

BROOKSHIRE MUNICIPAL WATER DISTRICT
MINUTES OF BOARD OF DIRECTORS REGULAR MEETING

June 1, 2020

The Board of Directors (the "Board" or "Directors") of Brookshire Municipal Water District (the "District") met in regular session on the 1st day of June, 2020, at 6:00 p.m., in the meeting room of the District, 4004 6th Street, Brookshire, Texas and via telephone conference call at 713-955-6338, Access Code 2371225, pursuant to notice of said meeting posted in accordance with Chapter 551 of the Texas Government Code and pursuant to the Texas Governor's suspension of certain Texas Open Meetings Act ("OMA") provisions due to the novel coronavirus ("COVID-19"), whereupon the roll was called of the members of the Board, to-wit:

Edith Penrice-Kelley	President
Albert Wilkins	Vice President
Stephanie Green	Investment Officer
Havanaugh Glover	Secretary
Victor Alardin	Assistant Secretary

All members of the Board were present, with Directors Green and Glover attending via telephone conference call, thus constituting a quorum. Also attending were Tonya Pierre ("General Manager"); and Linda Guevara, employee of the District. Also attending via telephone conference call were: Steve Haskins of Protocol Bookkeeping, Inc. ("Bookkeeper"); John Taylor of Municipal Operations and Consulting, Inc. ("Operator" or "MOC"); Dr. Herman Clay, PhD ("Engineer"); James Weishuhn of Weishuhn Engineering, Inc. ("Weishuhn"); Sylvia Patton of the Brookwood Community ("Brookwood"); Monica Garza, attorney, of Radcliffe Bobbitt Adams Polley PLLC ("Attorney" or "RBAP"); and all persons on the attached Attendance Roster.

The meeting was audio recorded by RBAP in compliance with requirements of the OMA.

The President, after finding that the 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 6:07 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. Engineer's Report.

Dr. Clay presented the Engineer's Report, a copy of which is available upon request.

Dr. Clay first presented and reviewed a feasibility study prepared for the proposed 27,000 square-foot sports complex to be constructed at the Brooke Hotel (the "Complex"). Dr. Clay explained that installation of a grease trap and sampling well are not required by the Complex in order to receive service from the District because the majority of the Complex will consist of badminton courts. Dr. Clay stated that the impact fee estimate

provided to the Board at its May 18, 2020 meeting was based upon an incorrect estimate of the amount of water required for the operation of the Complex. Dr. Clay reported that Mr. Sandeep Gupta, the owner of the Brooke Hotel and developer of the Complex, has since provided Dr. Clay with copies of water and sewer bills from the past 24 consecutive months of a comparable badminton center in Missouri City. Dr. Clay further reported that upon reviewing such bills, he revised his calculations to reflect an anticipated capacity need of 1.6 equivalent single-family connections ("ESFCs"), and noted that an impact fee of \$6,930.95 will be due from the developer prior to the receipt of service from the District, in addition to other applicable charges provided for in the District's Rate Order. Dr. Clay noted that Mr. Gupta will be required to install a backflow prevention device on the property of the Complex.

Director Wilkins entered the meeting at this time.

Dr. Clay next reported that he reviewed the drawings for the Complex provided to him by Mr. Gupta and provided his comments on such drawings to Mr. Gupta. Mr. Gupta then stated that all of Dr. Clay's comments are being addressed and required revisions will be included in the plans that he is submitting to the City of Brookshire (the "City") for review. In response to a question by Mrs. Pierre, Mr. Gupta stated that the drawings submitted to Dr. Clay show the existing fire hydrant located on the property. Mr. Gupta then explained that the City is requiring that the Fire Marshall have access to such hydrant and added that he may install an additional fire hydrant in the parking lot of the Complex. Mrs. Pierre informed Mr. Gupta that if the City requires the installation of an additional fire hydrant on-site, then plans for such hydrant will need to be submitted to the District for review. Upon a **motion** by Director Alardin, seconded by Director Wilkins, after full discussion and with all Directors present voting aye, the Board approved the Capacity Report for the Complex, subject to receipt of revisions to the drawings for such Complex as requested by Dr. Clay.

Regarding the Brookwood Project, Dr. Clay reported that he expects to request the Board's authorization to obtain bids for such project at the July 6, 2020 Board meeting.

Dr. Clay then reminded the Board that a notice of violation was issued to the District by the Texas Commission on Environmental Quality (the "TCEQ") due to the District's inability to provide requested as-built drawings of the District's elevated tanks. Dr. Clay explained that such tanks were constructed in 1952 and in 1981, and such drawings no longer exist. Dr. Clay reported that he prepared and submitted reports regarding such tanks to the TCEQ.

Next, Dr. Clay stated that he is preparing a Capacity Report for Thomas Instrument and anticipates providing such report to the developer in the next week. Dr. Clay requested tabling discussion of such Capacity Report until the Board's July 6, 2020 meeting.

3. Discuss Virat Crossing and Request For Easement Variance

Mrs. Pierre then reported that Mr. Anil Sharma submitted a request to the District to remove or relocate certain utility lines and a 25-foot (25') District-owned easement located on the property of Virat Crossing (the "Virat Crossing Easement"). Mr. Sharma

introduced himself to the Board and explained that the corporate engineer for Whataburger submitted drawings to Dr. Clay for the development of a restaurant within Virat Crossing. Mr. Sharma further explained that such drawings indicate a conflict with the District-owned Virat Crossing Easement. Mr. Sharma requested that the District consider relocating its Virat Crossing Easement to a different location on the property so that Whataburger may proceed with such development. Additionally, Mr. Sharma requested that the Virat Crossing Easement be re-sized to accommodate a driveway as reflected in Whataburger's drawings.

Dr. Clay explained that the Brookwood force main, a water line, and a sanitary sewer line will eventually be constructed within the Virat Crossing Easement; therefore, a developer will not be permitted to pave over such easement. Dr. Clay further explained that there is not enough space within the Virat Crossing Easement to construct such lines inside of sleeves, as had been previously proposed by Mr. Sharma. Dr. Clay suggested that Mr. Sharma coordinate with the City in order to re-plat and expand the property that he is proposing to sell to Whataburger to the East of the existing boundary of such property so that Whataburger can construct its driveway on that expanded portion of the property. Mr. Sharma then stated that Whataburger is willing to give up a ten-foot (10') easement between the proposed lot and the Super Motel 8 located on the adjacent lot. Mr. Sharma requested that the District utilize such proposed easement and re-size or relocate the Virat Crossing Easement. Dr. Clay then stated that he provided Mr. Sharma with a drawing with a proposed solution. Dr. Clay stated that all drawings for such proposed Whataburger development will be sent to the Board for review, and suggested that further discussion on such matter be tabled until the Board's June 15, 2020 meeting.

4. Review Refund Request from Anil Sharma for MOC Charges

Mr. Jasmeet Paul of Alexander Plaza introduced himself to the Board and went on to discuss charges for traffic control costs associated with the project in the amount of \$3,200. Mr. Paul added that a safety fee of \$1,200 was also charged to Alexander Plaza. Mr. Paul explained that he was told that police would be involved in such traffic control due to the location of the development; however, police were never present on-site. Mr. Paul further explained that the only traffic control efforts that he observed were four (4) traffic cones and a sign placed in the road. Mr. Taylor clarified that MOC did not inform Alexander Plaza that the police would be involved with the traffic control efforts. Mr. Taylor then stated that the trench safety fee charged to Alexander Plaza was already reduced and cannot be reduced further. Mr. Taylor further stated that he will contact the construction foreman to verify what was included in the traffic control efforts and provide such information to Mr. Sharma. Director Kelley requested that further discussion regarding the fees charged to Alexander Plaza be tabled until the June 15, 2020 meeting.

Mrs. Pierre next reported that a deposit has not been paid to the District for Dr. Clay's work related to the proposed Whataburger development. Director Kelley instructed Mrs. Pierre to provide Mr. Sharma with a packet of information regarding the District's deposit requirements.

5. **Texas Water Development Board ("TWDB") 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. 12613) (the "Water Line Project"). Mr. Weishuhn reminded the Board that the drawings for such project have been submitted to the TWDB and to the Texas Department of Transportation ("TxDOT") for review and stated that Weishuhn has responded to all comments received thus far. Mr. Weishuhn then reminded the Board that Weishuhn is in the process of obtaining permits from the Union Pacific Railroad Company ("Union Pacific") for the replacement of such water lines that are located under certain portions of Union Pacific's railroad tracks. Mr. Weishuhn reported that permit applications and fees have been submitted to Union Pacific, and Weishuhn expects to receive a response within sixty (60) days.

Mr. Weishuhn then reported that Weishuhn has started the permitting process with TxDOT for the Water Line Project regarding the installation of such water line within the FM 1489 right-of-way operated by TxDOT. Mr. Weishuhn further reported that TxDOT provided Weishuhn with comments regarding such project, which Weishuhn is currently addressing. Mr. Weishuhn further reported that Weishuhn has obtained permits from Enterprise Products Partners L.P. ("Enterprise") because such water line will also cross crude oil pipelines owned by Enterprise.

Mr. Weishuhn next reported that the TWDB completed its environmental review of the Water Line Project, and noted that the only comment received related to the work to be performed within in the flood zone areas in the Northeast part of the City. Mr. Weishuhn explained that following acceptance of bids and selection of a contractor, Weishuhn will assist the construction contractor in obtaining the appropriate permits from the City. Mr. Weishuhn then reported that the TWDB's technical review of the Water Line Project is expected to be complete by the end of the month. Next, Mr. Weishuhn reported that he expects to hold a pre-bid conference for such project on August 12, 2020, and to accept bids for such project on September 2, 2020.

6. **Bookkeeper's Report.**

Mr. Haskins then presented the Bookkeeper's Report, a copy of which is available upon request.

In response to a question by Director Green regarding the checks submitted to the Board for approval today, Mr. Haskins explained that the current Bookkeeper's Report only includes checks for the Directors' fees of office earned through mid-April 2020.

Upon a **motion** by Director Wilkins, seconded by Director Alardin, after full discussion and all Directors present voting aye, the Board approved the Bookkeeper's Report.

Mr. Haskins next reminded the Board that at its May 4, 2020 meeting, it authorized Mr. Haskins to transfer the District's funds held with Wells Fargo Bank to accounts held

by Allegiance Bank ("Allegiance"). Mr. Haskins next reported that he is coordinating with Mrs. Pierre to obtain all necessary documentation in order to open such accounts with Allegiance.

Mr. Haskins then stated that he will send the District's Quarterly Investment Report to Mrs. Pierre tomorrow for distribution to the Board. It was the consensus of the Board to table discussion regarding such Quarterly Investment Report until the July 6, 2020 Board meeting.

Mr. Haskins then reported that he is in the process of preparing the Texas Unclaimed Property Report and will present such report to the Board at its July 6, 2020 meeting.

7. **Update Regarding Backflow Prevention Requirements, Including Status of Customer Service Evaluations (the "Evaluations").**

Mrs. Pierre then reported that letters were sent to approximately 80 commercial customers informing them of the District's backflow prevention policies and the requirement that they inform the District they are compliant with such policies. Mrs. Pierre further reported that 22 such customers have had backflow inspections performed and provided certifications of compliance to the District. Mrs. Pierre stated that door tags will be sent to those customers who did not respond to such letters and do not have a certification of compliance on file with the District.

8. **Approve Minutes of Prior Meetings.**

The Board then considered approval of the minutes from the regular meeting of May 4, 2020. Upon a motion by Director Alardin, seconded by Director Glover, after full discussion and with four (4) Directors voting aye, and Director Wilkins abstaining, the Board approved the minutes from the regular meeting of May 4, 2020.

9. **Review Policies and Procedures for Development within the District.**

Mrs. Pierre reminded the Board that she, Dr. Clay and Mr. Taylor met to review the District's current policies and procedures relating to new development within the District. Mrs. Pierre reported that she was unable to schedule a meeting with the District's Development Committee, comprised of Directors Green and Alardin, to discuss improving such policies and procedures. Director Kelley requested that Mrs. Pierre coordinate with Directors Green and Alardin prior to the Board's June 15, 2020 Board meeting, so that a special workshop meeting can then be scheduled with the entire Board to discuss improving such policies and procedures.

10. **Discuss COVID-19 Pay for Personnel**

Mrs. Pierre next explained that she would like the Board to consider paying the District's employees hazard pay in the amount of an additional \$1.00 per hour for the duration the COVID-19 situation. Discussion ensued regarding the duration of such hazard pay and retroactive payment of the same. Director Green stated that such pay must be

appropriately labeled on the employees' checks in order to avoid confusion when such additional compensation is discontinued. Ms. Garza noted that there is not an expected date by which the current COVID-19 situation will end, and recommended that the Board reconsider the continuation of the hazard payments on a monthly basis. Upon a **motion** by Director Green, seconded by Director Wilkins, after full discussion and with four (4) Directors voting aye, and Director Alardin voting no, the Board approved the additional compensation of \$1.00 per hour to the District's employees beginning, retroactively, on March 17, 2020, and to continue such payment until July 1, 2020. It was the consensus of the Board to review authorization of such additional compensation every 30 days.

11. Operator's Report.

The Operator's Report was then presented by Mr. Taylor, a copy of which is available upon request.

Mr. Taylor reported that that MOC took eight (8) bacteriological samples and that the results of such samples were normal.

Mr. Taylor next reported that a bracket broke on the grease ring of one of the District's clarifiers. Mr. Taylor further reported that MOC made a temporary repair to such clarifier and is soliciting bids from several contractors for the cost of a permanent repair. Mr. Taylor noted that the operation of the Wastewater Treatment Plant was not affected by such damage to the clarifier.

12. Approval of Training, Conferences, or Committee Meetings.

Director Kelley stated that she will not be attending any in-person trainings or conferences for the duration of the COVID-19 emergency. Discussion ensued regarding the Association of Water Board Directors' Spring Breakfast to be held on July 24, 2020, the San Antonio Association for Financial Professional's TEXPO 2020 Conference scheduled for September 2-4, 2020, the Texas Association of Assessing Officers' and the Industry Council for Tangible Assets' joint 2020 Annual Conference to be held in Grapevine, Texas from August 30, 2020 through September 2, 2020, and the Texas Alliance of Groundwater Districts' 2020 Texas Groundwater Summit scheduled to be held in San Antonio from September 1-2, 2020. Upon a **motion** by Director Green, seconded by Director Alardin, after full discussion and with four (4) Directors voting aye, and Director Kelley voting no, the Board approved Director attendance at such conferences.

13. Adjournment.

There being no further business to come before the Board, the meeting was adjourned at 7:12 pm.

PASSED AND APPROVED on this 6 day of JULY, 2020.



Secretary, Board of Directors