

BROOKSHIRE MUNICIPAL WATER DISTRICT
MINUTES OF BOARD OF DIRECTORS REGULAR MEETING

October 2, 2023

The Board of Directors (the "Board" or "Directors") of Brookshire Municipal Water District (the "District") met in regular session on the 2nd day of October, 2023, at 6:30 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. Attending were Tonya Pierre ("General Manager"); John Taylor of Municipal Operations and Consulting, Inc. ("Operator" or "MOC"); Steve Haskins of Protocol Bookkeeping, Inc. ("Bookkeeper"); Dr. Herman Clay, PhD of Clay & Leyendecker, Inc. ("Engineer"), via telephone; James Weishuhn of Weishuhn Engineering, Inc. ("Weishuhn"); and Elliot M. Barner, attorney, of Radcliffe Adams Barner PLLC ("Attorney" or "RAB").

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 6:31 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 regular meeting of September 11, 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 September 11, 2023, as presented.

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 for the Fiscal Year Ending August 31, 2024, and the year to-date expenses incurred by the District.

Mr. Haskins next explained that the Quarterly Investment Report for the fourth (4th) quarter of the Fiscal Year Ended August 31, 2023, will be presented at the November 6, 2023 Board meeting.

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

4. Annual Review of Investment Policy

Mr. Barner explained that pursuant to Texas Government Code, Section 2256.005(e), as amended, the District is required to review its Investment Policy and investment strategies not less than annually. Mr. Barner clarified that such review did not mean that such policy was required to be amended by the Board, but that such review required that the Board adopt an order acknowledging that it had reviewed such policy and that no changes had been recommended to same.

5. Order Amending List of Qualified Brokers

Mr. Barner next reminded the Board pursuant to the District's Investment Policy, the District's List of Qualified Brokers must also be reviewed. Mr. Barner then explained that certain banks have been added to the list of the District's authorized brokers since such list was approved by the Board at its annual review.

Upon a **motion** by Director Jackson, seconded by Director Connor, after full discussion and with all Directors present voting aye, the Board: 1) approved the Order Reviewing Investment Policy, as presented; and 2) adopted the amended list of the District's authorized brokers.

6. Texas Water Development Board Project

Regarding 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 the Water Line Project is approximately 99% complete.

Mr. Weishuhn reported that within the past month, several old water lines were isolated and disconnected from the District's water distribution system. Mr. Weishuhn further reported that Texas Pride Utilities, LLC ("Texas Pride") made several connections of the new water lines to the District's water distribution system along FM 1489. Mr. Weishuhn explained that Texas Pride connected the fire suppression water line for the Westside 10 Industrial Warehouse Building to the District's water distribution system along FM 1489. Mr. Weishuhn further explained that such work was not included in the scope of the Water Line Project, but that Weishuhn decided to make such connection for safety reasons. Mr. Weishuhn then reported that Texas Pride connected the new water line for the Brooks Hotel to the District's water distribution system and replaced the concrete driveway on such property.

Next, Mr. Weishuhn presented to the Board Texas Pride's Pay Estimate Nos. 12 and 13 in the amounts of \$44,887.50 and \$44,432.45, respectively. Mr. Weishuhn reported that following the payment of such invoices, \$32,147.00 will remain in the budget for the Water Line Project and added that the District is withholding retainage in the amount of \$94,451.65.

Mr. Weishuhn next reminded the Board that the substantial completion date for the Water Line Project was September 30, 2023. Mr. Weishuhn explained that the remaining work to be completed on such project involves connecting certain segments of recently constructed water lines to the District's existing water system and connecting certain service lines to such water lines. Mr. Weishuhn reported that Texas Pride needs to address leaks in the service line between 3606 and 3609 First Street and a leak in the service line at Rouse Street and First Street. Mr. Weishuhn further reported that once all connections are completed, Texas Pride will replace the soil in certain ditches that were excavated during the Water Line Project.

Mr. Weishuhn then reported that Weishuhn is updating the District's as-built drawings to reflect the locations of the new water line connections and the previously hidden valves.

Upon a **motion** by Director Connor, seconded by Director Jackson, after full discussion and all Directors present voting aye, the Board approved Texas Pride's Pay Estimate Nos. 12 and 13 in the amounts of \$44,887.50 and \$44,432.45, respectively.

7. **Engineer's Report**

Dr. Clay then presented the Engineer's Report.

Dr. Clay first updated the Board regarding the status of the lift station improvements for the Brookwood Community Project and explained that the final inspection is scheduled to be conducted later this week.

Dr. Clay next reviewed with the Board a Capacity Report for RLS Holdings, Inc. ("RLS"), which was previously discussed with the Board at its September 11, 2023 meeting. Dr. Clay reminded the Board that RLS is requesting water and wastewater service to a single-story storage facility located at 1102 Franklin Street. Dr. Clay reported that RLS recently purchased the property from Gary Woods Electrical Service, Inc. and added that RLS is not proposing to construct any additional structures on such property that require water and wastewater service. Dr. Clay further reported that the Impact Fee owed by RLS is \$1,139.90. A discussion ensued regarding such fees, and in response to a question from Mr. Barner, Dr. Clay concurred with Mr. Barner's recommendation to require the written acknowledgment of the property owner clarifying the amount of capacity to be used by RLS' development. Mr. Barner stated that RAB will coordinate with Dr. Clay to issue a utility commitment letter to RLS.

In response to a question, Dr. Clay confirmed that he received no development inquiries during the past month.

Upon a **motion** by Director Connor, seconded by Director Jackson, after full discussion and all Directors present voting aye, the Board approved the Engineer's Report, as presented, including authorizing RAB to prepare a utility commitment letter for RLS.

8. Operator's Report

Mr. Taylor then presented the Operator's Report, a copy of which is available upon request. Mr. Taylor reported that a total of 29,596,000 gallons of water was pumped from the District's wells from July 15, 2023 through August 16, 2023.

Mr. Taylor next reported that the District's wastewater treatment plant ("WWTP") operated at 31% capacity during the month of July. Mr. Taylor further reported that 9,072,000 gallons of influent was treated at the WWTP during the previous month. Mr. Taylor went on to report that last month, the District's average daily flow was 302,400 gallons per day ("gpd") and the peak daily flow was 530,300 gpd.

Mr. Taylor then explained that Weisinger Incorporated ("Weisinger") inadvertently disassembled the motor for Water Well No. 3, incorrectly believing that they were supposed to complete the reconstruction of such well on behalf of the District. Mr. Taylor reminded the Board that C&C Water Services ("C&C") was awarded the construction contract for the repair of such well, and therefore, Weisinger should not have performed such work. Mr. Taylor further reminded the Board that Weisinger had only been authorized to televise the interior of the well in order to determine the necessary repairs. A discussion ensued and Mr. Taylor stated that S.T.P. Services ("STP") was reassembling the motor. Mr. Taylor further stated that once he receives the invoice from STP for such reassembly, he will forward it to Weisinger for payment. Mr. Taylor added that he will include Mr. Barner in his correspondence with Weisinger going forward in the event that Weisinger refuses to pay the costs associated with reassembling such motor.

Mr. Taylor then presented information from Badger Meter, Inc. regarding water accountability and improving leak detection. A discussion ensued regarding various options for improving the District's water accountability, including the inspection and/or replacement of old commercial water meters. It was the consensus of the Board that Mr. Taylor obtain an estimate for the inspection of only water meters utilized by the District's top commercial users. The Board also encouraged MOC and the District's meter technicians to continue to be diligent in repairing known leaks in the District's water distribution system.

Mr. Taylor next updated the Board regarding the status of street repairs and fire hydrant repairs within the District and discussed a plan with the Board to address further service interruptions during such repairs. The Board urged the Operator and General Manager to coordinate performing as many such repairs simultaneously to minimize service interruptions throughout the entire City of Brookshire.

Mr. Taylor next reminded the Board that pursuant to the U.S. Environmental Protection Agency's updated Lead and Copper Rule, the District must prepare an inventory of all water lines within the District, both public and privately owned, by October 2024. Mr. Taylor stated that MOC is coordinating with Mrs. Pierre and the District's field staff to perform such inventory.

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

9. **Approve Setting Up a Charge Account with O'Reilly Auto Parts**

Mrs. Pierre then presented to the Board a commercial credit application to be submitted to O'Reilly Auto Parts. Upon a **motion** by Director Jackson, seconded by Connor, after full discussion and with all Directors present voting aye, the Board approved the credit application with O'Reilly Auto Parts.

10. **Discuss Applying for Another Credit Card**

Ms. Pierre explained that after conversations with the Bookkeeper, she recommends that the District apply for a new credit card to replace the credit card it currently has through Wells Fargo Bank ("Wells Fargo"). Ms. Pierre further explained that Wells Fargo's banking requirements are cumbersome for the District to comply with and that it charges the District late fees for failing to submit payment within 30 days.

Upon a **motion** by Director Jacson, seconded by Director Connor, after full discussion and with all Directors present voting aye, the Board authorized Mrs. Pierre to apply for a District credit card on behalf of the District.

11. **Directors' Reports**

Director Connor reported that she missed only four (4) questions and earned a score of 92 on her exam to receive her basic water operator's license. Director Connor and Mr. Taylor then discussed the contents of the exam and the process for applying for such license.

12. **Executive Session**

Pursuant to Chapter 551 of the Texas Government Code, specifically Section 551.071 relating to matters of attorney/client privilege, the President called the Executive Session to order at 7:45 p.m. Present for the executive session were all members of the Board present, Mrs. Pierre, and Mr. Barner.

The President then reconvened the meeting in open session at 8:33 p.m.

13. **Adjournment**

There being no further business to come before the Board, the Board meeting was adjourned at 8:33 p.m.

PASSED, APPROVED and ADOPTED this the 6th day of November, 2023.



(DISTRICT SEAL)


Secretary, Board of Directors