

BROOKSHIRE MUNICIPAL WATER DISTRICT

MINUTES OF BOARD OF DIRECTORS REGULAR MEETING

April 4, 2022

The Board of Directors (the "Board" or "Directors") of Brookshire Municipal Water District (the "District") met in regular session on the 4th day of April, 2022, 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
Shirley Williams	Secretary
Havanaugh Glover	Assistant Secretary
Michael Whitaker, Jr.	Investment Officer

All members of the Board were present, except Director Glover, thus constituting a quorum. Also attending were Tonya Pierre ("General Manager"); Mike Williams and Jacob Gutierrez of Municipal Operations and Consulting, Inc. ("Operator" or "MOC"); Dr. Herman Clay, PhD ("Engineer"), via teleconference; James Weishuhn of Weishuhn Engineering, Inc. ("Weishuhn"); Huey Phelps of Texas Pride Utilities, LLC ("Texas Pride"); Monica A. Garza, attorney, of Radcliffe Bobbitt Adams Polley PLLC ("Attorney" or "RBAP"); 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 6:02 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 March 7, 2022. Director Green noted that a correction is required on page 3 of such minutes in regard to the source of funds for the District's purchase of a new generator. Director Green clarified that the purchase of such generator will be funded through a separate grant that the District applied for directly.

Upon a **motion** by Director Whitaker, seconded by Director Williams, after full discussion and with all Directors present voting aye, the Board approved the minutes from the regular meeting of March 7, 2022, subject to certain corrections.

3. Bookkeeper's Report.

Mrs. Pierre next reported that Mr. Steve Haskins is not present at tonight's meeting and added that copies of the Bookkeeper's Report were provided to the Board prior to tonight's meeting. Mrs. Pierre then reviewed with the Board the Bookkeeper's Report, a copy of which is available upon request.

In response to a question from Ms. Garza regarding the amount of funds expended by the District year-to-day on online credit card processing fees, Mrs. Pierre stated that she will confirm such amount with the District's Bookkeeper.

In response to a question from Director Green, Mrs. Pierre reviewed with the Board the amount of revenue earned by the District last month from impact fees and customer deposits.

In response to a question from Director Green, Mrs. Pierre reminded the Board that the District has historically paid the fees associated with customers' payment for service via credit card payments. Mrs. Pierre explained that the amount of such fee is based on a percentage of the credit card payment made by each customer. Director Green suggested that the Board consider amending the District's Rate Order to recover the amount of such fees.

4. Texas Water Development Board Projects.

Mr. Weishuhn next updated the Board on 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 work is ongoing related to replacement of water lines located under certain portions of Union Pacific Railroad Company's railroad tracks.

Mr. Weishuhn then reported that Weishuhn is reviewing invoices submitted by Texas Pride for the work performed in March 2022. Mr. Weishuhn stated that such invoices have not yet been submitted to the District for payment.

Mr. Weishuhn next reported that Weishuhn is performing quality assurance checks regarding Texas Pride's boring work on FM 362 and FM 1489. Mr. Weishuhn further reported that quality assurance checks are also being performed on the valves being installed on the new water lines along Kinney Street. Mr. Weishuhn went on to report that Texas Pride is in the process of connecting residential customers to the new water lines in various areas of the District. Mr. Weishuhn stated that the District's entire water system may need to be shut off while certain work on the Water Line Project is performed due to the lack of isolation valves on the District's water lines, but Weishuhn will attempt to minimize the disruption to customers.

Mr. Weishuhn then reported that approximately 65 days remain in the District's contract for the Water Line Project. Mr. Weishuhn further reported that such project is 82% complete.

5. **Discuss Funding for Generator Upgrade and New Generator at Love's Travel Stop ("Love's").**

Dr. Clay stated that the land on which Love's is located was annexed into the City of Katy ("Katy"); therefore, Love's may begin receiving water service from Katy and discontinue being a customer of the District. Dr. Clay then suggested that the Board reconsider the purchase of a new generator at Love's location. A brief discussion ensued regarding temporarily leasing a generator for use at such location.

6. **Engineer's Report.**

Dr. Clay presented the Engineer's Report.

Dr. Clay updated the Board regarding the status of the Brookwood Community Project and reported that pipe bursting work has commenced. Dr. Clay requested that Mrs. Pierre provide him with the photographs from the televising of the existing water lines so that he can determine the lines for which pipe bursting will be appropriate.

Dr. Clay then reported that in December 2021, the Board approved the Capacity Report for four (4) proposed office-warehouse buildings to be located at 3601 Tenth Street. Dr. Clay further reported that the developer previously paid the impact fee required for such buildings; however, such developer now desires to use a portion of the property as lot on which to store used vehicles. Dr. Clay explained that such change in land use will require the developer to pay an additional impact fee in the amount of \$750.98. Dr. Clay then stated that a separate water meter is required to be installed within each building located in such development.

Dr. Clay next reported that Jefferson Triangle Marine Company ("Jefferson") owns the vacant tract of land on Interstate 10 adjacent to the Flying J Travel Center. Dr. Clay further reported that Jefferson is requesting that the District extend the water and sewer lines running along the north side of Interstate 10 in order to serve future developments located on such tract. Dr. Clay stated that all construction costs will be borne by Jefferson. Dr. Clay further stated that easements along Interstate 10 and/or Otto Street will be required for such project. Dr. Clay went on to state that RBAP will need to prepare an agreement with Jefferson regarding ownership and maintenance of such water and sanitary sewer lines. Dr. Clay reported that the District cannot guarantee capacity until the land use of such development is determined. Mrs. Pierre then stated that in 2012, the District entered into an agreement with the property owner to extend the District's water and sanitary sewer lines across the entire length of Jefferson's tract. Mrs. Pierre further stated that she will confirm whether such lines were actually extended.

Dr. Clay then updated the Board regarding the proposed 173-acre single-family residential development of Riverwood Farms ("Riverwood"). Dr. Clay reported that the District committed water capacity to Riverwood Farms, subject to annexation of such property into the District and the District's conversion to a municipal utility district ("MUD"). Dr. Clay reminded the Board that the developers of Riverwood originally proposed developing approximately 300 single-family units, but since that the District only has wastewater capacity to serve 150 such units, that a new wastewater treatment plant ("WWTP") would need to be constructed to serve the entire development.

7. **Update on Matters Related to Compliance with the Sanitary Sewer Overflow ("SSO") Initiative Program.**

Mrs. Pierre then reported that Dr. Clay reviewed the reports prepared by Magna Flow Environmental ("Magna Flow") regarding smoke testing of the District's sanitary sewer lines and determined that the majority of defects were found to be in the cleanouts. Dr. Clay then discussed such reports and recommended payment to Magna Flow for the completion of such project. Dr. Clay reminded the Board that as part of the District's participation in the Texas Commission on Environmental Quality's (the "TCEQ") SSO Initiative program, the District was required to address certain deficiencies in its wastewater collection system. Dr. Clay stated that the reports provided by Magna Flow satisfy the TCEQ's requirements.

8. **Update on Status of Conversion from a water control and improvement district to a MUD ("Conversion").**

Ms. Garza then reminded the Board that it previously adopted a Resolution Declaring Intent to Convert to a MUD and Authorizing an Application for Conversion to the TCEQ. Ms. Garza reported that such resolution was published for two (2) consecutive weeks in the *Waller Times* pursuant to Texas Water Code, Section 54.032. Ms. Garza further reported that RBAP intends to submit the application for Conversion to the TCEQ within the week.

Dr. Clay exited the meeting at this time.

9. **Operator's Report.**

Mr. Williams then presented the Operator's Report, a copy of which is available upon request. Mr. Williams reported that a total of 19,875,000 gallons of water was pumped from the District's wells from January 15, 2022 through February 16, 2022.

Mr. Williams next reported that the District's WWTP operated at 44% capacity during the month of February. Mr. Williams further reported that 12,039,400 gallons of influent was treated at the WWTP during the previous month. Mr. Williams went on to report that last month, the District's average daily flow was 429,979 gallons per day ("gpd") and the peak daily flow was 1,035,600 gpd.

Messrs. Weishuhn and Phelps exited the meeting at this time.

Discussion then ensued regarding repairs to certain fire hydrants and manholes located within the District. Mr. Williams reviewed with the Board a proposal previously presented by MOC in the amount of \$51,929.00 for the repair of five (5) of the District's fire hydrants. Director Whitaker requested that MOC prioritize the repair of the fire hydrants located at the intersections of Otto and Fifth Streets and Velasco and Sixth Streets. Further discussion then ensued regarding installation of isolation valves so that MOC will not be required to turn off the water to the entire District in order to repair the fire hydrants. The Board then recommended that MOC perform such repairs overnight on April 12th and provide notice to customers on April 8th regarding the upcoming service disruption. Mrs. Pierre stated that the District office must receive the door tag notifications prior to distribution of the same to customers. Director Whitaker then noted that two (2) valves are covered by asphalt and must be excavated before the fire hydrants can be repairs.

In response to a question from Director Whitaker, Mrs. Pierre then reported that the balance in the District's operating fund was \$164,606.04 as of March 1st. Director Green then reminded the Board that the Brookshire Economic Development Corporation ("EDC") contributed \$40,000.00 toward the cost of smoke testing of the District's sanitary sewer lines and added that she will attend the next EDC meeting to thank them for such contribution of funds.

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

10. Bookkeeper's Report, Continued.

In response to a question from Director Connor regarding certain expenses billed to the District by the Bookkeeper, Mrs. Pierre explained that Mr. Haskins charges the District for mileage traveled when he retrieves bookkeeping documents from the District office. Discussion then ensued regarding methods by which to reduce administrative costs incurred by the District. In response to a question from Director Connor regarding the District's response to a customer's request to the District for public information, Ms. Garza stated that Mrs. Pierre coordinated with RBAP to respond to such request to ensure the District's response is in compliance with the Texas Public Information Act.

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

11. Attorney's Report.

Regarding the proposed 2.8841-acre townhome development known as the Brookvista Townhomes and the proposed 10.342-acre townhome development known as the Brookview Townhomes, Ms. Garza reported that RBAP has drafted agreements regarding ownership and maintenance of the water and sanitary sewer lines within such developments. Ms. Garza further reported that late last week, RBAP received the necessary exhibits to such agreements from the developers. Ms. Garza stated that such agreements will be provided to the Board for review prior to the April 18th Board meeting.

Next, Mrs. Pierre reported that the District's water and sanitary sewer lines do not extend across the entire length of Jefferson's tract.

12. Adjournment.

There being no further business to come before the Board, the Board meeting was adjourned at 7:49 p.m.

PASSED, APPROVED and ADOPTED this the 9 day of MAY, 2022.

Shirley Williams
Secretary, Board of Directors

(DISTRICT SEAL)

