

BROOKSHIRE MUNICIPAL WATER DISTRICT

MINUTES OF BOARD OF DIRECTORS REGULAR MEETING

February 1, 2021

The Board of Directors (the "Board" or "Directors") of Brookshire Municipal Water District (the "District") met in regular session on the 1st day of February, 2021, at 6:00 p.m., in the meeting room of the District, 4004 6th Street, Brookshire, Texas and via telephone conference call pursuant to Texas Government Code, Section 551.125, as amended, and as modified by the temporary suspension of various provisions thereof effective March 16, 2020, by the Governor of Texas (the "Governor") in accordance with the Texas Disaster Act of 1975, all as related to the Governor's proclamation on March 13, 2020, certifying that the COVID-19 pandemic ("COVID-19") poses an imminent threat of disaster and declaring a state of disaster for all counties in Texas; whereupon the roll was called of the members of the Board, to-wit:

Stephanie Green	President/Investment Officer
LaKethia Connor	Vice President
Shirley Williams	Secretary
Havanaugh Glover	Assistant Secretary
Michael Whitaker, Jr.	Director

All members of the Board were present, with Directors Green, Glover, and Connor attending via telephone conference call, thus constituting a quorum. Also attending were Tonya Pierre ("General Manager"); Linda Guevara, employee of the District; Monica A. Garza, attorney, of Radcliffe Bobbitt Adams Polley PLLC ("Attorney" or "RBAP"); John Taylor of Municipal Operations and Consulting, Inc. ("Operator" or "MOC"); Christine Burton, resident of the District; and all persons on the attached Attendance Roster. Also attending via telephone conference call were: Steve Haskins of Protocol Bookkeeping, Inc. ("Bookkeeper"); Dr. Herman Clay, PhD ("Engineer"); James Weishuhn and Barbara Weishuhn of Weishuhn Engineering, Inc. ("Weishuhn"); and Sylvia Patton of the Brookwood Community ("Brookwood").

The meeting was audio recorded by RBAP in compliance with requirements of the Texas Open Meetings Act.

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. Ms. Christine Burton introduced herself to the Board and reported that she received a letter from the District regarding an illegal connection to the District's water lines located on her property. Ms. Garza explained that an unauthorized connection to the District's water supply system is a violation of numerous provisions of the District's Rate Order and that a customer making such connection is subject to fines and penalties per the District's Rate Order. Director Connor requested that Mrs. Pierre document that Ms. Burton attended tonight's meeting in an effort to rectify the Rate Order

violations pertaining to her unauthorized connection to the District's water supply system. Mrs. Pierre agreed to meet with Ms. Burton to further discuss the unauthorized connection.

There being no further 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 January 4, 2021. Upon a **motion** by Director Whitaker, seconded by Director Williams, after full discussion and with all Directors present voting aye, the Board approved the minutes from the regular meeting of January 4, 2021.

3. Bookkeeper's Report.

Mr. Haskins then presented the Bookkeeper's Report, a copy of which is available upon request. Mr. Haskins reported that an interest payment was made on February 1, 2021, from the District's debt service account for the District's outstanding bond series.

In response to a question from Director Glover, Mr. Haskins explained that the District is over budget on maintenance and repair items, but noted that the Sanitary Sewer Overflow ("SSO") Initiative program line item is not over budget. Mr. Taylor reported that he reviewed MOC's invoices through October 2020 to determine any items related to the SSO Initiative program and categorized them accordingly on the District's budget. Mr. Taylor stated that he still needs to review MOC's invoices from November 2020 through present in order to determine whether any additional expenditures are attributable to the SSO Initiative program.

Next, Mrs. Weishuhn reminded the Board that at the January 4, 2021 Board meeting, Mrs. Pierre requested suggestions for possible funding sources for various District projects. Mrs. Weishuhn reported that she emailed Mrs. Pierre and the Attorney with three (3) suggestions for funding sources. Mrs. Weishuhn then discussed the various potential lenders, the loan amounts available from each, and the current interest rates offered by such lenders.

Mr. Haskins then reported that the amount expended by the District in the past several years for repairs to infrastructure was consistently higher than budgeted, and added that he is concerned about the District's cash flow going forward should such trend continue.

Upon a **motion** by Director Connor, seconded by Director Whitaker, after full discussion and with all Directors present voting aye, the Board approved the Bookkeeper's Report.

Mr. Haskins next reported that he sent the Quarterly Investment Report to the Board via email last month. Upon a **motion** by Director Connor, seconded by Director Williams, after full discussion and four (4) Directors present voting aye, and Director Green abstaining, the Board approved the Quarterly Investment Report.

4. Texas Water Development Board ("TWDB") Projects.

Mr. Weishuhn next updated the Board on 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 Weishuhn received a letter from the TWDB concurring with the issuance of the Notice to Proceed to Texas Pride Utilities, LLC ("Texas Pride"). Mr. Weishuhn then reported that such notice was subsequently issued to Texas Pride on the same day.

5. Engineer's Report.

Dr. Clay presented the Engineer's Report, a copy of which is available upon request.

In response to a question from Ms. Patton regarding the Brookwood Community Project, Dr. Clay reported that he anticipates advertising such project for bids in mid-March.

Dr. Clay next reported that O'Reilly Auto Parts submitted plans for construction of a store to be located at 341 FM 359 South.

6. Operator's Report.

Mr. Taylor presented the Operator's Report, a copy of which is available upon request.

Mr. Taylor then presented a quote for smoke testing of 138,500 linear feet of sewer line in the amount of \$135,000.00. Mr. Taylor explained that the District is required to advertise and bid such project since the cost is greater than \$75,000.00. Mr. Taylor then reminded the Board that as part of the SSO Initiative program, the Texas Commission on Environmental Quality ("TCEQ") is requiring that the District conduct smoke testing on 138,500 linear feet of sewer lines, as well as perform inspections and/or repairs of various manholes, by September 1, 2021. Mr. Taylor explained that the TCEQ will not grant the District additional time to complete such work. Mr. Taylor further explained that the District has limited time to complete the required smoke testing by the stated deadline because smoke testing cannot be performed during the rainy season.

Director Glover exited the meeting at this time.

In response to a question from Director Whitaker, Mr. Taylor explained that if the District does not complete the required smoke testing prior to the TCEQ's deadline, the District could be expelled from the SSO Initiative program.

Mr. Taylor next discussed the TCEQ's letter outlining the annual deadlines by which the District must address certain deficiencies in its wastewater collection systems. Mr. Taylor updated the Board regarding the status of various projects contained in the TCEQ's letter that are required to be completed by September 1, 2021.

Next, Mr. Taylor reported that a sinkhole recently developed due to deterioration of certain clay water lines. Mr. Taylor further reported that MOC replaced the damaged portion of such lines with PVC plastic.

Mr. Taylor then reminded the Board that a section of the 12-inch (12") main line on Koomey Road is damaged; however, MOC isolated the damaged line so that no customers are without water service. Mr. Taylor reported that such line is part of the Water Line Project that Weishuhn is working on and will be repaired during the course of such project; however, such repair does not need to be made right away.

Upon a **motion** by Director Whitaker, seconded by Director Connor, after full discussion and with all Directors present voting aye, the Board authorized Dr. Clay to prepare a bid package for the advertisement of the smoke testing of 138,500 linear feet of the District's sewer line.

7. Approve Training, Conferences, or Committee Meetings.

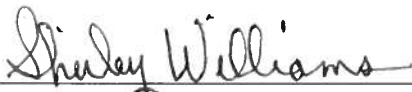
Mrs. Pierre reported that she provided the Board with information related to an upcoming virtual meeting of the West Interstate-10 Chamber of Commerce.

Director Green stated that the Board needs to schedule one (1) or more special meeting to discuss options for funding the projects related to the SSO Initiative program, the District's budget for the fiscal year ending August 31, 2021, and the Personnel Manual.

8. Adjournment.

There being no further business to come before the Board, the meeting was adjourned at 7:28 pm.

PASSED AND APPROVED on this 1 day of MARCH , 2021.


Secretary, Board of Directors

(DISTRICT SEAL)

