

**BROOKSHIRE MUNICIPAL WATER DISTRICT**  
**MINUTES OF BOARD OF DIRECTORS REGULAR MEETING**

**October 3, 2022**

The Board of Directors (the "Board" or "Directors") of Brookshire Municipal Water District (the "District") met in regular session on the 3<sup>rd</sup> day of October, 2022, at 6:00 p.m., in the meeting room of the District, 4004 6<sup>th</sup> 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
Michael Whitaker, Jr.	Assistant Secretary
Shirley Williams	Investment Officer

All members of the Board were present, thus constituting a quorum. Attending in person were Tonya Pierre ("General Manager"); John Taylor of Municipal Operations and Consulting, Inc. ("Operator" or "MOC"); Dr. Herman Clay, PhD ("Engineer"); Steve Haskins of Protocol Bookkeeping, Inc. ("Bookkeeper"); James Weishuhn of Weishuhn Engineering, Inc. ("Weishuhn"); Monica A. Garza, attorney, of Radcliffe Bobbitt Adams Polley PLLC ("Attorney" or "RBAP"); Vinod Kikani and Tony Lewis of Twin Lakes, LLC ("Twin Lakes"); Yonin Villares of T Construction, LLC ("T Construction"); Randall Liska of MASN Apartments ("MASN"); 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 6:03 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 May 23, 2022 and the regular meeting of September 6, 2022. Upon a **motion** by Director Williams, seconded by Director Jackson, after full discussion and with all Directors present voting aye, the Board approved the minutes from the special meeting of May 23, 2022 and the regular meeting of September 6, 2022, 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 ("FYE") August 31, 2023 and the year to-date expenses incurred by the District.

Mr. Haskins next reminded the Board that Director Williams is the District's Investment Officer and added that Director Williams completed the necessary training relating to the Public Funds Investment Act.

Mr. Haskins then reviewed with the Board the Quarterly Investment Report ("QIR") for the fourth (4<sup>th</sup>) quarter of the FYE August 31, 2022.

Upon a **motion** by Director Whitaker, seconded by Director Connor, after full discussion and with all Directors present voting aye, the Board approved: 1) the Bookkeeper's Report, as presented; and 2) the QIR for the fourth (4<sup>th</sup>) quarter of the FYE August 31, 2022.

**4. Annual Review of Investment Policy and Investment Strategies.**

Ms. Garza 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. Ms. Garza 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. Adopt Order Amending List of Authorized Brokers.**

Ms. Garza next reported that the Bookkeeper provided a list of the District's authorized brokers and stated that there were no new brokers added to such list since the Board approved such list last year.

Upon a **motion** by Director Whitaker, seconded by Director Williams, after full discussion and all Directors present voting aye, the Board: 1) adopted an Order Reviewing Investment Policy and Investment Strategies; and 2) approved the list of the District's authorized brokers.

**6. Texas Water Development Board ("TWDB") Projects.**

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 remains approximately 89% complete. Mr. Weishuhn further reported that the scheduled completion date for such project was August 9<sup>th</sup>. Mr. Weishuhn explained that the remaining work to be completed involves connecting certain segments of recently constructed water line to the District's existing water system and connecting certain service lines to such water lines. Mr. Weishuhn then reported that within the past month, approximately 12 isolation valves were located on the east side of Brookshire Gardens, allowing the contractor to connect three (3) or four (4) new water lines to the District's water system.

Mr. Weishuhn further reported that MOC was unable to locate any isolation valves in the area southwest of Kenney Street and U.S. Highway 90, which means that Inserta-valves must be installed in order to complete work in such area without disconnecting water service to the entire District.

Mr. Weishuhn next reported that a leak was detected in the District's water line on Fourth Street, but the contractor has not yet identified the source of such leak.

Mr. Weishuhn then presented Change Order No. 2 for the installation of Inserta-valves and tapping sleeves relating to the Water Line Project. Mr. Weishuhn stated that the contractor has not yet provided pricing for such items.

Upon a **motion** by Director Whitaker, seconded by Director Jackson, after full discussion and all Directors present voting aye, the Board approved: 1) the TWDB Projects Report, as presented; and 2) Change Order No. 2.

#### 7. **Engineer's Report.**

Dr. Clay then presented the Engineer's Report.

Dr. Clay reminded the Board that the Brookwood Community Project consists of two (2) separate construction contracts, one (1) of which is a contract for construction of the force main and the pipe bursting work (the "Force Main and Pipe Bursting Project"). Dr. Clay then stated that the Force Main and Pipe Bursting Project is complete; however, T Construction is requesting the Board's approval of change order no. 2 in the amount of \$15,030.75 for additional work that was necessary relating to the installation of the force main. Dr. Clay explained that the soil excavated during such project was harder than anticipated and required the use of larger equipment and one (1) additional week of work by T Construction's crew to complete. Dr. Clay then stated that he does not recommend that the Board approve such change order because in his opinion, T Construction could have determined the soil density prior to bidding such project. Dr. Clay next reminded the Board that it previously approved a change order submitted by T Construction in the amount of \$16,499.12 for the increased cost of materials necessary for the Force Main and Pipe Bursting Project. Mr. Villares then stated that the Force Main and Pipe Bursting Project was completed for approximately \$30,000.00 less than the contract amount, including the amount requested in change order no. 2. Mr. Villares further stated that soil samples were not provided to T Construction when such project was advertised; therefore, the soil conditions were not known when T Construction submitted its bid. Director Green suggested that the Board consider approving a change order for only the cost of labor for the additional work performed by T Construction on the Force Main and Pipe Bursting Project, but not for the additional cost related to fuel or equipment rental. It was the consensus of the Board to table further discussion regarding T Construction's change order no. 2 request until the November 7<sup>th</sup> Board meeting.

Mr. Lewis then stated that Twin Lakes is requesting the District's preliminary approval of the plat for a 104-acre tract of land to be developed by Twin Lakes, explaining that the City of Brookshire (the "City") is requiring Twin Lakes to obtain such approval from the District prior to receiving approval of such plat from the City. Mr. Lewis explained that Twin Lakes intends to install a detention pond on such property in order to comply with Waller County's drainage

requirements and to account for planned future development on the site. Mr. Lewis further explained that the Board's approval of such plat only pertains to such proposed detention pond. Mr. Lewis then reported that the proposed detention pond will drain into the Brookshire-Katy Drainage District's ("BKDD") wastewater collection system and added that the BKDD already approved such plat. Dr. Clay next reported that the District has a ten-inch (10") water line located within the proposed detention pond which will have to be relocated. Dr. Clay further stated that before the Board preliminary approves the Twin Lakes' plat, certain revisions need to be which have been previously explained to Mr. Lewis. Dr. Clay then reminded the Board that it previously approved Twin Lakes' request to abandon the existing ten-inch (10") water line to install a new twelve-inch (12") water line along the perimeter of Twin Lakes' property. Dr. Clay further reminded the Board that construction of such line will be funded by Twin Lakes. Ms. Garza explained that Twin Lakes is requesting only the District's preliminary approval of the plat at this time, and the Board will need to approve construction plans for Twin Lakes' development at a later date. Upon a **motion** by Director Whitaker, seconded by Director Connor, after full discussion and with four (4) Directors present voting aye, and Director Williams abstaining, the Board voted to: 1) issue preliminary approval of Twin Lakes' plat, subject to Twin Lakes' future construction of a twelve-inch (12") water line and detention pond within such development and Twin Lakes' revisions of the submitted plat as requested by Dr. Clay; and 2) authorize RBAP to prepare a letter agreement with Twin Lakes regarding such preliminary approval.

Director Green and Messrs. Kikani, Lewis and Weishuhn exited the meeting at this time.

Discussion then ensued regarding the process for the District and City's approval of plats submitted by developers. In response to a question from Director Connor regarding whether Twin Lakes paid a deposit for the work performed by Dr. Clay in reviewing the plat, Mrs. Pierre stated that the City only recently requested that the District approve such plat.

Mr. Villares exited the meeting at this time.

Dr. Clay next presented the Capacity Report for service to a medical distribution center to be developed by Rehoboth Ventures, LLC ("Rehoboth") at 3603 South Street. Dr. Clay reported that Rehoboth will store and mail medication from such location but will not manufacture any medication. Dr. Clay further reported that the single-family residential building currently located on such property will be converted into office/storage space by Rehoboth. Dr. Clay then stated that the impact fee owed to the District by Rehoboth is \$3,336.87. Upon a **motion** by Director Williams, seconded by Director Jackson, after full discussion and with all Directors present voting aye, the Board approved the Capacity Report for Rehoboth.

Dr. Clay then reminded the Board that Jefferson Triangle Marine Company ("Jefferson") owns the vacant tract of land on Interstate 10 adjacent to the Flying J Travel Center and requested that the District extend the water and wastewater lines running along the north side of Interstate 10 in order to serve future developments located on such tract. Dr. Clay reported that Jefferson has not responded to his comments to Jefferson's plans for such tract and recommended that such item be removed from future Board meeting agendas.

Dr. Clay next reminded the Board that Roland 5, LLC ("Roland") owns 3.25 acres of land located at Interstate 10 and Solomon Lane and that Roland is requesting that the District approve

Roland's subdivision plat, which separates such land into two (2) separate tracts. In response to a question from Dr. Clay regarding the status of the Board's approval of such plat, Mrs. Pierre explained that the Board has not yet approved such plat because Dr. Clay was still waiting for Roland to provide the District with a survey of such property and more detailed plans.

Dr. Clay then updated the Board regarding MASN's development located at FM 1489 and South Street. Dr. Clay reported that MOC will be on-site next week to locate certain District water lines.

Director Green re-entered the meeting at this time.

Mr. Liska then reported that MASN was informed by the City that the City would send the plans submitted by MASN to the District and the BKDD for approval; however, he understands that such plans were not provided to the District by the City. Mr. Taylor stated that MOC will commence exploratory digging next week to locate certain District water lines necessary to serve MASN.

Dr. Clay exited the meeting at this time.

**8. Discuss Amending Rate Order to Add Construction/Builder Meters.**

Mrs. Pierre then requested that the Board consider changes to the District's Rate Order related to the District's policies for providing bulk water/temporary water for construction purposes. Discussion then ensued regarding the current process for applying for and receiving such water service. Mr. Taylor explained that once construction of a development is complete, MOC installs a tap and water meter; however, the builder must request that a customer service inspection ("CSI") be performed by the District before water service is transferred from the builder's account to the customer's account. Director Green recommended that the Board amend the District's Rate Order to include provisions relating to providing bulk water/temporary water for construction purposes. Director Green further recommended that the Rate Order state that builders are prohibited from obtaining such water service on a construction project, until such builder pays the District for the water used and CSI fee for any previous projects on which such builder obtained bulk or temporary water. Mrs. Pierre suggested that the provision of bulk water/temporary water for construction purposes be limited to six (6) months per project.

It was the consensus of the Board to defer further action on this matter until the October 17<sup>th</sup> Board meeting.

**9. 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 28,055,000 gallons of water was pumped from the District's wells from July 15, 2022 through August 16, 2022.

Mr. Taylor next reported that the District's wastewater treatment plant ("WWTP") operated at 48% capacity during the month of August. Mr. Taylor further reported that 14,095,900 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 469,863 gallons per day ("gpd") and the peak daily flow was 985,600 gpd.

Next, Mr. Taylor explained that MOC's operating expenses increased within the past year due to increased fuel prices. Mr. Taylor then presented and reviewed with the Board a proposed agreement from MOC for a variable fuel surcharge based upon the average price of fuel each month. Upon a **motion** by Director Whitaker, seconded by Director Williams, after full discussion and with all Directors present voting aye, the Board approved the agreement with MOC for a variable fuel surcharge.

Mr. Taylor then reported that recent inspections of the District's water wells determined that well no. 3 has only two-feet (2') of submergence within such well, and if the water level reduces further, the pump will begin to intake air and may be damaged. Mr. Taylor further reported that such well was taken out of operation so that it may be evaluated. Mr. Taylor explained that the recent drought lowered the water level of the aquifer from which the District pumps groundwater, which may be contributing to the reduced water level in such well. Mr. Taylor went on to report that water well no. 5 has only 15-feet (15') of submergence, which is lower than normal, but such cannot be taken out of operation at this time.

Next, Mr. Taylor reported that the aeration basin at the WWTP needs to be drained and cleaned because it contains two feet (2') of silt. Mr. Taylor then presented proposals in the amount of \$25,000.00 and \$18,500.00 from Source Point and K3, respectively, to drain and clean such aeration basin. Mrs. Pierre stated that she will request a written proposal from Hot Taps to drain and clean such aeration basin. Upon a **motion** by Director Whitaker, seconded by Director Connor, after full discussion and with all Directors present voting aye, the Board authorized Hot Taps to drain and clean such aeration basin at a cost not to exceed \$20,000.00.

Mr. Taylor then updated the Board regarding the status of repairs to certain District fire hydrants and manholes. Mrs. Pierre reported that MOC is completing repairs to two (2) hydrants and/or manholes per month, excluding emergency repairs.

**10. Review Matters Involving Administration/Personnel.**

Mrs. Pierre reported that one (1) of the District's temporary employees resigned and a new temporary employee was recently hired.

**11. Directors' Reports.**

Director Williams stated that she received inquiries from customers regarding the increase in the District's wastewater rates and added that she directed such customers to contact the District's office staff for an explanation of such rates.

**12. Adjournment.**

There being no further business to come before the Board, the Board meeting was adjourned at 7:58 p.m.

PASSED, APPROVED and ADOPTED this the 7 day of November, 2022.



(DISTRICT SEAL)

*Erin Y. ypm*  
Secretary, Board of Directors