

BROOKSHIRE MUNICIPAL WATER DISTRICT
MINUTES OF BOARD OF DIRECTORS REGULAR MEETING

July 17, 2023

The Board of Directors (the "Board" or "Directors") of Brookshire Municipal Water District (the "District") met in regular session on the 17th day of July, 2023, 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
Shirley Williams	Investment Officer
<i>Vacant</i>	Director

All members of the Board were present, except Director Williams, thus constituting a quorum. Also attending were Tonya Pierre, General Manager of the District; John Taylor of Municipal Operations and Consulting, Inc. ("Operator" or "MOC"); Elliot M. Barner, attorney, of Radcliffe Adams Barner PLLC ("Attorney" or "RAB"); and all persons on the attached attendance roster.

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 Meeting.

The Board then considered approval of the minutes from the regular meeting of June 20, 2023. Upon a **motion** by Director Connor, seconded by Director Jackson, after full discussion and with all Directors present voting aye, the Board approved the minutes from the regular meeting of June 20, 2023, as presented.

3. Amendment to Operator's Professional Services Agreement.

Mr. Taylor then presented to the Board a proposed amendment to the District's service agreement with MOC. Mr. Taylor explained that such amendment includes rate increases for MOC's labor due to the increased cost of labor and materials over the past year.

Upon a **motion** by Director Connor, seconded by Director Jackson, after full discussion and all Directors present voting aye, the Board approved an amendment to the District's Professional Services Agreement with MOC, subject to review by the Attorney.

4. Compliance with the Sanitary Sewer Overflow ("SSO") Initiative Program.

Mr. Taylor next reminded the Board that as part of the District's participation in the Texas Commission on Environmental Quality's ("TCEQ") SSO Program, the TCEQ requires that the District address certain deficiencies in its wastewater collection systems by certain annual deadlines. Mr. Taylor reported that by September 1, 2023, the District is required to complete a televised evaluation of certain portions of such system and to complete 30% of the repairs needed to such portions. Mr. Taylor further reported that by such date, the District is also required to begin a televised evaluation of certain other portions of such system and to repair ten (10) of the District's manholes.

Mrs. Pierre then reminded the Board that the District previously conducted smoke testing on its wastewater lines in order to address certain deficiencies in its wastewater collection systems, and it was determined that damaged cleanout caps are the primary source of infiltration into such system. Mrs. Pierre further reported that she is coordinating with RAB regarding the incorrect addresses of customers with damaged cleanout caps as were provided by the smoke testing contractor. Mrs. Pierre stated that once the correct addresses are identified, letters will be sent notifying such customers that if their cleanout caps are not replaced within 30 days, a door tag will be hung on such customers' door and such customers' service will be subsequently terminated.

5. General Manager's Report.

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

Mrs. Pierre then reminded the Board that at the July 6, 2023 Board meeting, a District customer informed the Board that she recently sold a residential property within the District but had not terminated service to such property. Mrs. Pierre further reminded the Board that such customer stated that while no one was occupying such residence, her water bill was approximately \$500.00. Mrs. Pierre then updated the Board regarding her discussions with such customer relating to such customer's water bill.

6. Update on Riverwood Farms Residential Development Project ("Riverwood").

Mr. Barner then updated the Board regarding the status of annexation of the proposed 173-acre 500-lot single-family residential development of Riverwood, which is located outside the boundaries of the District. Mr. Barner reported that RAB provided Riverwood with drafts of the annexation documents that were approved by the Board at the July 6, 2023 Board meeting. Mr. Barner stated that he anticipates receiving the executed documents from the developer tomorrow and will provide them to the Board and Mrs. Pierre for review once received.

7. **Amend Ethics Policy Relating to Amendment of Texas Water Code Section 49.060.**

Mr. Barner next explained that pursuant to House Bill 2815 of the 88th Legislative Session, Section 49.060 of the Texas Water Code was amended to allow the Board to set the fees of office per day at an amount not greater than the amount of fees set by the Texas Ethics Commission ("TEC") for members of the legislature under Section 24a, Article III, Texas Constitution, provided the fees of office shall not exceed a sum of \$7,200 per annum. Mr. Barner stated that the current legislative per diem set by the TEC is \$221.00 per day. Mr. Barner then explained that the District's Ethics Policy states a director's fees of office shall not exceed the fees of office permitted under Chapter 49 of the Texas Water Code, as amended; therefore, it is not necessary to amend the Ethics Policy in order for the Board to approve an increase in the Directors' fees of office.

Upon a **motion** by Director Jackson, seconded by Director Connor, after full discussion and all Directors present voting aye, the Board voted to set the Directors' fees of office at \$221.00 per day, effective June 18, 2023.

8. **Update on Applications for Appointment of a New Director to Fill Vacancy.**

Mrs. Pierre next reminded the Board that an Application for Appointment to the Board is posted on the District's website. Mrs. Pierre then updated the Board regarding the receipt of such applications. It was the consensus of the Board to extend the deadline by which to submit applications to August 18, 2023.

9. **Determine Development Status of District Under Texas Water Code Section 49.23603 for 2023 Tax Year.**

Mr. Barner explained that the Board will need to determine whether the District is considered to be a "developing" or "developed" district, as defined in Texas Water Code Section 49.23603, for purposes of calculating the District's 2023 tax rate. Mr. Barner further explained that the District is a developing district, and therefore, the District may adopt a 2023 tax rate in an amount that does not exceed 1.08 times the amount of tax imposed by the District in the 2022 tax year.

Upon a **motion** by Director Connor, seconded by Director Jackson, after full discussion and with all Directors present voting aye, the Board voted to declare the District a developing District for purposes of calculating the District's 2023 tax rate.

10. **Approve Training and Conferences.**

Mrs. Pierre reported that the North Central Texas Council of Government will host an online Public Funds Investment Act ("PFIA") training seminar on August 7 and 8, 2023. Mrs. Pierre then reminded the Board that as the District's Investment Officer, Director Williams is required to attend four (4) hours of training related to the PFIA every other year.

Upon a **motion** by Director Connor, seconded by Director Jackson, after full discussion and with all Directors present voting aye, the Board authorized the Directors' attendance at the PFIA training seminar.

11. **Attorney's Report.**

Mr. Barner then stated that RAB is finalizing a memorandum regarding the bills passed during the 88th Legislative Session. Mr. Barner further stated that he will distribute such memorandum electronically once finalized.

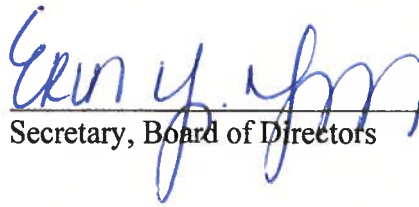
12. **Adjournment.**

There being no further business to come before the Board, the Board meeting was adjourned at 6:24 p.m.

PASSED, APPROVED and ADOPTED this the 21st day of August, 2023.



(DISTRICT SEAL)


Secretary, Board of Directors