

November 9, 2022

The Board of Directors of Brown County Water Improvement District No. 1 convened in a regular meeting at 4:00 pm, November 9, 2022, in the office of the District at 501 E. Baker, Brownwood, Texas. This meeting was called to order by Mr. Bert Massey; pledge led by Mr. James McMillian; and invocation by Mr. Brad Simpson. Mr. Jimmy Jones and Mr. Johnny Hays were also present. District's Legal Counsel, Bart Johnson, Jr., was present. District staff members present: Mr. John Allen, Mr. Dale Weaver, Mr. Mark Davis, Ms. Kay Silva and Ms. Alveza Marin.

MINUTES

Board considered minutes from the regular meeting held on October 11, 2022. After review, Mr. McMillian moved to approve the minutes as presented, seconded by Mr. Jones. There being no further discussion, motion carried.

CLAIMS & ACCOUNTS

Claims, accounts & checks issued November 8, 2022, in a total amount of \$164,511.65 consisting of checks 30302-30377 were reviewed and approved as presented by motion by Mr. McMillian, seconded by Mr. Hays. There being no further discussion, motion carried.

INVESTMENT REPORT

Investment Report for October 2022 & Revenue and Expenditure Report for September 2022 were considered. After a brief discussion, Mr. Simpson moved to approve these reports as presented, seconded by Mr. Jones. There being no further discussion, motion carried.

There were none.

CITIZEN PRESENTATIONS:

EMPLOYEE HEALTH INSURANCE RENEWAL APPROVED EFFECTIVE DEC 1, 2022

Bart Johnson Sr with Painter & Johnson Assoc. was present addressing the Board regarding renewal of the District's group health insurance. He reviewed the direct renewal policy with Blue Cross Blue Shield (BCBS), P620CHC, that is offered at an approximate 6.2% increase. Last year, this same policy was renewed at a 1% decrease. A fifteen percent (15%) increase was budgeted for the current fiscal year for health insurance. After shopping the health care market, only one other carrier submitted a quote for small group health insurance at an increased cost and reduced coverage. Mr. Johnson recommended renewing with the same BCBS policy, P620CHC. Mr. Johnson then presented a quote for dental insurance from BCBS. The District currently provides dental insurance to employees from Ameritas Life Insurance Company at a current cost per employee of \$36.40. BCBS quoted equal coverage at a reduced cost per employee of \$32.07. After a brief discussion, Mr. Hays moved that for the next term beginning December 1, 2022, the Board renew with the current BCBS health insurance policy, P620CHC; and enroll with BCBS dental insurance at the rates presented, seconded by Mr. McMillian. There being no further discussion, motion carried.

*BCBS Health Insurance renewal effective December 1, 2022:
 \$1250.43 monthly rate per employee
 \$0 Preferred Generic Rx
 \$30.00 Office visit copay/medical visit
 \$10.00 Non-preferred Generic Rx
 \$60.00 Office visit-Specialist
 \$35.00 Preferred Brand Name Rx
 \$250.00 In-network deductible
 \$75.00 Non-Preferred Brand Name Rx
 \$1250 Out of pocket maximum
 \$150.00 Specialty Drug
 80% In-network coverage
 \$300 ER Copay
 *BCBS Dental Insurance renewal effective December 1, 2022:
 \$32.07 Monthly Rate per Employee
 \$1500 Benefit Year Maximum per employee

REPORT FROM MELVIN
 ATKINSON, TX 4H CENTER,
 TABLED, NOT PRESENT

Mr. Melvin Atkinson with the local Texas 4H Center was again not present to address the Board. All directors present agreed to table this item and revisit it at the District's next scheduled meeting of its Board of Directors in 2022.

DISTRICT'S INVESTMENT
 INVESTMENT POLICIES
 REVIEW/NO CHANGES/
 ADOPTED

General Manager then addressed the Board regarding review of the District's Investment Policies. He and Kay Silva, Finance Director, recently attended a zoom meeting on the Texas Public Funds Investment Act, indicating that there were no changes or updates to consider. Mr. Jones moved to adopt the District's Investment Policies as presented, seconded by Mr. McMillian. There being no further discussion, motion carried.

ZEBRA MUSSEL ABATEMENT
 PROJECT AWARDED TO
 TEXAS WATER & SOIL CO.
 FROM SAN ANGELO, TX

General Manager then informed the Board that bids for the District's zebra mussel abatement project were opened on October 24, 2022, here at the main office. The purpose of this project is to install a chemical feed system at the raw water intake located at Lake Brownwood to prevent zebra mussels from entering the District's water delivery infrastructure. The project budget previously submitted by Freese & Nichols was set at approximately \$1,300,000.00. Lowest bid submitted was from Texas Water & Soil Company, Inc., from San Angelo, Texas at \$1,346,729.85. Project will include a prefabricated two (2) room rock faced building; two (2) rooms consisting of one (1) pump room and one (1) electrical room; a chemical storage tank; storage area; Scada system for operation; alarms; eye wash; a truck bay for any possible chemical leak containment; and chemical feed system. In the Recommendation of Award submitted to the District by Freese & Nichols Construction Manager, Mr. Chris Jones, he recommends the District approve accepting the lowest bid submitted from Texas Water & Soil Company, Inc., from San Angelo, Texas, in the amount of \$1,346,729.85. After some discussion, Mr. Jones moved to accept the lowest bid as recommended, seconded by Mr. Simpson. There being no further discussion, motion carried.

DISTRICT'S MICROFILTRATION
 REHAB AND EXPANSION
 PROJECT SCOPE OF SERVICES
 PRELIMINARY DESIGN PHASE
 SUBMITTED BY FREESE
 & NICHOLS APPROVED

General Manager then began discussing a Scope of Services regarding the District's microfiltration plant rehab and expansion project that was submitted by Freese & Nichols in October 2022. This project will keep all equipment and electronics at the microfiltration plant in service and in proper working order. The Scope of Services will be a long-term project, starting with engineers performing the autopsy work, then inspecting all processes and electronics to determine what needs to be upgraded and replaced as the microfiltration plan is approximately twelve (12) years old. This Scope of Services Brown County Water Improvement District No. 1 Membrane Filtration Water Treatment Plant Expansion Preliminary Design Phase Services was submitted at a cost of \$388,887.00. After discussion, Mr. Jones moved to approve this Scope of Services submitted by Freese & Nichols at a cost of \$388,887.00 to do preliminary work to determine necessary upgrades to rehab and expand the District's microfiltration plant, seconded by Mr. McMillian. There being no further discussion, motion passed.

UPDATE ON ZEBRA MUSSELS
 AT LAKE BROWNWOOD

General Manager then informed the Board of the current status of zebra mussels. Nothing new to report. Zebra mussel clusters continue to be reported. Cooler weather has slowed down reports.

DRAFT OF KIRKLANDS COMMERCIAL
 LEASE FOR EXTRA 20 RV
 SPOTS REVIEWED AND
 APPROVED WITH THE
 ADDITION OF A PROVISION
 NOT ALLOWING TRASH, REFUSE
 OR GARBAGE LEFT ON SITE

General Manager presented the Board with a draft of the lease previously requested by Mr. Brad Tyson, Lessee, for 3.75 acres adjacent to Kirklands at Lake Brownwood for the addition of up to 20 temporary RV spots at Lake Brownwood. Special provisions include:

1. These 3.75 acres are bordered by Kirkland Drive, Fishhook Drive, and Creel Drive at Lake Brownwood in Brown County.
2. Term of lease shall be for twenty (20) years, November 1, 2022, through October 31, 2042.
3. Lessee shall provide the District with a drawing of the proposed layout of the property.
4. Annual rental rate starts at \$1,050.00.
5. Rate shall be redetermined every five (5) years.
6. A new appraisal shall be performed every five (5) years.
7. Rate shall be two percent (2%) of the appraised value.
8. General public liability insurance shall be provided by Lessee.
9. District shall be held harmless and indemnified from and against all loss.
10. No alteration or additions in or on the premises allowed without written consent from Lessor.
11. No installation of sewer hookups is allowed.
12. No black or grey water dumping is allowed.
13. All cleanup of property, including any waste dumped by RV's, shall be Lessee's responsibility.
14. These temporary RV Spots shall be for temporary camper sites only and not for open storage for boats, trailers, or construction trailers.
15. Trailers with boats being brought to the site by campers must be parked in an orderly fashion behind each corresponding camper or RV.
16. No more than twenty (20) temporary RV spots are allowed.
17. Each RV spot has a 30-day stay limit, and
18. Lessor or Lessee may terminate Lease without cause upon a one (1) year notification to the other party.

Lastly, it was also agreed to add that no trash, garbage, or refuse be left on site. Mr. McMillian then moved to approve this draft lease with the addition of that no trash, garbage or refuse be left on site, seconded by Mr. Hays. There being no further discussion, motion carried.

YR 2023 RATES SET

Board then reviewed rates for docks, spaces, other lake fees, irrigation, various water connections and jetties for year 2023. Each rate was reviewed and discussed as follows:

*Irrigation for year 2023-After discussion, Mr. Jones moved to increase the current rate per acre foot of raw water from \$60, which has been in place since 2017, to \$62.50, seconded by Mr. Hays. There being no further discussion, motion carried.

*Two-inch (2") water connections full time- After discussion, Mr. Hays moved to increase the rate for full time 2" water connections from \$400 per connection to \$440 per connection, seconded by Mr. McMillian. There being no further discussion, motion carried.

*Two-inch (2") water connections part time-Mr. Jones moved to keep the rate for intermittent 2" water connections at the current rate of \$125 per connection, seconded by Mr. McMillian. There being no further discussion, motion carried.

*Docks-After discussion, Mr. Jones moved to keep the current dock rates at \$.20 per square foot for main floor and \$.10 per square foot for upper decks or second floors, seconded by Mr. McMillian. This rate has been in place since 2017. There being no further discussion, motion carried.

*Commercial Stalls-Mr. Jones moved to increase the annual rate per stall from \$50 per year to \$75 per year, seconded by Mr. McMillian. There being no further discussion, motion carried.

*McCartney Island Annual Leases- Mr. Jones moved to increase the annual lease rate for McCartney Island spaces from \$400 per space per year to \$425 per space per year, seconded by Mr. Simpson. There being no further discussion, motion carried.

*Goat Island Leases-Mr. Jones moved to not assess an increase in the annual lease rate for Goat Island spaces and to leave the annual lease rate at \$260 per space per year, seconded by Mr. Simpson. There being no further discussion, motion carried.

*Waterfront Property Raw Water Intakes Lake Brownwood for properties less than one (1) acre-Mr. Hays moved to not assess an increase to waterfront property raw water intakes at Lake Brownwood and leave the annual rate at \$150 per intake per year, seconded by Mr. McMillian. There being no further discussion, motion carried.

*Waterfront Property Intakes Lake Brownwood for properties one (1) acre or more-Mr. Hays also moved to leave the annual rate for waterfront property raw water intake at Lake Brownwood for properties one (1) acre or more at \$300 per intake per year, seconded by Mr. McMillian. There being no further discussion, motion carried.

*Jetties-Mr. Massey moved to increase the annual jetty lease rate per square foot from \$.20 per square foot to \$.40 per square foot, seconded by Mr. McMillian. All Directors voted yes to this motion; except for Mr. Hays, voting against this motion. There being no further discussion, motion carried with a 4:1 vote.

*Late Fees- Mr. Hays moved to not assess changes to the District's Late Fee Schedule, seconded by Mr. Jones. Schedule is as follows: \$50.00 if payment is not received by the end of January; additional \$100.00 if payment is not received by the end of February; additional \$25.00 each subsequent month until payment is received. There being no further discussion, motion carried.

*Work Permits- After discussion, General Manager recommended not to assess any changes to the District's work permit fee. Mr. Jones moved to not assess any changes as recommended, seconded by Mr. McMillian. There being no discussion, motion carried.

*Improvement Permits- Discussion began on the fee for District's dock permit applications, or Improvement Permit Applications. The current rate per application is \$50 and has been in place since 1997. After discussion, Mr. Massey moved to increase the rate of \$50 fee per application to \$75, seconded by Mr. McMillian. All Directors voted yes, except for Mr. Hays, voting against this motion. There being no further discussion, motion passed with a 4:1 vote.

*Island space transfer fee- Fee is for transfers of spaces at McCartney Island. Current transfer fee per space is \$500. After discussion, Mr. Jones moved to increase fee to \$550 per space, seconded by Mr. McMillian. There being no further discussion, all Directors voted in favor of this motion; except for Mr. Hays, voting against this motion. Motion carried with a 4:1 vote.

Rate Schedule for Year 2023:

<u>Irrigation</u>	<u>\$62.50 per acre foot of raw water</u>
<u>Full time WC</u>	<u>\$440/year</u>
<u>Part time WC</u>	<u>\$125/year</u>
<u>Docks</u>	<u>Fir1: \$.20/sqft. Fir2: \$.10/sqft</u>
<u>Commercial Boat Stalls</u>	<u>\$75.00 each</u>
<u>Annual McCartney Island Lease</u>	<u>\$425/space</u>
<u>Annual Goat Island Lease</u>	<u>\$260/space</u>
<u>Lake Brownwood Intakes:</u>	<u>Property 1 acre or less \$150/year</u>
<u>Lake Brownwood Intakes:</u>	<u>Property over 1 acre: \$300/year</u>
<u>Jetties</u>	<u>\$.40 per square foot</u>
<u>Late Fees</u>	<u>50/100/25 per month there after</u>
<u>Work Permits</u>	<u>\$250 per permit</u>
<u>Improvement Permit Apps</u>	<u>\$75 per permit app</u>
<u>Island Space Transfer Fee</u>	<u>\$550 per space</u>

ACTIVITIES REPORTS FROM DISTRICT'S SUPERVISORS

Department supervisors then came forward and informed the Board of their recent and ongoing projects: Mr. Dale Weaver, Field Operations; Mr. Mark Davis, Lake Patrol

GENERAL MANAGER REPORT

General Manager proceeded to inform the Board of the following:

1. Current lake level: 1417 or 8 feet below Spillway level
Lake level one month ago 10.12.22: 1418.23 or 6' 8 tenths below Spillway level
2. Capacity: Current 62.2% / 1 year ago, 95.7% / Last month 63.9%
3. Current Drought Restrictions:
*July 15, 2022 Lake Brownwood reached Stage 1 of the drought restrictions as it fell to 1419.10, below 1420msl due to no rainfall. In this first stage of drought restrictions in which the public is asked to voluntarily conserve water.
*November 8, 2022 Lake Brownwood reached Stage 2 of the drought restrictions when it reached 8 feet low or 1417msl. Restrictions include mandatory time of day and day of week watering schedules.
Media and customers are being updated weekly regarding lake levels.
Average lake capacity percentage statewide: 68.2%
4. Treatment Plant totals-October 2022- Avg 6.48mgd / Min 8.28mgd / Max 8.28mgd
5. General Manager, John Allen, and Finance Director, Kay Silva, attended a virtual Public Investment Policy class scheduled for October 12, 2022.
6. TCEQ dam inspectors onsite today. Desktop exercise on dam failure will be scheduled, As required by TCEQ guidelines.
7. Mark Davis, Lake Patrol Chief, is working with Brown County Commissioners on a grant to purchase a boat with American Rescue Plan Act, ARPA, funds.
8. Friday November 11, 2022, Veteran's Day is a District holiday.
9. The District continues to wait on a final bill from the cleanup crew from Ranger, Texas, on the recent oil spill in Early, Texas.
10. District's Christmas lunch is being planned. Looking at Tuesday December 6, 2022.
11. Region F water planning group called and cancelled a meeting this month. Being rescheduled for February 2023.
12. Tank inspections performed today on all treatment plant tanks. A video will be provided.
13. Working with Brownwood on an alternative water source to feed Brownwood as they currently only have one (1) feed line.
14. Order has been placed of a joint each 36" and 42" pipe previously approved by the Board at its September 13, 2022, meeting to have on hand in the event of another water line break. There is an 8-12 week wait for delivery.
15. Lake Patrol Department to update badges and paid for by donations made to department.
16. Legal Counsel is working on legal documentation to seize three (3) docks located on private property due to excessive delinquency.

ADJOURNMENT

Therefore, at approximately 6:00 p.m., Mr. McMillian moved to adjourn, seconded by Mr. Hays. There being no further discussion, motion carried unanimously.

Adjourned:


Bert Massey, President


Jimmy Jones, Secretary