

BROOKSHIRE MUNICIPAL WATER DISTRICT

MINUTES OF BOARD OF DIRECTORS REGULAR MEETING

June 7, 2021

The Board of Directors (the "Board" or "Directors") of Brookshire Municipal Water District (the "District") met in regular session on the 7th day of June, 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 Glover and Whitaker attending via telephone conference call, thus constituting a quorum. Also attending were Tonya Pierre ("General Manager"); Linda Guevara, employee of the District; Steve Haskins of Protocol Bookkeeping, Inc. ("Bookkeeper"); John Taylor of Municipal Operations and Consulting, Inc. ("Operator" or "MOC"); 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 conference call were Dr. Herman Clay, PhD ("Engineer"); James Weishuhn of Weishuhn Engineering, Inc. ("Weishuhn"); and Artemio Hernandez, member of the public.

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 special meeting of April 29, 2021 and the regular meeting of May 3, 2021. Director Green stated that the May 3, 2021 minutes contain some typographical errors and requested that the Attorney review such minutes. Upon a **motion** by Director Connor, seconded by Director Whitaker, after full discussion and with all Directors present voting aye, the Board approved the minutes from the special meeting of April 29, 2021 and the regular meeting of May 3, 2021, subject to certain corrections.

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 and the year to-date budget items related to maintenance and repairs. Mr. Haskins reported that the Financial Recap page of the Bookkeeper's Report now includes an item called General Funds Available, which denotes the amount of unrestricted funds in the District's general operating fund. Mr. Haskins then noted that while the General Funds Available item shows that the District has approximately \$74,000 in unrestricted funds, MOC did not provide invoices to the District for the past two (2) months, and added that when such invoices are received and paid by the District, the General Funds Available amount will be reduced significantly.

Mr. Haskins stated that he will prepare the Texas Unclaimed Property Report on behalf of the District prior to the July 12, 2021 Board meeting.

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

4. Texas Water Development Board 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). Mr. Weishuhn reported that construction on such project is anticipated to be completed within the next 60-90 days.

5. Update on Matters Related to Compliance with the Sanitary Sewer Overflow ("SSO") Initiative Program.

In response to a question from Director Green regarding the status of the smoke testing of the District's sanitary sewer lines, Mr. Barner reminded the Board that it authorized the execution of the contract for such project at the May 17, 2021 Board meeting. Dr. Clay reported that Magna Flow Environmental ("Magna Flow"), the contractor for such project, executed the construction contract, but added that such contract needs to be provided to the District for execution. Dr. Clay further reported that he had not yet received bonds from Magna Flow. Mr. Barner then reported that RBAP must review the requisite bonds and insurance information once provided by Magna Flow. Discussion then ensued regarding the timeframe for completing the smoke testing work.

Next, Mr. Taylor reminded the Board that as part of the District's participation in the Texas Commission on Environmental Quality's (the "TCEQ") SSO Initiative program, the District must address certain deficiencies in its wastewater collection systems. Discussion then ensued regarding the TCEQ's deadlines by which such work must be performed and the status of the District's SSO projects.

6. Engineer's Report.

Dr. Clay presented the Engineer's Report.

Dr. Clay then discussed the Brookwood Community Project and reminded the Board that such project will consist of two (2) separate construction contracts, one (1) for construction of the force main and lift station upgrades and a second (2nd) contract for the pipe bursting work. Dr. Clay further reminded the Board that it previously authorized awarding the two (2) construction contracts for such project to T Construction, LLC ("T Construction"). Dr. Clay then reported that T Construction withdrew their bid for such project, stating that the bid submitted was too low and they would not be able to complete the project at that price. Dr. Clay explained that the cost of materials has increased across the industry. Dr. Clay reported that the second lowest bid received for such project was approximately \$400,000 higher than T Construction's bid.

Upon a **motion** by Director Whitaker, seconded by Director Williams, after full discussion and all Directors present voting aye, the Board: 1) approved the Engineer's Report, as presented; and 2) authorized Dr. Clay to reach out to T Construction regarding submittal of a revised bid for the Brookwood Community Project.

7. **Operator's Report.**

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

Mr. Taylor next discussed the status of geographic information system ("GIS") mapping throughout the District. Mr. Taylor reported that the District's GIS maps have not been updated since 1994 and explained that once updated, MOC and the District's field technicians will be able to access such maps while in the field.

Discussion next ensued regarding the status of a grant through the Texas Community Development Block Grant Program for replacement of the generator at the Cooper Road Water Plant. Mr. Taylor explained that such generator is old and undersized, but added that it should continue to operate until such funds become available to the District.

Mr. Taylor then reported that he did not have an update regarding the status of street repairs within the District, but stated that he will provide an update to the Board via email.

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

8. **Review and Authorize Certification of America's Water Infrastructure Act ("AWIA") Risk and Resiliency Assessment ("RRA").**

Mr. Taylor next reminded the Board that the AWIA requires water systems that serve more than 3,300 customers must develop a RRA and Emergency Response Plan that addresses areas of concern noted in the RRA. Mr. Taylor reported that MOC has completed the RRA and will present it to the Board in closed session, as it is a matter related to the security of the District's facilities.

9. **Review Matters Involving Administration/Personnel, Including Status of Payment to Employees during COVID-19.**

Director Green reported that the District's office reopened to the public on June 1st. Mrs. Pierre then discussed the status of implementing certain COVID-19-related safety measures

in the District office, including installing appropriate signage at the District's office and a plexiglass barrier in front of the receptionist desk. Discussion next ensued regarding extending the additional compensation of \$2.00 per hour to the District's full-time employees. Upon a **motion** by Director Whitaker, seconded by Director Williams, after full discussion and with four (4) Directors present voting aye, and Director Glover abstaining, the Board authorized continued payment of additional compensation of \$2.00 per hour to the District's full-time employees due to COVID-19.

10. Set Date to Conduct General Manager's Evaluation.

It was the consensus of the Board to postpone the Board's July 5, 2021 meeting to July 12, 2021.

Discussion next ensued regarding scheduling a special meeting on which to conduct the annual evaluation of the District's General Manager. It was the consensus of the Board to conduct such evaluation on July 13, 2021.

11. Status of Conversion to a Municipal Utility District ("MUD").

Mr. Barner then reminded the Board that it had previously discussed conversion of the District from a water control and improvement district to a MUD ("Conversion"). Mr. Barner also reminded the Board that Conversion would enable the District to enter into agreements with property owners to designate certain tracts of land inside the District as defined areas, and that such designation would allow registered voters within such defined areas to vote to provide bond and tax authority for the separate taxation of the defined area. Mr. Barner further explained that such authority is necessary to reimburse developers of land within such defined areas for the water, sewer and drainage facilities necessary to serve such areas. Director Green reported that she spoke with Dr. Clay and stated that he was able to answer her questions regarding Conversion. In response to a question regarding the District's next steps, Mr. Barner then recommended that the Board authorize Dr. Clay to prepare a report regarding Conversion. Mr. Barner explained that once Dr. Clay presents such report to the Board, if the Board desires to proceed with Conversion, the Board must hold a public hearing regarding Conversion. Mr. Barner went on to explain that the Board will then adopt a resolution determining that the Conversion would serve the best interests of the District and be a benefit to the land and property included in the District, and added that such resolution would then be submitted to the TCEQ, along with Dr. Clay's report regarding such Conversion. Mr. Barner further explained that the TCEQ will then issue an order on such Conversion, which will be published in a newspaper of general circulation within the District for two (2) consecutive weeks pursuant to Texas Water Code, Section 54.032.

Upon a **motion** by Director Connor, seconded by Director Whitaker, after full discussion and with all Directors present voting aye, the Board authorized Dr. Clay to prepare a report regarding Conversion.

12. Approve Training, Conferences, or Committee Meetings.

Mrs. Pierre then reported that the Texas Association of Assessing Officers' ("TAAO") and the Industry Council for Tangible Assets' ("ICTA") joint 2021 Annual Conference will be held in Austin, Texas from August 29, 2021 through September 1, 2021, and requested authorization from the Board to attend such conference.

Mrs. Pierre further reported that the Texas 811 Damage Prevention Summit will be held in Denton, Texas from November 15-17, 2021. Director Whitaker stated that MOC offered to conduct an in-house training that is equivalent to the training offered at such summit.

Upon a **motion** by Director Connor, seconded by Director Williams, after full discussion and with all Directors present voting aye, the Board authorized Mrs. Pierre's attendance at the TAAO and ICTA joint conference.

13. Executive Session.

Pursuant to Chapter 551 of the Texas Government Code, Subchapter D, of the Open Meetings Act, the President called the Executive Session to order at 7:35 p.m. to discuss matters regarding attorney-client privilege and security. Present for the executive session were the Board of Directors; Mrs. Tonya Pierre, General Manager of the District; Mr. John Taylor of Municipal Operations and Consulting, Inc., operator for the District; and Elliot M. Barner of Radcliffe Bobbitt Adams Polley PLLC, attorneys for the District.

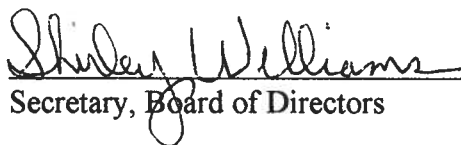
The President declared the Executive Session was ended at 7:49 p.m.

Upon a **motion** by Director Whitaker, seconded by Director Connor, after full discussion and all Directors present voting aye, the Board authorized MOC to submit the certificate of completion of the RRA to the U.S. Environmental Protection Agency on behalf of the District prior to the deadline of June 30, 2021.

14. Adjournment.

There being no further business to come before the Board, the Board meeting was adjourned at 7:55 p.m.

PASSED, APPROVED and ADOPTED this the 7 day of JULY, 2021.


Secretary, Board of Directors

(DISTRICT SEAL)

