1,541,400 gpd.

Mr. Taylor stated that two (2) segments of the wastewater line located near Interstate 10 and Waller Avenue need to be replaced. Mr. Taylor stated that the cost to replace such segments is approximately \$20,121.56.

Mr. Taylor then reminded the Board that pursuant to the U.S. Environmental Protection Agency's updated Lead and Copper Rule, the District must prepare an inventory of all water lines

within the District, both public and privately owned, by October 2024. Mr. Taylor stated that MOC is coordinating with Mrs. Pierre and the District's field staff to perform such inventory.

Upon a **motion** by Director Connor seconded by Director Jackson, after full discussion and with all Directors present voting aye, the Board: 1) approved the Operator's Report, as presented; and 2) authorized MOC to repair two (2) segments of the wastewater located at Interstate 10 and Waller Avenue in the amount of \$20,121.56.

10. Sanitary Sewer Overflow ("SSO") Initiative Program

Mr. Taylor then reminded the Board that as part of the District's participation in the Texas Commission on Environmental Quality's ("TCEQ") SSO Program, the District is required to address certain deficiencies in its wastewater collection systems. Mr. Taylor further reminded the Board that by September 1, 2024, the District is required to televise and repair certain portions of the District's wastewater lines.

11. Rate Order, including review of Industrial Waste Order

The Board reviewed the Rate Order including the review of the Industrial Waste Order ("IWO"). Mr. Taylor recommended to the Board that if MOC is unable to sample a customer's wastewater then the maximum charge under the IWO shall be applied.

Upon a motion by Director Connor, seconded by Director Jackson, after full discussion and will all Directors present voting aye, the Board authorized amending the IWO to apply the maximum charge under the IWO if MOC is unable to sample a customer's wastewater.

The Board requested that Mr. Weishuhn review the IWO and provide any further amendments prior to the amended IWO being adopted.

12. Administration/Personnel

Ms. Pierre reported that an offer was extended to a candidate for the wastewater operator field technician position. Mrs. Pierre stated that the new employee will begin working with the District the week of August 19, 2024. The Board requested that all new employees attend a Board meeting in order to introduce themselves to the Board.

13. Authorize attendance at the 2024 Association of Water Board Directors ("AWBD") Mid-winter Conference for Ms. Pierre and Mr. Holmes

Ms. Pierre requested authorization from the Board for herself and Mr. Holmes to attend the AWBD Mid-Winter Conference in Austin, Texas.

Upon a **motion** by Director Barley, seconded by Director Connor, after full discussion and with all Directors present voting aye, the Board authorized Mrs. Pierre and Mr. Holmes to attend the AWBD Mid-Winter Conference.

14. **Reschedule date of September 2, 2024, Board meeting, as necessary**

Mrs. King reminded the Board that the first (1st) regular Board meeting of September is scheduled on Labor Day, September 2, 2024, which is Federal Holiday. A brief discussion ensued, and it was the consensus of the Board to reschedule such meeting for September 3, 2024, at 6:00 p.m.

15. **Adjournment**

There being no further business to come before the Board, the Board meeting was adjourned at 7:47 p.m.

PASSED, APPROVED and ADOPTED this the 3rd day of September, 2024.



(DISTRICT SEAL)


Secretary, Board of Directors