

BROOKSHIRE MUNICIPAL WATER DISTRICT

MINUTES OF BOARD OF DIRECTORS REGULAR MEETING

August 17, 2020

The Board of Directors (the "Board" or "Directors") of Brookshire Municipal Water District (the "District") met in regular session on the 17th day August, 2020, 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:

Edith Penrice-Kelley	President
Albert Wilkins	Vice President
Stephanie Green	Investment Officer
Havanaugh Glover	Secretary
Victor Alardin	Assistant Secretary

All members of the Board were present, except for Director Alardin, and with Directors Penrice-Kelley, Green, and Glover attending via telephone conference call, thus constituting a quorum. Also attending were Tonya Pierre ("General Manager"); Linda Guevara, employee of the District; and all the persons identified on the attached Attendance Roster. Also attending via telephone conference call was Elliot M. Barner, attorney, of Radcliffe Bobbitt Adams Polley PLLC ("Attorney" or "RBAP").

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

The President, after finding that the 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.

Mr. Barner 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 July 20, 2020. Upon a **motion** by Director Green, seconded by Director Penrice-Kelley, after full discussion and with all Directors present voting aye, the Board approved the minutes from the regular meeting of July 20, 2020, as presented.

3. **Engage Auditor for Fiscal Year Ending ("FYE") August 31, 2020.**

Mrs. Pierre then presented the Auditor engagement letter, a copy of which is available upon request. Mrs. Pierre reminded the Board that the total fee charged to the District for the previous year's audit was \$13,500 and explained that the Auditor's fee to complete the audit for the FYE August 31, 2020 will be comparable. A discussion ensued on the scope of such audit and reliance on the information in the audit.

Upon a **motion** by Director Wilkins, seconded by Director Penrice-Kelley, after full discussion and with all Directors present voting aye, the Auditor was engaged to prepare the District's annual audit and annual management letter for the FYE August 31, 2020.

4. **Approve Order Adopting Budget for the FYE August 31, 2021.**

Discussion next ensued regarding the proposed budget for the FYE August 31, 2021. Mr. Barner reminded the Board that it must approve the District's budget for the FYE August 31, 2021 before the end of the month; however, such budget can be amended at any subsequent Board meeting. Director Glover proposed that the Board meet at 5:00 p.m. on Monday, August 24, 2020 and Tuesday, August 25, 2020 in workshop sessions in order to review and approve such budget. Upon a **motion** by Director Glover, seconded by Director Wilkins, after full discussion and three (3) Directors present voting aye, and Director Green abstaining, the Board approved holding workshop meetings on August 24, 2020 and August 25, 2020, to review and approve the District's budget for FYE August 31, 2021.

5. **Financial Advisor's Report.**

Next, Mr. Barner presented the 2020 tax rate analysis prepared by the District's Financial Advisor, a copy of which is available upon request. A discussion ensued regarding such analysis and the proposed rate for publication in the newspaper. Upon a **motion** by Director Penrice-Kelley, seconded by Director Glover, after full discussion and with all Directors present voting aye, the Board voted to: 1) publish a 2020 tax rate of \$0.015 per \$100 assessed valuation; 2) authorize publication of the proposed tax rate in a newspaper of general circulation within the District, at least seven (7) days prior to the public hearing date; and 3) set the date of the public hearing on such tax rate for the September 21, 2020 Board meeting.

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

Mrs. Pierre next presented the General Manager's Report, a copy of which is available upon request.

Mrs. Pierre reported an increased volume of calls from District customers within the past month regarding high water usage. Mrs. Pierre further reported that several instances of high usage within the District were identified during meter readings at the end of July, and that the subsequent re-reads of such customers' meters indicated that the amount of usage was accurate. Mrs. Pierre then noted that some instances of customers' water bills being higher than average were due to the fact that the District is not terminating service to customers with delinquent accounts and explained that such high water bills were not the result of higher than average usage during the past month, but because of an accumulation of several months of non-payment.

Mrs. Pierre then reported that some leaks had been identified on certain customers' water lines, which resulted in high water bills for such customers. In response to a question from Director Penrice-Kelley, Mrs. Pierre stated she would provide the Board with a list of such customers. In response to a question from Mrs. Pierre regarding the confidentiality of customer data, Mr. Barner reminded the Board that certain information included in a customer's account with the District is confidential pursuant to the Texas Utilities Code but that such information can be provided to the Board for review. Mr. Barner recommended that the requested information not be presented verbally in the telephone conference, but that it be provided to the Board separately and that such list contain information related to the number of complaints received and status of the District's resolution of such complaints. Mr. Barner added that the amount of customer complaints received by the District and the District's responses and resolution of such complaints are permitted to be discussed in an open meeting without specifically mentioning identifying information of such customers, absent a written customer request or such customers' attendance at the meeting. Mrs. Pierre then reported that there were a total of 11 accounts for which high water usage was identified in the past month. Mrs. Pierre explained that one (1) such customer informed her that there was a problem with the toilet handle in the second (2nd) bathroom of her home. Mrs. Pierre further explained that it was determined that another customer had a leak on his property; however, a plumber has not been able to locate such leak.

Regarding the District's contract for internet services, Mrs. Pierre reported that she is obtaining quotes from Comcast for internet service and requested that discussion on such matter be tabled until the next regular Board meeting.

Mrs. Pierre next discussed the waiver of the assessment of late fees, penalties, and termination of service to delinquent accounts pursuant to the Board's authorization of the same at its May 4, 2020 Board meeting, and resumption of the same.

7. **Update Regarding Backflow Prevention Requirements, Including Status of Letters to Customers.**

Mrs. Pierre then updated the Board regarding the status of letters sent to commercial customers informing them of the District's backflow prevention policies and the requirement that they inform the District they are compliant with such policies. Mrs. Pierre reported that several such customers have had backflow inspections performed and provided such reports to the District during the past month.

8. **Review Administration/Personnel Matters.**

Mr. Barner reminded the Board that its special meeting scheduled to be held on August 13, 2020, was cancelled shortly before such meeting was scheduled to being. Mr. Barner explained that several customers had apparently called in to such meeting to discuss their water bills with the Board and were not aware that such meeting had been cancelled. Mr. Barner further explained that an article regarding the cancellation of such meeting was published in the *Katy Times* newspaper. Extensive discussion then ensued regarding such article and procedures for cancellation of future Board meetings.

9. **Approval of Training, Conferences, or Committee Meetings.**

Mrs. Pierre then reported that the Texas 811 Damage Prevention Summit will be held in Denton, Texas on February 8-10, 2021. Upon a **motion** by Director Penrice-Kelley, seconded by Director Glover, after full discussion and with all Directors present voting aye, the Board authorized Director attendance at such conference.

10. **Election Agenda.**

Next, Mr. Barner reminded the Board that the directors election scheduled to be held on Saturday, May 2, 2020, was postponed to Tuesday, November 3, 2020 (the "Election"). Mr. Barner further reminded the Board that the Election will be for the positions currently held by Directors Penrice-Kelley, Wilkins, and Alardin, since such positions' terms of office were due to expire in May 2020.

Mr. Barner next reported that RBAP has not yet received an Election Services Agreement or a Joint Election Agreement from Waller County (the "County"). Mr. Barner then discussed payment to the County for conducting of the joint election. Upon a **motion** by Director Penrice-Kelley, seconded by Director Wilkins, after full discussion and with all Directors present voting aye, the Board approved: 1) the Election Services Agreement and Joint Election Agreement with the County, subject to review by Attorney; and 2) payment of a deposit to the County for conducting the joint election, contingent upon receipt and review by RBAP of such deposit amount.

11. **Adjournment.**

There being no further business to come before the Board, the meeting was adjourned at 6:53 p.m.

PASSED AND APPROVED this 21 day of September, 2020.


Secretary, Board of Directors