

BROOKSHIRE MUNICIPAL WATER DISTRICT
MINUTES OF BOARD OF DIRECTORS REGULAR MEETING

October 7, 2024

The Board of Directors (the "Board" or "Directors") of Brookshire Municipal Water District (the "District") met in regular session on the 7th day of October, 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; Roland Lee 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"); Elliot M. Barner, attorney, of Radcliffe Adams Barner PLLC ("Attorney" or "RAB"); and Ms. Anita Lopez of Cute & Sassy Grooming Salon ("Cute & Sassy"), and all the persons listed on the 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 6:00 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 September 3, 2024. Upon a **motion** by Director Jackson, seconded by Director Connor, after full discussion and with all Directors present voting aye, the Board approved the minutes from the regular meeting of September 3, 2024, as presented.

3. **Review Performance Services Report Regarding Meter Project and Scheduling a Workshop**

Mr. Roland introduced himself and reminded the Board that Mr. Taylor is out of the country participating in the Living Water Initiative. A discussion ensued and it was the consensus of the Board that Mrs. Pierre schedule the Meter Project Workshop.

4. **Approve Health Care Plan to Include Flexible Spending Account ("FSA")**

Mrs. Pierre presented to the Board information regarding the healthcare plan for District employees and requested that the Board consider including a FSA. A discussion ensued regarding the benefits and costs of the FSA. In response to a question from Mr. Barner, Director Green and Mrs. Pierre stated that RAB did not need to review the healthcare plan documents.

Upon a **motion** by Director Connor, seconded by Director Williams, after full discussion and with all Directors present voting aye, the Board approved including the FSA as a healthcare plan option for District employees.

5. **Bookkeeper's Report**

Mr. Haskins then presented the Bookkeeper's Report and Quarterly Investment Report, copies of which are available upon request. Mr. Haskins reviewed the District's budget for the Fiscal Year Ending ("FYE") August 31, 2024, and the year to-date expenses incurred by the District.

Upon a **motion** by Director Connor, seconded by Director Williams, after full discussion and with all Directors present voting aye, the Board approved: 1) the Bookkeeper's Report, as presented; and 2) the Quarterly Investment Report for the fourth (4th) quarter of FYE August 31, 2024, as presented.

6. **Annual review of Investment Policy and Investment Strategies**

Mr. Barner explained that pursuant to Texas Government Code, Section 2256.005(e), as amended, the District is required to review its Investment Policy and investment strategies not less than annually. Mr. Barner clarified that such review did not mean that such policy was required to be amended by the Board, but that such review required that the Board adopt an order acknowledging that it had reviewed such policy and that no changes had been recommended.

7. **Order Amending List of Qualified Brokers, as necessary**

Mr. Barner next reminded the Board that pursuant to the District's Investment Policy, the District's List of Qualified Brokers must also be reviewed. In response to a question from Mr. Barner, Mr. Haskins confirmed that there are no new banks that he is recommending the District invest funds through, there is no need to amend the List of Qualified Brokers.

Upon a **motion** by Director Connor, seconded by Director Jackson, after full discussion and with all Directors present voting aye, the Board approved the Order Reviewing Investment Policy, as presented.

8. Texas Water Development Board ("TWDB") 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 (Project Information Form No. 62829) (the "Water Line Project") has \$1,259.00 remaining from the project fund. In response to a question, Mr. Haskins confirmed that the check had been approved and executed.

In response to a question from Mrs. Pierre regarding the use of surplus funds, Mr. Weishuhn confirmed that he had recommended completing certain hydrant replacements and added that he recalled Mr. Taylor had additional comments as well.

9. Status of the Texas Water Development Project Information Form ("PIF") No. 16103, Application for Sanitary Sewer Overflow Initiatives Mitigation Measures and Wastewater Treatment Expansion

Mr. Weishuhn then explained that while he had not received a formal invitation for the District to apply for the Sanitary Sewer Overflow Initiatives Mitigation Measures and Wastewater Treatment Expansion, he believed it was forthcoming. Mr. Weishuhn then reminded the Board that in order to effectively determine the District's eligibility for funding reserved by the TWDB for entities that serve Economically Disadvantaged Communities, the District should consider engaging a consultant to evaluate eligibility. Mr. Weishuhn went on to explain that in order to evaluate such eligibility, the District will need to submit approximately 800 questionnaires from customers and/or property owners within the District for the TWDB to reconsider its current determination on the District's status. A discussion ensued regarding a similar questionnaire recently distributed by the Royal Independent School District ("RISD") and/or the City of Brookshire. In response, Mr. Weishuhn stated that he will reach out to RISD to determine if the information it collected from such questionnaires might be used for the District.

10. Clarifier Rehabilitation Project

Mr. Weishuhn reminded the Board that AUC Group, LLC ("AUC") had been awarded the Clarifier Rehabilitation Project in a prior meeting. Mr. Weishuhn reported that Weishuhn received the executed contract, certificate of liability insurance and maintenance, performance and payment bonds from AUC. Mr. Barner reminded the Board that bonds and insurance issued for such project on behalf of AUC need to be reviewed prior the commencement of such project.

11. Engineer's Report

Mr. Weishuhn updated the Board on the Asset Management Plan.

Mr. Weishuhn then reminded the Board that a permit from the Texas Department of Transportation ("TxDOT") for extending water service to Nita's Place is needed. Mr. Weishuhn reminded the Board that a waterline will need to be constructed underneath FM 1489 in order for

the property to receive service from the District, and that such permit is required in order to bore under such road. A brief discussion ensued and in response, Mr. Holmes explained that the District is waiting on an excavator so that the District may accurately determine whether an additional water line is needed to serve Nita's Place. In response to a question from Director Connor, Mrs. Pierre stated that she would coordinate with Mr. Holmes and follow up on the status of the excavator.

Mr. Weishuhn presented a revised Capacity Report for Summers Cottage Assisted Living. An extensive discussion ensued regarding the decrease in occupancy planned for the Assisted Living Facility compared to the first application. Mr. Weishuhn reminded the Board that the Capacity Report was amended at the direction of the Board based on information provided by the applicant that such facility's occupancy would be less than originally anticipated.

Mr. Weishuhn then presented a revised Capacity Report for Julio Vielmo. Mr. Weishuhn explained that the previous Capacity Report dated December 1, 2021, reflected that there was 1,631 square feet of warehouse, 119 square feet of office, and 1,513 square feet of irrigation area. Mr. Weishuhn reported that the irrigated area was not reported on the current application but is still present based on aerial photograph review. Mr. Weishuhn further reported that the Impact Fee has been adjusted to \$1,238.10.

Mr. Weishuhn then presented a revised Capacity Report for Brookshire Autoplex ("Autoplex"). Mr. Weishuhn explained that Autoplex will consist of 2,000 square feet of warehouse space, 850 square feet of retail, and 150 square feet of office space. Mr. Weishuhn further explained that Autoplex proposes to utilize the existing water meter and wastewater line. Mr. Weishuhn reported that Autoplex will now owe an Impact Fee of \$1,529.34.

Mr. Weishuhn then presented a Capacity Report for Cute & Sassy. Ms. Lopez addressed the Board regarding the Capacity Report for Cute & Sassy. Mr. Weishuhn explained that Cute & Sassy will consist of a dog grooming salon located in an existing 1,600 square foot building located at 606 Waller Avenue. Mr. Weishuhn reported that Cute & Sassy will owe an Impact Fee of \$10,046.05. A discussion ensued regarding the amount of water capacity that Cute & Sassy would need to operate.

Mr. Weishuhn presented an application from Comcast for the District's approval for a set of construction plans that depict a proposed installation of buried fiber optic cable line near the A&P Brothers Wrecker Services ("A&P") located at 4547 5th Street. Mr. Weishuhn added that he had provided information to Comcast in order to ensure that such line is located within an easement.

Mr. Weishuhn then reported that Weishuhn received proposed construction plans of the waterline, sanitary sewer, storm sewer, and lift station for Riverway Farms. A discussion ensued.

Mr. Weishuhn reported to the Board that he received a call from Mr. Nick Bailey with BGE, Inc. regarding certain property owned by Giammalva Properties, Inc. ("Giammalva") and providing water and wastewater services to such property. Mr. Barner then added that Giammalva had attended a meeting several months ago and subsequently followed up with him regarding options for service to such property, as approximately half of such property is located within the District and the other half located in the adjacent water district. Mr. Barner explained that he

informed Giammalva that they needed to complete an application for service in order to have the Engineer evaluate options for such service.

Upon a **motion** by Director Connor, seconded by Director Williams, after full discussion and with all Directors present voting aye, the Board: 1) approved the Engineer's Report, as presented, including the Capacity Reports for: 1) Summers Cottage Assisted Living; 2) Julio Vielmo; 3) the Autoplex; and 4) approved the application from Comcast for construction plans of a fiber optic cable line near A&P Brothers.

12. Industrial Waste Order

Mr. Barner reminded the Board that at the August 5th meeting, the Board authorized amending the Industrial Waste Order ("IWO") to apply the maximum charge under the IWO if MOC is unable to sample a customer's wastewater, and requested that Mr. Weishuhn review the IWO and provide further amendments prior to the amended IWO being adopted. A discussion ensued regarding the District's IWO. Mr. Weishuhn indicated he still needs to review the IWO.

Upon a **motion** by Director Connor, seconded by Director Jackson, after full discussion and with all Directors present voting aye, the Board authorized Mr. Weishuhn's review of the IWO and provide any comments prior to completing the amended order.

13. Operator's Report

Mr. Lee presented the Operator's Report, a copy of which is available upon request. Mr. Lee reported that a total of 21,270,000 gallons of water was pumped from the District's wells from July 15, 2024 through August 16, 2024.

Mr. Lee then reported that the District's Wastewater Treatment Plant ("WWTP") operated at 34% capacity during the month of August. Mr. Lee further reported that 10,354,400 gallons of influent was treated last month at the WWTP. Mr. Lee went on to report that last month, the District's average daily discharge from the WWTP was 334,013 gallons per day ("gpd") and the peak daily flow was 508,400 gpd.

Mr. Lee further reported that there was a water leak at 106 FM 359 South on August 27, 2024.

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

Next, Mr. Lee then updated the Board on the operation of the entrance gate to the WTTP.

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

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

Mr. Lee 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. Lee confirmed that the SSO Report was submitted to the TCEQ on September 1, 2024, and that the District is required to televise and repair certain portions of the District's wastewater lines.

15. Director's Reports, as necessary

Director Connor discussed the possibility of having quarterly District events and the distribution of educational materials related to water conservation and improving the operation of the WWTP by creating awareness of items that are prohibited from discharge into the wastewater treatment collection system.

The Board then discussed certain events happening within the District through the end of the calendar year, including Trunk or Treat and the annual Christmas Event.

16. Annual Review of Post-Issuance Tax-Exempt Debt Compliance Policies

Mr. Barner briefly reviewed with the Board the District's Post-Issuance Compliance Policies for tax-exempt debt. Mr. Barner informed the Board that RAB recommends no changes to such policies at this time.

17. Executive Session

Pursuant to Chapter 551 of the Texas Government Code, specifically Section 551.074 relating to personnel matters, the President called the Executive Session to order at 7:35 p.m. Present for the executive session were all members of the Board present, Mrs. Pierre, and Mr. Barner and Mr. Haskins.

The President then reconvened the meeting in open session at 8:15 p.m.

18. Adjournment

There being no further business to come before the Board, the Board meeting was adjourned at 8:20 p.m.

PASSED, APPROVED and ADOPTED this the 4th day of November, 2024.

(DISTRICT SEAL)




Secretary, Board of Directors