

BROOKSHIRE MUNICIPAL WATER DISTRICT

MINUTES OF BOARD OF DIRECTORS REGULAR MEETING

November 21, 2022

The Board of Directors (the "Board" or "Directors") of Brookshire Municipal Water District (the "District") met in regular session on the 21st day of November, 2022, 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
<i>Vacant</i>	Assistant Secretary
Shirley Williams	Investment Officer

All members of the Board were present, thus constituting a quorum. Also attending were Tonya Pierre, General Manager of the District; Linda Guevara, employee of the District; Elliot M. Barner, attorney, of Radcliffe Bobbitt Adams Polley PLLC ("Attorney" or "RBAP"); and all persons on the attached attendance roster. Also attending via telephone was Dr. Herman Clay ("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 6:00 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 Meetings.

The Board then considered approval of the minutes from the regular meeting of October 17, 2022. Upon a **motion** by Director Williams, 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 17, 2022, as presented.

3. Update on Impact Fees Assessed on Gold Coast Rx Pharmacy ("Gold Coast").

Dr. Clay then presented a revised Capacity Report for a commercial development located at 4017 Front Street, along Highway 90, in which Gold Coast is a new tenant. Dr. Clay reported that there will be no change in the land use of the property. Dr. Clay further clarified that contrary to what he originally reported at the last Board meeting, an impact fee for such development was not paid by the original tenant. Dr. Clay stated that the impact fee owed by Gold Coast for such development is \$644.68. Upon a **motion** by Director Connor, seconded by Director Williams,

after full discussion and with all Directors present voting aye, the Board approved the Capacity Report for 4017 Front Street.

4. **Consider Authorizing Preparation of Capacity Report for Royal Morton Mobile Home Park, LLC ("Royal Morton").**

Dr. Clay then reported that Royal Morton inquired about service to a proposed mobile home park development to be located at 2458 Texas Farm-to-Market ("FM") 362. Dr. Clay explained that such property is located outside the boundaries of the District, within the extraterritorial jurisdictions of both the cities of Brookshire and Pattison. An extensive discussion ensued regarding the logistical issues related to annexation and service to such development. The Board requested that Mrs. Pierre reach out to Royal Morton and explain that the District was not able to consider service to such development at this time.

5. **Update on Land Use Assumptions, Capital Improvements Plan and Impact Fees, Including Appoint Capital Improvements Advisory Committee (the "Committee").**

Mrs. Pierre updated the Board on the status of searching for eligible candidates to serve on the Committee. A discussion ensued. Mrs. Pierre then recommended to the Board one (1) eligible candidate to serve on the Committee and stated that she has reached out to such candidate to determine his interest in serving on the Committee but has not yet had a response. Mrs. Pierre further reported that she reached out to a second (2nd) potential candidate and is waiting to hear back from such individual. In response to a question, Mr. Barner reminded the Board that no less than 40% of the members of the Committee must be comprised of members of the real estate, development and building industries and that the Committee may be comprised of no more than three (3) Directors.

6. **General Manager's Report.**

Mrs. Pierre first introduced Mr. Orlando Salas, the owner of Orlando's Pizza, who was present to discuss the impact of the District's increased water and wastewater rates on his business. Upon reviewing Mr. Salas' historical water usage, Mrs. Pierre noted that Mr. Salas used 24,440 gallons of water last month as compared to only 19,700 gallons during the previous month, which contributed to the sizable increase in his water bill. Director Green then explained the purpose of the recently implemented rate increase and stated that the District needs to raise additional revenue in order to maintain and improve the District's aging facilities and strengthen its operating reserve. A brief discussion ensued. Mr. Salas then thanked the Board for its time and commended Mrs. Pierre for her professionalism throughout the years.

7. **Review Reports Prepared by Arbitrage Compliance Specialists ("ACS").**

Mr. Barner then reviewed the ACS Rebate and Yield Restriction Compliance Report and explained that based on the findings of such report, the District has not earned above the yield on any of its investments of unspent bond funds or debt service funds than is allowable by law; therefore, the District does not owe any arbitrage rebate to the Internal Revenue Service.

8. **Discuss Process for Appointment of a New Director to Fill Vacancy and Authorize Application for Same.**

Mr. Barner next presented an Application for Appointment to the Board and recommended that the District post such application on its website to advertise the vacant position. Discussion ensued regarding the process for submittal and review of applications for such position. Upon a **motion** by Director Connor, seconded by Director Williams, after full discussion and with all Directors present voting aye, the Board approved the Application for Appointment to Board and authorized posting such application on the District website for the period of November 28th through December 16th.

9. **Attorney's Report, Including Update on Amendments to Rate Order.**

Mr. Barner then reminded the Board that last month, it approved revising the District's Rate Order relating to the District's policies for providing bulk water/temporary water for construction purposes. A discussion ensued regarding such policies and additional revisions to such Order to clarify such policies. In response to a request from Mr. Barner, Mrs. Pierre stated that she would provide Mr. Barner with a written summary of the language needed for further amendment to such Order.

10. **Adjournment.**

There being no further business to come before the Board, the Board meeting was adjourned at 7:12 p.m.

PASSED, APPROVED and ADOPTED this the 19 day of December, 2022.


Secretary, Board of Directors

(DISTRICT SEAL)

