

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

**February 5, 2024**

The Board of Directors (the "Board" or "Directors") of Brookshire Municipal Water District (the "District") met in regular session on the 5<sup>th</sup> day of February, 2024, 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
Shirley Williams	Investment Officer
<i>Vacant</i>	Director

All members of the Board were present, thus constituting a quorum. Attending were Tonya Pierre ("General Manager"); Willis Holmes, employee of the District; John Taylor and Javier Hernandez 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"); Elliot M. Barner, attorney, of Radcliffe Adams Barner PLLC ("Attorney" or "RAB"); Brandon Schwartz, via telephone, and Misti Flores with Royal Morton Mobile Home Park, LLC ("Royal Morton"); Sylvia Patton of Brookwood Community ("Brookwood"); 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 6:10 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 July 20, 2022, and the minutes from the regular meeting of January 3, 2024. 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 of the special meeting of July 20, 2022, and the regular meeting of January 3, 2024, 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.

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

**4. Discuss Developer Deposits**

Mrs. Pierre then reported that she has been coordinating with the District's Bookkeeper to send invoices to developers developing property within the District whose deposits paid to the District have been exhausted. The Board requested that Mrs. Pierre provide them with copies of the invoices prior to sending them to such developers.

**5. Engineer's Report**

Dr. Clay then presented the Engineer's Report.

Dr. Clay next presented the Capacity Report for Brookwood's renovation of two (2) residential buildings located on FM 1489. Dr. Clay stated that such property is not located within the boundaries of the District. Dr. Clay reported that the buildings were constructed before the District began assessing Impact Fees; therefore, no Impact Fees were owed on the original development. Dr. Clay then explained that the current renovation requires the payment of Impact Fees by Brookwood in the amount of \$1,847.49. Dr. Clay stated that the existing buildings located on Brookwood's property are all served by a single master water meter. Dr. Clay then reminded the Board that the District's current Rate Order requires individual buildings to have separate water meters; however, he recommends that the Board waive such requirement as the buildings on Brookwood's property were constructed prior to such requirement.

Dr. Clay then reminded the Board that it previously consented to DMZ Property, LLC's ("DMZ") replat of a 12.609-acre tract of land known as The Reserves at Brookshire. Dr. Clay reported that DMZ made some, but not all, revisions to their plans that they were previously instructed to make.

Mr. Schwartz next reminded the Board that in 2021, Royal Morton inquired about service to a proposed manufactured home park development and requested annexation of such property into the District. Mr. Schwartz stated that he did not receive a response from the District to his inquiry and request. Mr. Schwartz further stated that Royal Morton is still interested in annexation of their property into the District and receiving service from the District. Dr. Clay explained that at the time of Royal Morton's original inquiry, several developers were requesting service to developments located outside the boundaries of the District and that the Board declined to authorize the District's Engineer to proceed with preparation of a feasibility study for such development. Mr. Schwartz stated that Royal Morton was never informed of the Board's decision to deny Royal Morton's request for service and annexation.

Upon a **motion** by Director Jackson, seconded by Director Williams, after full discussion and with all Directors present voting aye, the Board approved the Engineer's Report, including the Capacity Report for Brookwood, including waiver of the requirement for individual water meters for each of the buildings to be renovated.

Mrs. Flores exited the meeting at this time.

**6. Land Use Assumptions, Capital Improvements Plan ("CIP") and Impact Fees**

Mr. Barner reported that the Capital Improvements Advisory Committee (the "Committee") met with Dr. Clay on January 25, 2024, to discuss the District's CIP and Impact fees. Dr. Clay then reviewed with the Board his proposed amendments to the District's Land Use Assumptions, CIP and Impact Fees. Mr. Barner next presented to the Board the Committee's written comments regarding the Land Use Assumptions, CIP and Impact Fees, including the Committee's recommendation to accept Dr. Clay's proposed amendments to the same.

Next, Mr. Barner presented to the Board an Order Setting Public Hearing to Discuss Land Use Assumptions, CIP and Impact Fees (the "Order"). Mr. Barner then explained that in order to amend the District's CIP and Impact Fees, the District must hold a public hearing to allow for public comment on the CIP and Impact Fees. Mr. Barner added that notice of the public hearing on the amended CIP and Impact Fees must be published at least 30 days before the date of the hearing. Mr. Barner then stated that the Board will determine whether or not the CIP and Impact Fees shall be amended after such hearing is conducted.

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 amendments to the District's Land Use Assumptions, CIP and Impact Fees, as presented; 2) adopted the Order setting the date for the public hearing on the District's Land Use Assumptions, CIP and Impact Fees for March 18, 2024; and 3) authorized publication of the notice of public hearing in *The Waller Times*, which is a newspaper of general circulation within the District, at least 30 days prior to the date of the public hearing.

**7. Texas Water Development Board (the "TWDB") 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 next reported that Texas Pride Utilities, LLC ("Texas Pride") did not perform any work on the Water Line Project during the past month. Mr. Weishuhn then stated that the TWDB approved the outlay for Texas Pride's Pay Application No. 15 in the amount of \$9,870.50 for work performed in December 2023. Mr. Weishuhn requested that the Board approve payment of such pay application. Mr. Weishuhn reported that following payment of such pay application, approximately \$9,559.00 remains in the budget for the Water Line Project. Mr. Weishuhn then reported that the District is holding \$95,581.05 in retainage.

Mr. Weishuhn then reported that Texas Pride is evaluating the old asbestos clay water line along Second Street to determine the location of connections that need to be capped through an excavation process called potholing. Mr. Weishuhn further reported that in order to economically abandon such line, it will require disruption of service to the entire District. Mr. Weishuhn explained that if water service is terminated to the entire District, Texas Pride will be able to cap the old water lines at such time. Mr. Weishuhn stated that such service interruption will occur on or around March 1, 2024. Mr. Weishuhn went on to report that once all of the old water lines are abandoned and the new water line connections are completed, Texas Pride will replace the soil in certain ditches that were excavated during the Water Line Project.

Mr. Weishuhn then reminded the Board that Weishuhn previously submitted a project information form ("PIF") to the TWDB for the funding a water meter replacement project, but such PIF was rejected as such proposed project did not meet the TWDB's requirements for eligibility. Mr. Weishuhn went on to explain that such PIF can be resubmitted to the TWDB as-is, but it may not be approved due to certain changes in the census data for the Greater Brookshire Area resulting in the average income for such area being above the low-to-moderate-income ("LMI") threshold, which would disqualify the District from receiving such funds. Mr. Weishuhn stated that it would be possible to have a survey performed within the District to make a determination that the average income within the District is below the LMI threshold.

Upon a **motion** by Director Jackson, seconded by Director Williams, after full discussion and with all Directors present voting aye, the Board: 1) accepted the TWDB Project Report, as presented; 2) approved Texas Pride's Pay Application No. 15 in the amount of \$9,870.50; and 3) authorized Weishuhn to resubmit the PIF to the TWDB.

## **8. Operator's Report**

Mr. Taylor presented the Operator's Report, a copy of which is available upon request. Mr. Taylor reported that a total of 20,346,000 gallons of water was pumped from the District's wells from November 15, 2023 through December 16, 2023.

Mr. Taylor reported that a customer complained about the backflow of wastewater on his property, and MOC investigated such District's wastewater line up to the point where such line connects to such customer's wastewater tap. Mr. Taylor further reported that neither the District's line nor the customer's tap showed signs of failure. Mr. Taylor added that such customer filed a complaint with the Public Utilities Commission (the "PUC") and that the PUC subsequently determined that the District was not at fault for the backflow of wastewater reported by the customer.

Mr. Taylor then reported that the District's wastewater treatment plant ("WWTP") operated at 28% capacity during the month of December. Mr. Taylor further reported that 8,195,900 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 273,197 gallons per day ("gpd") and the peak daily flow was 795,800 gpd.

Mr. Taylor next reported that he completed his portion of the District's Asset Management Plan, which is required by the TWDB when applying for grant funds, and added that he provided such plan to Dr. Clay and Mrs. Pierre for their review.

Mr. Taylor then reminded the Board that a pump valve on the lift station located on Seventh Street is failing. Mr. Taylor presented a written proposal from S.T.P. Services ("S.T.P.") to replace such pump in the amount of \$25,000. A discussion ensued regarding the timeline for completing such work and submitting payment to S.T.P.

Upon a **motion** by Director Connor, seconded by Director Williams, after full discussion and with all Directors present voting aye, the Board: 1) approved the Operator's Report, as presented; and 2) approved the proposal from S.T.P. in the amount of \$25,000.

**9. Sanitary Sewer Overflow ("SSO") Initiative Program**

Mr. Taylor then reminded the Board that as part of the District's participation in the Texas Commission on Environmental Quality's ("TCEQ") SSO Program, the District is required to address certain deficiencies in its wastewater collection systems. Mr. Taylor further reminded the Board that by September 1, 2024, the District is required to televise and repair certain portions of the District's wastewater lines. Mr. Taylor reported that MOC televised certain District water lines and identified five (5) manholes in need of repair. Mr. Taylor further reported that those repairs are complete. Mr. Taylor went on to report that an electrical failure occurred at the WWTP, which caused an overflow at such plant. Mr. Taylor stated that such incident was reported to the TCEQ.

**10. Administration/Personnel**

It was the consensus of the Board to postpone the date of its second (2<sup>nd</sup>) February meeting to February 20, 2024, due to the President's Day holiday.

The Board then took a brief recess 7:35 p.m. and reconvened at 7:45 p.m.

**11. Executive session**

Pursuant to Chapter 551 of the Texas Government Code, specifically Sections 551.071 and 551.074 relating to matters of attorney-client privilege and personnel matters, respectively, the President called the Executive Session to order at 7:45 p.m.

The President then reconvened the meeting in open session at 8:45 p.m.

**12. Attorney's Report, Including Adopt Proposed Plan for Defined Area No. 1**

Mr. Barner reminded the Board that because the District is a municipal utility district, property owners are able to request that the District designate their property as a defined area for development purposes to pay for improvements, facilities or services that benefit those properties. Mr. Barner further reminded the Board that Riverway Properties, the developer of the proposed approximately 173-acre residential development of Riverwood Farms, requested that the District

designate the property as a defined area (the "Defined Area") and adopt a proposed plan to serve such area. Discussion ensued regarding the requirements for designation of defined areas.

Next, Mr. Barner presented to the Board a Resolution Adopting Proposed Plan for Defined Area, which includes a proposed plan that defines the Defined Area property by metes and bound and a proposed plan of taxation that will apply to the Defined Area.

Upon a **motion** by Director Connor, seconded by Director Jackson, after full discussion and with all Directors present voting aye, the Board approved the Resolution Adopting Proposed Plan for Defined Area and all matters related thereto, subject to finalization by RAB.

**13. Election Agenda**

Mr. Barner then reminded the Board that a director's election is scheduled to be held on Saturday, May 4, 2024 ("Directors Election"), and that such election will be for Position Nos. 4 and 5 held by Directors Connor and Williams, respectively, and for Position No. 3, which is vacant. Mr. Barner stated that the application filing deadline is 5:00 p.m. on Friday, February 16, 2024. Mr. Barner then presented to the Board an Order Calling Directors Election for May 4, 2024.

Mr. Barner next reminded the Board that a proposed special election is also scheduled to be held on Saturday, May 4, 2024 (the "Defined Area Election"). Mr. Barner next presented an Order Calling Defined Area Election, which calls a special election for the Defined Area that is solely for the resident electors residing in such defined area for May 4, 2024.

Upon a **motion** by Director Connor, seconded by Director Jackson, after full discussion and with all Directors present voting aye, the Board adopted: 1) the Order Calling Directors Election; and 2) the order Calling Defined Area Election.

**14. Adjournment**

There being no further business to come before the Board, the Board meeting was adjourned at 8:55 p.m.

PASSED, APPROVED and ADOPTED this the 4<sup>th</sup> day of March, 2024.

(DISTRICT SEAL)



  
Secretary, Board of Directors