

BROOKSHIRE MUNICIPAL WATER DISTRICT
MINUTES OF BOARD OF DIRECTORS REGULAR MEETING

August 21, 2023

The Board of Directors (the "Board" or "Directors") of Brookshire Municipal Water District (the "District") met in regular session on the 21st day of August, 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. Also attending were Tonya Pierre, General Manager of the District; John Taylor of Municipal Operations and Consulting, Inc. ("Operator" or "MOC"); Elliot M. Barner, attorney, of Radcliffe Adams Barner PLLC ("Attorney" or "RAB"); Corey Howell of The GMS Group, L.L.C. ("Financial Advisor"), via telephone; and Isaiah Collins of Walter P. Moore Engineering.

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 17, 2023. 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 17, 2023, as presented.

3. Financial Advisor's Report

Mr. Howell then presented to the Board a tax rate study and recommended a proposed tax rate of \$0.009 for the 2023 tax year based upon the District's cash flow and debt obligations. Mr. Howell reminded the Board that the District's 2022 tax rate was \$0.01 per \$100 of assessed valuation. Further discussion then ensued regarding the proposed 2023 tax rate to be published in *The Waller Times*.

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 2023 tax rate of \$0.009 per \$100 assessed valuation; 2) authorize publication of the proposed 2023 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 2023 tax rate; and 3) set the date for the public hearing on the 2023 tax rate for the September 18, 2023 regular Board meeting.

Mr. Howell exited the meeting at this time.

4. Amend Rate Order

Discussion then ensued regarding the District's need to raise additional revenue in order to maintain and improve the District's aging facilities and increase its operating reserve. Mr. Barner reminded the Board that water and sewer revenue is the only revenue source that the District currently has to fund its operation and maintenance expenses because the District does not have authority to levy an operations and maintenance tax. Discussion next ensued regarding the amount by which the District intends to increase water and sewer rates in order to sufficiently increase the District's operating and reserve funds. It was the consensus of the Board to table further discussion regarding amending the District's Rate Order until the first (1st) regular Board meeting of September.

5. Annexation of Off Lease Only, LLC ("OLO") Development (21.379-acres)

Mr. Barner next reminded the Board that the 21.379-acre tract of land being developed by OLO is located outside the boundaries of the District and will need to be annexed prior to receiving service from the District. Mr. Barner then presented to the Board an Order Annexing Land and Redefining Boundaries of the District (the "OLO Order") and an Amended and Restated District Information Form (the "ADIF") and recommended approval of the same. Upon a **motion** by Director Connor, seconded by Director Jackson, after full discussion and with all Directors present voting aye, the Board approved the OLO Order and ADIF.

6. Annexation of Riverwood Farms Residential Development (177.9580-acres) ("Riverwood")

Mr. Barner next reminded the Board that the two (2) tracts of land totaling 177.9580 acres being developed by Terra Prima, Ltd. is located outside the boundaries of the District and will need to be annexed prior to receiving service from the District. Mr. Barner then presented to the Board an Order Annexing Land and Redefining Boundaries of the District (the "Riverwood Order") and an ADIF and recommended approval of the same. Upon a **motion** by Director Williams, seconded by Director Jackson, after full discussion and with all Directors present voting aye, the Board approved the Riverwood Order and ADIF.

7. General Manager's Report

Mrs. Pierre next stated that the General Manager's Report was previously provided to the Board for review, a copy of which is available upon request.

8. Administrative/Personnel Matters

Mrs. Pierre explained that the first (1st) regular Board meeting of September is scheduled on September 4, 2023, which is Labor Day. A discussion ensued, and it was the consensus of the Board to reschedule such meeting for September 11, 2023, at 6:00 p.m.

Mrs. Pierre then presented to the Board information regarding the benefits to the District of becoming a member of the Texas Municipal League ("TML"). Upon a **motion** by Director Jackson, seconded by Director Connor, after full discussion and with all Directors present voting aye, the Board approved the District's membership in the TML, subject to Mrs. Pierre's confirmation that the District is not already a member of the TML.

Next, discussion ensued regarding the process for evaluating and increasing the compensation rates of the District's employees.

9. Update on Applications for Appointment of a New Director to Fill Vacancy

Mrs. Pierre next reminded the Board that an Application for Appointment to the Board is posted on the District's website. Mrs. Pierre then updated the Board regarding the receipt of such applications. It was the consensus of the Board to extend the deadline by which to submit applications to September 15, 2023.

10. Administrative/Personnel Matters (Continued)

Next, discussion ensued regarding holding a community event at which to distribute information regarding water conservation.

11. Attorney's Report

Mr. Barner presented to the Board RAB's memorandum regarding the bills passed during the 88th Legislative Session and noted those bills that affect the District.

12. Amendment to Attorney Fee Agreement

Mr. Barner next presented for the Board's review an updated Attorney Fee Agreement for General Counsel Services (the "Attorney Fee Agreement"). Discussion ensued regarding such rates. Upon a **motion** by Director Williams, seconded by Director Connor, after full discussion and with all Directors present voting aye, the Board approved the updated Attorney Fee Agreement.

13. Adjournment.

There being no further business to come before the Board, the Board meeting was adjourned at 7:14 p.m.

PASSED, APPROVED and ADOPTED this the 18th day of September, 2023.



(DISTRICT SEAL)

Erin Y. Yarn
Secretary, Board of Directors