

**BROOKSHIRE MUNICIPAL WATER DISTRICT**

**MINUTES OF BOARD OF DIRECTORS REGULAR MEETING**

**September 21, 2020**

The Board of Directors (the "Board" or "Directors") of Brookshire Municipal Water District (the "District") met in regular session on the 21<sup>st</sup> day September, 2020, at 6:00 p.m., in the meeting room of the District, 4004 6<sup>th</sup> 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 and with Directors Glover and Penrice-Kelley 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 6:01 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 August 17, 2020, and the special meetings of August 24, 2020 and August 25, 2020. Upon a **motion** by Director Alardin, seconded by Director Glover, after full discussion and with four (4) Directors present voting aye and Director Wilkins abstaining, the Board approved the minutes

from the regular meeting of August 17, 2020, as presented. Upon a **motion** by Director Alardin, seconded by Director Glover, after full discussion and with four (4) Directors present voting aye and Director Wilkins abstaining, the Board approved the minutes from the special meeting of August 24, 2020, as presented. Upon a **motion** by Director Alardin, seconded by Director Glover, after full discussion and with three (3) Directors present voting aye and Directors Wilkins and Green abstaining, the Board approved the minutes from the special meeting of August 25, 2020, as presented.

**3. Engineer's Report.**

Next, Dr. Clay presented a revised Capacity Report for a proposed single-story office-warehouse to be constructed by Four Seasons Development Company at 3701 Tenth Street. Dr. Clay reminded the Board that the original Capacity Report, which was presented to the Board at the September 8, 2020 meeting, included a single water meter serving the entire development. Dr. Clay explained that the Capacity Report was revised to include one (1) meter per building and recommend such report be approved by the Board. In response to a question from Director Alardin about the recent Rate Order amendment, Mr. Barner stated Mrs. Garza had revised such order and that he was reviewing such revisions. Upon a **motion** by Director Alardin, seconded by Director Wilkins, after full discussion and with all Directors present voting aye, the Board approved the Capacity Report for the office-warehouse, as revised.

Dr. Clay, Messrs. Hartgrove and Julian exited the meeting at this time.

**4. Conduct Public Hearing on Tax Rate for 2020.**

As there were no members of the public present, the public hearing on the 2020 Tax Rate was declared closed.

**5. Adopt Order Setting Rate and Levying Tax for 2020.**

Mr. Barner reminded the Board that the 2019 tax rate was \$0.018 per \$100 of assessed valuation and that, per the Financial Advisor's recommendation, the Board authorized publication of the proposed 2020 tax rate at \$0.015 per \$100 of assessed valuation. Discussion then ensued regarding the proposed 2020 tax rate.

Mr. Barner next presented an Order Setting Rate and Levying Tax for 2020 (the "Order") to the Board for adoption, a copy of which is available upon request. Mr. Barner stated that the Order provides for the levy of a 2020 tax rate totaling \$0.015 per \$100 of assessed valuation for debt service purposes only.

Upon a **motion** by Director Alardin, seconded by Director Wilkins, after full discussion and with four (4) Directors present voting aye and Director Green abstaining, the Board adopted the Order Setting Rate and Levying Tax for 2020.

**6. Adopt Order Appointing Tax Assessor/Collector.**

Mr. Barner then presented to the Board for adoption an Order Appointing Tax Assessor/Collector, a copy of which is available upon request. Upon a **motion** by Director Alardin, seconded by Director Glover, after full discussion and with all Directors present voting aye, the Board approved the Order Appointing Tax Assessor/Collector.

**7. Approve Amended and Restated District Information Form.**

Mr. Barner then presented to the Board for adoption the Amended and Restated District Information Form ("ADIF"), a copy of which is available upon request. Mr. Barner explained that the ADIF must be amended to reflect the current tax rate and any outstanding debt. Mr. Barner further explained that the ADIF is required to be filed in the Waller County Real Property Records and with the Texas Commission on Environmental Quality (the "TCEQ"). Upon a **motion** by Director Alardin, seconded by Director Wilkins, after full discussion and with four (4) Directors present voting aye and Director Green abstaining, the Board approved the ADIF and authorized the Attorney to file the form in the Waller County Real Property Records and with the TCEQ.

**8. Adopt Resolution Concerning Tax Collection Procedures.**

Mr. Barner then presented to the Board for adoption a Resolution Concerning Tax Collection Procedure (the "Resolution"), a copy of which is available upon request. Mr. Barner next discussed the Resolution, which rejects certain tax collection procedures that permit the District to refrain from sending a tax bill to property owners for less than \$15.00, allows for a split payment option, and allows discounts for early payment. Upon a **motion** by Director Alardin, seconded by Director Penrice-Kelley, after full discussion and with four (4) Directors present voting aye and Director Green abstaining, the Board approved the Resolution Concerning Tax Collection Procedures.

**9. Approve Contract/Agreement with the City of Brookshire (the "City") to Collect Property Taxes.**

Mr. Barner then recommend that the District renew the contract with the City allowing the City Secretary to perform property tax collection services on behalf of the District. An extensive discussion ensued regarding the status of payment to the City for such services and whether a fully-executed copy of such contract was received. In response to a question, Mr. Barner stated that he will follow up with the City's attorney regarding such issues and update the Board at the October 19, 2020 Board meeting. Upon a **motion** by Director Alardin, seconded by Director Wilkins, after full discussion and with four (4) Directors present voting aye and Director Green voting no, the Board renewed the contract with the City for the performance of property tax collection services.

10. **General Manager's Report.**

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

Mrs. Pierre then discussed the status of updating the District's policies and procedures for development within the District, including the application for service/annexation, subdivision rules and related documents provided to owners and developers of property (the "Development Packet"). Mr. Barner then explained that revisions to the Development Packet based upon the Board's previous discussions of such packet had been previously provided to the Board for their review. A discussion ensued regarding whether any further updates to the Development Packet were needed at this time. Upon a **motion** by Director Alardin, seconded by Director Glover, after full discussion and with four (4) Directors present voting aye and Director Green abstaining, the Board approved the Development Packet.

Next, Mrs. Pierre reminded the Board that prior to 2012, the District issued plumbing permits. Mrs. Pierre also reminded the Board that it was her recollection that Mr. Barner advised the Board around that time that the District could not issue plumbing permits and that such practice was discontinued as a result. Mrs. Pierre added that she recalled that a letter was sent to the City informing them that they needed to issue such permits. Mr. Barner then went on to explain that his research did not find anything explicit about the issuance of permits by the District in the District's minutes that his office maintain, but that the District had maintained its own minutes around this time and that more information about such issuance might be found there. Mr. Barner also added that he found no letters or emails from his office to the City on such issuance. Mr. Barner went on to state that he did recall a discussion around that time regarding the District's issuance of plumbing permits as they related to the inspection of gas lines and that he did recall stating that such inspections were beyond the District's scope of authority. Mr. Barner then went on to explain that the District, as a general law entity, does not explicitly have authority by statute to issue plumbing permits, but that the District does have authority to perform certain inspections of water lines and wastewater lines connecting to the District's systems, which are outlined in the District's Rate Order. Mr. Barner then presented a Memo that he had prepared on the District's authority to inspect water and wastewater lines connected to the District's water and wastewater systems. An extensive discussion ensued regarding the District's inspection process and issues related to developers refusing to contact the District regarding inspection of such connections.

Mrs. Pierre then discussed the District's Rate Order and explained that it was amended several months ago to require the installation of one (1) water meter per unit for all strip-shopping centers within the District; however, it does not require one (1) meter per unit for other types of commercial developments. Upon a **motion** by Director Penrice-Kelley, seconded by Director Alardin, after full discussion and with four (4) Directors present voting aye and Director Green abstaining, the Board approved amending the District's Rate Order to require separate connections.

Director Penrice-Kelley arrived at the meeting in person at this time.

**11. 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.

**12. Adjournment.**

There being no further business to come before the Board and upon a **motion** by Director Glover, seconded by Director Alardin, after full discussion and with all Directors present voting aye, the Board the meeting was adjourned at 7:27 p.m.

**PASSED AND APPROVED** this 19 day of October, 2020.

  
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Secretary, Board of Directors