

**BROOKSHIRE MUNICIPAL WATER DISTRICT**  
**MINUTES OF BOARD OF DIRECTORS REGULAR MEETING**

**November 6, 2023**

The Board of Directors (the "Board" or "Directors") of Brookshire Municipal Water District (the "District") met in regular session on the 6<sup>th</sup> day of November, 2023, at 6:00 p.m., in the meeting room of the District, 4004 6<sup>th</sup> 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 were Tonya Pierre ("General Manager") and Linda Vela, employees of the District; John Taylor of Municipal Operations and Consulting, Inc. ("Operator" or "MOC"); Steve Haskins of Protocol Bookkeeping, Inc. ("Bookkeeper"); Dr. Herman Clay, PhD of Clay & Leyendecker, Inc. ("Engineer"), via telephone; James Weishuhn of Weishuhn Engineering, Inc. ("Weishuhn"); and Meredith King, attorney, of Radcliffe Adams Barner PLLC ("Attorney" or "RAB").

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 Meetings**

The Board then considered approval of the minutes from the regular meeting of October 2, 2023. 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 October 2, 2023, 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, 2024, and the year to-date expenses incurred by the District. Mr. Haskins noted that the District's total expenses, capacity reservation fees, customer district deposits and developer deposits for construction exceeded the revenue the District received in its general fund by

approximately \$750,000.00. Mr. Haskins explained to the Board that he and Mrs. Pierre are reviewing the amounts billed to and received from developers developing in the District to ensure that all amounts due to the District from such developers have been correctly billed.

In response to a question from Director Green regarding the City of Brookshire's (the "City") breach of its agreement with the District for collection of the District's ad valorem taxes, specifically the City's failure to provide the District with the District's ad valorem tax revenue for the 2022 tax year, Mr. Haskins explained the impact of such breach on the District's budget. Mr. Haskins further explained that because of the City's failure to provide such revenue, the funds in the District's debt service fund were insufficient to cover the full amount of the District's debt service obligations; therefore, funds from the District's general operating fund were used to pay some of such obligations. Mr. Haskins stated that the general operating fund will be reimbursed once those funds are received from the City. Ms. Vela next reported that the District recently received a payment from the City for the District's 2022 taxes, but the District needed to confirm whether such payment was for the entire outstanding amount. Mr. Haskins further reported that for the FYE August 31, 2024, the District owes a total of \$131,741.51 in debt service.

Mr. Haskins next presented to the Board the Quarterly Investment Report for the fourth (4<sup>th</sup>) quarter of the Fiscal Year Ended August 31, 2023.

Upon a **motion** by Director Connor, 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 Quarterly Investment Report for the fourth (4<sup>th</sup>) quarter of the Fiscal Year Ended August 31, 2023.

Mrs. Pierre entered the meeting at this time.

#### **4. Texas Water Development Board ("TWDB") Project**

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 and east of FM 362 (Project Information Form No. 62829) (the "Water Line Project"), Mr. Weishuhn reported that the Water Line Project is approximately 99% complete.

Mr. Weishuhn reported that a project walk-thru was conducted on October 11, 2023, with the TWDB and Mrs. Pierre. Mr. Weishuhn further reported that Weishuhn completed the updates to District's as-built drawings to reflect the locations of the new water line connections and valves, with the exception of the connection that still needs to be made at First Street and Cooper Street.

Mr. Weishuhn next reported Texas Pride Utilities, LLC ("Texas Pride") did not make any new connections of the new water lines to the District's water distribution system during the past month. Mr. Weishuhn explained that the remaining work to be completed on such project involves connecting segments of recently constructed water lines to the District's existing water system at First Street and Cooper Street and to abandon the old water lines on First Street, Second Street, and Third Street. Mr. Weishuhn reported that Texas Pride needs to address leaks in the service line between 3606 and 3609 First Street and a leak in the service line at Rouse Street and

First Street. Mr. Weishuhn further reported that once all connections are completed, Texas Pride will replace the soil in certain ditches that were excavated during the Water Line Project.

Mr. Weishuhn then stated that only \$2,983.95 in TWDB funds are currently available to the District and explained that in order to receive the remaining \$123,614.70 from the TWDB, closeout documents for the Water Line Project must be submitted to the TWDB. Mr. Weishuhn further explained that upon the TWDB's approval of such closeout documents, including the as-built drawings and the contractor's affidavit affirming that all pay applications were paid, the TWDB will issue a Certificate of Approval and Authorization to Release Retainage. Mr. Weishuhn went on to explain that once such certificate is issued to the District, Texas Pride will submit its final pay estimate for such project.

Mrs. Pierre next reported that MOC, Weishuhn, and the District's field staff are coordinating to make a final attempt to locate hidden valves that will allow Texas Pride to isolate old water lines. Mr. Weishuhn stated that he will provide a proposal to install tapping sleeves and valves ("TS&V"). Mr. Weishuhn stated that each TS&V will cost approximately \$5,000.00 to \$10,000.00 to install, and each Insert-a valve will cost approximately \$10,000.00 to \$15,000.00 to install.

Mrs. Pierre then reported that a leak occurred today in a District water line, and MOC will probably need to isolate approximately 50 residential properties and certain apartment complexes located on South Street in order to repair such leak. Mrs. Pierre further reported that the District will hang door tags in order to notify such property owners of the disruption in service.

Mr. Weishuhn next reported that the anticipated completion date for the Water Line Project is December 30, 2023.

## **5. Engineer's Report**

Dr. Clay then presented the Engineer's Report.

Dr. Clay reported that the Lift Station Improvements Project for the Brookwood Community Project are complete. Dr. Clay further reported that the final inspection was conducted last month. A discussion ensued regarding the charges billed to the developer for the project. The Board requested that Mrs. Pierre ensure the accuracy of all charges billed to the developer of the Brookwood Community Project before the Board accepts such project.

Dr. Clay next presented to the Board a revised Capacity Report for service to a one (1)-story development located at 803 Cooper Street. Dr. Clay reported that the property was recently sold to Imperial Consulting, LLC ("Imperial"), and the land use of such development will change from retail to office space. Dr. Clay then stated that an impact fee in the amount of \$5,801.62 will be owed by Imperial. Dr. Clay explained that currently there are six (6) tenants occupying units within such development; however, once such leases expire, Imperial will be the sole occupant of such development. Dr. Clay further explained that there are currently three (3) water meters serving such development and stated his recommendation that such meter arrangement be permitted to continue. Mrs. Pierre reported that water service to such property is still in the name of the former property owner. Mrs. Pierre explained that such property owner will need to request

that the District terminate service to her account, and Imperial will need to establish service to such property in its name. Upon a **motion** by Director Jackson, seconded by Director Connor, after full discussion and with all Directors present voting aye, the Board approved the Capacity Report for Imperial, as revised.

Dr. Clay then reminded the Board that it previously consented to DMZ Property, LLC's ("DMZ") replat of a 12.609-acre tract of land known as The Reserves at Brookshire. Dr. Clay reported that he is reviewing the developer's land plan to ensure it does not conflict with the requirements contained in the plat. Dr. Clay further reported that he was coordinating with DMZ regarding the proposed land plan, but he had not received any information from DMZ for several months. Dr. Clay went on to report that DMZ recently submitted a new application which Dr. Clay has not yet reviewed.

Dr. Clay next updated the Board regarding the development of the MASN Apartments ("MASN") located at FM 1489 and South Street. Dr. Clay 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, which was originally presented to the Board in August 2022. Dr. Clay further reminded the Board that last year, MOC was able to locate an abandoned District wastewater line within such development, but progress on such development stalled due to the cost necessary for MOC to determine whether such line can be utilized to serve MASN.

In response to a question regarding development inquiries, Dr. Clay stated that he has nothing to report.

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

**6. Land Use Assumptions, Capital Improvements Plan ("CIP") and Impact Fee**

Next, Dr. Clay presented to the Board a draft Capital Improvements Plan and Impact Fee Calculation.

Ms. King then explained to the Board the process of revising the District's CIP and Impact Fees and stated that the Capital Improvements Advisory Committee (the "Committee") will need to schedule a meeting with Dr. Clay regarding any recommended changes to the CIP and Impact Fees. Ms. King further explained that the District must hold a public hearing to allow for public comment on the CIP and Impact Fees. Ms. King added that notice of the public hearing on the Amended CIP must be published at least 30 days before the date of the hearing. Ms. King then stated that the Board will determine whether or not the CIP and Impact Fees must be amended after it has reviewed the written comments from the District's CIP Committee and held such hearing.

**7. Consider Waiving District's Developer Fees for Brookshire-Katy Drainage District ("BKDD")**

Mrs. Pierre then reported that the BKDD submitted an application for water and wastewater service to a tract of land that will be developed into the BKDD's new administrative building. Mrs. Pierre explained that the BKDD is requesting that the District waive the deposit due for such

development since the BKDD is a governmental entity. Mrs. Pierre further explained that such deposit is for the cost of evaluating service to the new building and that any such funds remaining after the Engineer has performed such evaluation are typically provided back to a developer, or at the option of such developer, applied towards service or other fees imposed by the District. After a brief discussion, it was the consensus of the Board not to waive the deposit owed by the BKDD. The Board then instructed Mrs. Pierre to send a letter to the BKDD informing them of the Board's decision.

## **8. 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 25,798,000 gallons of water was pumped from the District's wells from August 16, 2023 through September 15, 2023.

Mr. Taylor next reported that Water Well No. 3 was repaired by C&C Water Services and was placed back into operation. Mr. Taylor further reported that the Texas Commission on Environmental Quality inspected such well and found no issues.

Mr. Taylor then reported that the District's wastewater treatment plant ("WWTP") operated at 32% capacity during the month of September. Mr. Taylor further reported that 9,261,000 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 308,700 gallons per day ("gpd") and the peak daily flow was 460,600 gpd.

Next, Mr. Taylor stated that it would cost the District approximately \$19,820.00 for MOC to repair approximately eight (8) water line leaks within the District. Mr. Taylor estimated that MOC will need to run four (4) crews overnight and two (2) crews during the day in order to complete the repair of such leaks within one (1) day. Mr. Taylor stated that disruption to customers' water service should occur at approximately 11:00 p.m. and will be restored by 5:00 a.m. Mrs. Pierre reported that there are some additional leaks in certain District service lines that the District's field staff are capable of repairing. Mrs. Pierre stated that the District's field staff will coordinate with MOC to perform such repairs simultaneously in order to minimize disruption of customers' water service. Mr. Taylor noted that MOC's proposal only includes MOC's labor and materials on-hand, and that any additional materials or equipment that need to be ordered to complete such repairs will be an additional cost to the District. Mr. Taylor also noted that the cost for traffic control, if it was necessary for such project, would also be at an additional cost.

Mr. Taylor next updated the Board regarding the status of street repairs and fire hydrant repairs within the District.

Mr. Taylor then reminded the Board that he is preparing the District's Asset Management Plan as required by the TWDB when applying for grant funds. Mr. Taylor presented a draft of such plan to the Board and stated that he will coordinate with Dr. Clay to complete such plan.

Mr. Taylor next reminded the Board that the District is currently only conducting wastewater discharge sampling of two (2) commercial properties within the District to ensure compliance with the District's Industrial Waste Order. Mr. Taylor reported that in order to expand

the number of commercial properties for whom sampling is conducted, MOC is reviewing the list of commercial customers within the District.

Further discussion then ensued regarding the repair of the water line leak that occurred today. Mrs. Pierre explained that there is currently a total of 12 water line leaks within the District that need to be repaired. Mrs. Pierre stated that MOC will repair those leaks, and the District's field staff will repair ten (10) additional minor leaks in service lines.

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

**9. Matters Involving Administration/Personnel**

Mrs. Pierre then reminded the Board that last month, a District customer attended a Board meeting and alleged that her water meter was not functioning properly. Mrs. Pierre reported that such meter was tested and found to be functioning property. Mrs. Pierre stated that she would inform such customer that the meter reading was accurate and that, therefore, such customer would be responsible for paying the full amount of her water bill within ten (10) days.

Mr. Weishuhn exited the meeting at this time.

**10. Directors' Reports**

Director Green reported that she attended the Association of Water Board Directors' Fall Seminar last month and informed the Board about certain proposed propositions that will amend the Texas Constitution and any effects such propositions might have on the District were they to be approved by voters.

**11. Amended Order Appointing Tax Assessor/Collector**

Ms. King next presented to the Board for adoption an Amended Order Appointing Tax Assessor/Collector, a copy of which is available upon request. Ms. King reminded the Board that in September, the Board adopted an order appointing the Tax Assessor/Collector for the City of Brookshire (the "City") as the Tax Assessor/Collector for the District. Ms. King further reminded the Board that last month, the Board approved the termination of the Interlocal Agreement for Tax Assessor and Collector Services with the City and approved an Agreement for Services of Tax Assessor/Collector with Assessments of the Southwest, Inc. ("ASW"). Upon a **motion** by Director Jackson, seconded by Director Connor, after full discussion and with all Directors present voting aye, the Board adopted the Amended Order Appointing Tax Assessor/Collector.

**12. Attorney's Report**

Ms. King reminded the Board that RAB sent a letter to the City informing the City that the District will discontinue billing customers and collecting payment for the City's solid waste collection services. Ms. King further reminded the Board that RAB also sent a letter to the City terminating the Interlocal Agreement for Tax Assessor and Collector Services with the City. Mrs. Pierre reported that the City recently submitted a payment to the District for the City's collection of the District's ad valorem taxes for the 2022 tax year. Mrs. Pierre stated that she will

confirm with ASW that the payment submitted by the City is for the full amount owed to the District.

Mrs. Pierre then stated that pursuant to the Board's previous authorization, the District will discontinue billing customers and collecting payment for the City's solid waste collection services as of November 17, 2023.

**13. Adjournment**

There being no further business to come before the Board, the Board meeting was adjourned at 7:44 p.m.

PASSED, APPROVED and ADOPTED this the 4<sup>th</sup> day of December, 2023.



(DISTRICT SEAL)

  
Secretary, Board of Directors