

MINUTES
BROOKSHIRE-KATY DRAINAGE DISTRICT

January 9, 2023

The Board of Supervisors of Brookshire-Katy Drainage District (the "District") met in Regular session, open to the public, at 7:00 p.m. on the 9th day of January, 2023, at 1111 Kenney Street, Brookshire, Texas, inside the boundaries of the District, and the roll was called of the members of the Board:

Arnold England	President
Pat Keeling	Vice President
David Welch	Secretary
Blake Beckendorff	Supervisor
John Chisum	Supervisor

and all of the above were present except Supervisor Beckendorff, thus constituting a quorum.

Also attending the meeting were Buddy Brand, Assistant General Manager of the District; Wendy Sidwell, District Administrator; Jack Duran of Blueline Architects; Rod Pinheiro, P.E. and Michael McCarthy, P.E. of Quiddity Engineering ("Quiddity" or "Engineer"); Blair Bozoarth of Sunterra Development; and Andrew P. Johnson, III, and William Petrov, attorneys, of Johnson Petrov, LLP ("Johnson Petrov" or "Attorney").

Agenda Item No. 2
INVOCATION AND PLEDGE OF ALLEGIANCE

Supervisor David Welch led the invocation. Mr. Buddy Brand led the Pledge of Allegiance.

Agenda Item No. 3
PUBLIC COMMENT

There was no public comment.

Agenda Item No. 4
MINUTES OF DECEMBER 5, 2022 AND DECEMBER 12, 2022 BOARD MEETINGS

Upon motion by Supervisor Chisum, seconded by Supervisor Keeling, after full discussion and with all Supervisors present voting aye, the Board approved the minutes of the December 5, 2022 and December 12, 2022 Board meetings.

Agenda Item No. 5
UPDATE ON BROOKSHIRE-KATY DRAINAGE DISTRICT'S NEW ADMINISTRATION BUILDING

Mr. Duran reviewed the design plans and provided an update for the new Administration Building. No action taken.

Agenda Item No. 6
APPOINT ASSISTANT SECRETARY

Upon motion by Supervisor Welch, seconded by Supervisor Keeling, after full discussion and with all Supervisors present voting aye, the Board appointed Supervisor Chisum as Assistant Secretary.

Agenda Item No. 7

QUIDDITY ENGINEERING PROFESSIONAL SERVICES AGREEMENT

Upon motion by Supervisor Welch, seconded by Supervisor Keeling, after full discussion and with all Supervisors present voting aye, the Board approved the Quiddity Engineering Professional Services Agreement, a copy of which is attached hereto as Exhibit "A".

Agenda Item No. 8

ENGINEER'S REPORT

Mr. Pinheiro and Mr. McCarthy presented to and reviewed with the Board the Engineer's Report.

Upon motion by Supervisor Chisum, seconded by Supervisor Keeling, after full discussion and with all Supervisors present voting aye, the Board approved (a) Tract Development with Platting for Sunterra Section 14 Partial Replat No. 1 – Final Plat, Permit No. 2021-62 Revised; (b) Tract Development with Platting for Sunterra Section 16 Partial Replat No. 1 – Final Plat, Permit No. 2021-64 Revised; (c) Tract Development with Platting for Sunterra Section 23 Amending Plat No. 1 – Final Plat, Permit No. 2021-68 Revised; (d) Tract Development with Platting for Sunterra Section 24 Replat No. 1 – Final Plat, Permit No. 2021-96 Revised; and (e) Tract Development with Platting for Sunterra Shores Drive Street Dedication Section 4 and Lift Station No. 1 Partial Replat No. 1 – Final Plat, Permit No. 2021-35 Revised, as recommended by Quiddity.

Mr. Bozoarth updated the Board regarding the status of the Sunterra development.

Agenda Item No. 9

GENERAL MANAGER'S REPORT

Mr. Brand reviewed the General Manager's Report, including the Maintenance Report.

Upon motion by Supervisor Keeling, seconded by Supervisor Chisum, after full discussion and with all Supervisors present voting aye, the Board approving sponsoring a table at the 20th annual appreciation award banquet for the I-10 West Chamber of Commerce.

Agenda Item No. 10

FINANCIAL REPORT

Ms. Sidwell presented to and reviewed with the Board the Financial Report, a copy of which is attached hereto as Exhibit "B". Upon motion by Supervisor Keeling, seconded by Supervisor Welch, after full discussion and with all Supervisors present voting aye, the Board approved the Financial Report and payment of invoices listed therein. Ms. Sidwell then reviewed the Quarterly Financial Advisor's Report, a copy of which is attached to the Financial Report. Upon motion by Supervisor Welch, seconded by Supervisor Chisum, after full discussion and with all Supervisors present voting aye, the Board approved the Quarterly Financial Advisor's Report.

Agenda Item No. 11

EXECUTIVE SESSION

At 8:20 p.m., upon motion by Supervisor Welch, seconded by Supervisor Keeling, the President called an Executive Session pursuant to Sections 551.071, 551.074 and 551.076 of the Open Meetings Act, to discuss matters of attorney-client privilege and security and personnel matters for Agenda Items No. 10 (c) and (d). All Board members

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Ms. Sidwell, Mr. Brand, Mr. Johnson, and Mr. Petrov were present for the executive session.

Agenda Item No. 12
REGULAR SESSION

At 8:52 p.m., upon motion by Supervisor Welch, seconded by Supervisor Keeling, after full discussion and with all Supervisors present voting aye, the Board reconvened the meeting in Regular Session. No action taken.

ADJOURNMENT

With no additional matters to discuss, upon motion by Supervisor Keeling, seconded by Supervisor Welch, and with all Supervisors voting aye, the Board adjourned the meeting at 9:00 p.m.

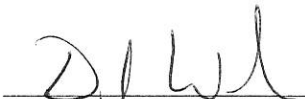
[EXECUTION PAGE FOLLOWS]

SIGNED this 13th day of February 2023.



President, Board of Supervisors

ATTEST:



Secretary, Board of Supervisors

- Exhibit A

Engineering Professional Services Agreement
- Exhibit B

Financial Report

PROFESSIONAL SERVICES AGREEMENT
Between
BROOKSHIRE-KATY DRAINAGE DISTRICT
and
QUIDDITY ENGINEERING, LLC

EXHIBIT "A"

BROOKSHIRE-KATY DRAINAGE DISTRICT, as CLIENT, engages QUIDDITY ENGINEERING, LLC, as ENGINEER, to perform professional services for the assignment described as follows:

General engineering consultation; general administrative and engineering assistance for the operation of the District; evaluation of existing facilities; coordination with developers and development occurring within the District, review of permit drawings, calculations, and supporting documentation, storm sewer, or drainage system problems; preparation of construction drawings and specifications for utilities and civil infrastructure projects related to CLIENT'S new or existing facilities, preparation of capital improvement plan, preparation of Bond Election and Application Reports; preparation of service feasibilities, preparation and review of permit applications, and storm water quality permit applications; contract administration during construction; and any additional surveying or engineering services requested by CLIENT.

I. SERVICES: All Services provided by the ENGINEER under this AGREEMENT will be conducted in a manner consistent with that level of care and skill ordinarily exercised by competent members of the engineering profession practicing under the same or similar circumstances and professional license; and as expeditiously as is prudent considering the ordinary professional skill and care of a competent engineer ("Standard of Care"). No other representation, expressed or implied, and no warranty or guarantee is included or intended in this AGREEMENT, or in any report, opinion, document, etc., prepared by the ENGINEER. It is agreed that the ENGINEER is not a fiduciary with respect to the CLIENT unless ENGINEER willingly and in writing takes on the duty of acting as the client's agent in a fiduciary capacity

A. GENERAL ENGINEERING SERVICES: Services will be performed on an ongoing basis for the CLIENT as general engineering consultation. The following services are typical services ENGINEER will perform.

1. District Meetings:

ENGINEER will prepare for and attend scheduled District meetings as agreed to with the CLIENT. This will include time for travel to and from meetings. Preparation for and attendance of board meetings may involve multiple engineers.

2. District Operation:

General administrative and engineering assistance for the operation of the District; evaluation of existing facilities; storm sewer, or drainage system issues; review and support of District's field operations and maintenance, periodic inspections of CLIENT's facilities; warranty inspections; assistance with annual budget and audit; and other items related to the operation of the District

3. District Planning and Permits:

Preparation of and updates to CLIENT's Capital Improvement Plan; preparation of feasibility reports; preparation of bond application reports and bond election reports; preparation of Preliminary Engineering Reports; preparation of drainage and storm water quality permit applications; and other items related to the planning of future projects and permitting needs.

4. Construction Plan Reviews:

Review and supervision of design professionals working on public or private facilities for the CLIENT; provide comments to design professionals and updates to the CLIENT as necessary; issue plan review, plan approval, or no objection letters for public or private plan reviews.

5. Development Platting and Permitting Within District

As directed by CLIENT, ENGINEER will coordinate with developers, developer's engineers and other professionals regarding new developments, re-developments and existing developments within DISTRICT, review of preliminary and final plats, drainage considerations, storm water mitigation plans and designs, review of Detention Facilities Maintenance Agreements, permit applications, and all similar efforts. ENGINEER will provide coordination with Cities, Counties, and other agencies on matters relating to development activities.

B. PROJECT SERVICES: Services will be performed for specific projects for the CLIENT as project services. For each project, BASIC SERVICES and ADDITIONAL SERVICES will be performed in accordance with the following descriptions, terms, and conditions.

1. BASIC SERVICES: ENGINEER will perform these services in three phases.

- a. Design Phase Services: ENGINEER will discuss the assignment with CLIENT; arrange for ADDITIONAL SERVICES and investigations for CLIENT'S direct payment, as required; prepare signed and sealed construction drawings, technical specifications, and Final Estimated Construction Costs (FECC), as defined in Section II.B.1.a.ii.; submit for necessary approvals from applicable federal, state, and local agencies; and prepare necessary bidding documents.
- b. Bidding Phase Services: After completion of the Design phase, ENGINEER will arrange for advertisement as a reimbursable expense, post the bidding documents for review by bidders, answer bidder questions, generate addenda, host a bid opening, prepare a bid tabulation, verify accuracy of the written values as

compared to the numerical values on the bid forms, and prepare a Recommendation of Award.

- c. Construction Phase Services: After completion of the Bidding Phase, ENGINEER will assist CLIENT in the construction of the project, including revisions to the construction drawings and technical specifications as necessitated during the bidding process; provide Construction Contract Administration services as described in Section I Construction Contract Administration of Exhibit A – Construction Phase Services. Basic Services shall be deemed complete at the end of the Construction Contract Period of Performance. When providing any services during the construction phase, ENGINEER shall not have control over, charge of, or responsibility for the construction means, methods, techniques, sequences, or procedures, or for safety precautions and programs in connection with the contractor's work. The ENGINEER shall not have any authority or responsibility to stop or direct the work of any contractor. The Consultant's visits will be for the purpose of providing the Client a greater degree of confidence that the completed work of its contractors generally conforms to the construction documents prepared by the ENGINEER or others. The ENGINEER shall not be responsible for the contractor's failure to perform the work in accordance with the requirements of the Documents as long as ENGINEER abides by its Standard of Care.

2. ADDITIONAL SERVICES: All work performed by ENGINEER which is either described in Exhibit B or not included in the BASIC SERVICES defined above shall constitute ADDITIONAL SERVICES.

- II. COMPENSATION: CLIENT agrees to pay ENGINEER for above-described services in accordance with the following descriptions, definitions, terms, and conditions.

- A. GENERAL ENGINEERING SERVICES: Compensation will be on the basis of ENGINEER'S current Schedule of Hourly Rates, plus all Reimbursable Expenses, or a lump sum basis, all defined as follows:

1. HOURLY RATES: Charges for hourly services will be made in accordance with the attached SCHEDULE OF HOURLY RATES. Hourly rates are subject to annual revision each year that this Agreement is in force. If an annual hourly rate increase is requested, ENGINEER shall provide to CLIENT at a meeting of the Board of Directors of the CLIENT an updated SCHEDULE OF HOURLY RATES and if accepted by the CLIENT and noted in the meeting minutes, the updated SCHEDULE OF HOURLY RATES shall be attached to and incorporated into this Agreement without the necessity of a formal amendment to the Agreement. CLIENT will be provided a schedule of rates for any services rendered which are not included in the basic SCHEDULE OF HOURLY RATES.

2. REIMBURSABLE EXPENSES: Expenses shall include transportation and subsistence, cost of ENGINEER'S field office, reproduction, subcontracts, surveying expenses, and similar items. Such expenses shall be reimbursed in accordance with the attached SCHEDULE OF REIMBURSABLE EXPENSES. This schedule is subject to annual revision in January of each year that this Agreement is in force. If reimbursable expenses increase is requested, ENGINEER shall provide to CLIENT at a meeting of the Board of Directors of the CLIENT an updated SCHEDULE OF REIMBURSABLE EXPENSES and if accepted by the CLIENT and noted in the meeting minutes, the updated SCHEDULE OF REIMBURSABLE EXPENSES shall be attached to and incorporated into this Agreement without the necessity of a formal amendment to the Agreement. Reimbursable expenses shall also include services performed by a sub-consultant that are not part of a fixed fee under the terms of this contract. Compensation for these services shall be at cost plus ten percent.
3. LUMP SUM: Regardless of any other compensation methods listed above, CLIENT and ENGINEER may agree in a letter proposal or proposals that certain services will be compensated on a lump sum basis for any BASIC SERVICES or ADDITIONAL SERVICES. Authorization may also be given verbally to ENGINEER by the CLIENT at any duly held meeting of the District's Board. All verbal authorizations relied upon by ENGINEER must be recorded in the minutes of the District.
4. BOND APPLICATION REPORTS: Bond Application Reports will be billed based on a negotiated lump sum fee. Pre-purchase inspections and other coordination after the issuance of the TCEQ technical memorandum will be billed in accordance with the latest approved SCHEDULE OF HOURLY RATES.

B. PROJECT SERVICES

1. BASIC SERVICES: Compensation for new projects will either be on an HOURLY RATES, LUMP SUM, or an amount equal to a fixed percentage of the Total Construction Cost (as defined in Section II.B.1.a.i.) for the services in each phase as described in the table below:

	Compensation Method	Design Phase Services Fee	Bidding Phase Services Fee	Construction Phase Services Fee	
				Construction Contract Administration "CCA"	Construction Management "CM" **
\$1 - \$600,000	Hourly Rates	Hourly	Hourly	Hourly	By Proposal
\$600,001 - \$4,000,000	% of FECC/TCC	7.50%	0.40%	1.60%	By Proposal
\$4,000,001 and up	% of FECC/TCC	7.00%	0.30%	1.20%	By Proposal

**Construction Management is an Additional Service, and not a Basic Service. The proposed fee and services will be in addition to Construction Contract Administration.

provided, however, that when the ENGINEER is authorized to design (a) an expansion of the CLIENT'S existing water plant(s), wastewater treatment plant(s), or pump/lift station(s), or (b) modifications to any component of the existing water plant(s), wastewater treatment plant(s), or pump/lift station(s), compensation for these projects will either be HOURLY RATES, LUMP SUM, or an amount equal to a fixed percentage of the Total Construction Cost (as defined in Section II.A.1.) for the services in each phase as described in the table below:

	Compensation Method	Design Phase Services Fee	Bidding Phase Services Fee	Construction Phase Services Fee	
				Construction Contract Administration "CCA"	Construction Management "CM" **
\$1 - \$600,000	Hourly Rates	Hourly	Hourly	Hourly	By Proposal
\$600,001 - \$4,000,000	% of FECC/TCC	9.75%	0.40%	1.85%	By Proposal
\$4,000,001 and up	% of FECC/TCC	9.00%	0.30%	1.70%	By Proposal

**Construction Management is an Additional Service, and not a Basic Service. The proposed fee and services will be in addition to Construction Contract Administration.

a. Construction Cost:

- i. Total Construction Cost, TCC, shall be the actual cost to the CLIENT of the completed construction project, exclusive of deductive change orders, including all change orders during construction, plus the amount of the proposal received from the successful bidder for each additive alternate not used (or the amount shown in the FECC, if no proposal is received);

1. Total Construction Cost shall not be based on nor include:

- a. Compensation payable to ENGINEER, or sub-consultants: architect, surveyor or other engineer under this agreement; or

- b. Expenditures not connected with construction or design, such as land acquisition costs or attorney's fees.
 - ii. Final Estimated Construction Cost (FECC) shall be based on the ENGINEER'S opinion of probable construction cost prior to the receipt of bids. This shall include the greater amount of all included or excluded alternates. Items addressed as clarifications during the bid phase, or additional scope added prior to the opening bids shall be added to and considered part of the FECC.
- b. Adjustment to Compensation:
- i. If a construction contract is not bid and not awarded within three (3) months from the date the final plans and specifications were submitted to the CLIENT for approval, the final payment to the ENGINEER for the Design Phase Services shall be calculated based on the FECC outlined above excluding contingencies.
 - ii. If a construction contract is advertised for bids and not awarded within three (3) months from the date the final plans and specifications were submitted to the CLIENT for approval, the final payment to the ENGINEER for Design Phase Services shall be calculated based on the TCC of the low bid.
 - iii. If a construction contract is modified via change order, the design fee shall be modified to include the positive value of the change order, subject to the adjustments in subsection iv below.
 - iv. If a construction contract is awarded within three (3) months from the date final plans and specifications were submitted to the CLIENT for approval, the final payment to the ENGINEER for Design Phase Services will be based on the TCC for the construction package.
 - v. Notwithstanding the foregoing, the basis for the ENGINEER'S compensation for BASIC SERVICES shall not be (i) less than 90% of the FECC, or (ii) more than 110% of the FECC.
 - vi. At CLIENT'S option, any overpayments made by the CLIENT shall be handled as follows:
 - 1. The overpayment shall be credited against future fees due to the ENGINEER; or

2. The ENGINEER shall pay the CLIENT the overpayment within 45 days of notification.
 2. ADDITIONAL SERVICES: Unless negotiated otherwise, compensation will be on the basis of ENGINEER'S current SCHEDULE of HOURLY RATES, plus REIMBURSABLE EXPENSES both defined in Section II.A or on a LUMP SUM basis as described in Section II.B.3.
 3. LUMP SUM: Regardless of any other compensation methods listed above, CLIENT and ENGINEER may agree in a letter proposal or proposals that certain services will be compensated on a lump sum basis for any BASIC SERVICES or ADDITIONAL SERVICES. Authorization may also be given verbally to ENGINEER by the CLIENT at any duly held meeting of the District's Board. All verbal authorizations relied upon by ENGINEER must be recorded in the minutes of the District.
- III. PAYMENTS: ENGINEER will invoice CLIENT monthly in amounts based on ENGINEER'S estimate of the portion of the BASIC SERVICES completed, plus charges for ADDITIONAL SERVICES performed. CLIENT agrees to promptly pay ENGINEER with electronic Automated Clearing House payments or checks, the full amount of each such invoice within 45 days of receipt. A charge of 0.75% per month, or the maximum allowed by law, whichever is less, will be added to the unpaid balance of invoices not paid within 45 days after receipt of invoice by the CLIENT.
- IV. BACKGROUND INTELLECTUAL PROPERTY: Each Party shall own and hold title to any and all inventions, trademarks, trade secrets, know-how, works of authorship, and copyrights owned, conceived, or authored by the Party before the Effective Date of this Agreement ("Background Intellectual Property"). The Parties agree that nothing in this Agreement is to be construed to grant or imply to either Party any rights in or to the Background Intellectual Property of the other Party.
- V. OWNERSHIP OF DOCUMENTS: All documents, including original drawings, estimates, specifications, designs, periodic construction progress notes, computer files and data (collectively, the "Documents") shall be the property of the CLIENT, provided that the ENGINEER has received full compensation of all undisputed amounts due pursuant to the terms of this Agreement and subject to all of the following terms and conditions. The ENGINEER agrees that it shall not reuse any portion of the Documents that is unique to the CLIENT's project or projects for any other client, without the express written consent to the CLIENT, which consent will not be unreasonably withheld. The ENGINEER may retain a set of reproducible record copies of the Documents, in consideration of which it is mutually agreed that the CLIENT will use such Documents solely in connection with the project covered by the Agreement and for no other purposes, except with the express written consent of the ENGINEER, which consent will not be unreasonably withheld. Any use of the Documents without the express written consent of the ENGINEER shall be at the CLIENT's sole risk. In the case of any defects in the electronic files or any discrepancies between them and the hardcopy of the documents prepared by the ENGINEER, the hardcopy shall govern.

If the Documents contain any proprietary property of the ENGINEER not developed in relationship to this Agreement, ownership of the proprietary work of the ENGINEER shall remain with the ENGINEER.

All materials and information that are the property of CLIENT and all copies or duplications thereof shall be delivered to CLIENT by ENGINEER, if requested by CLIENT, upon completion of Services. ENGINEER may retain one (1) complete set of reproducible copies of all of its instruments of service.

- VI. OPINIONS OF PROBABLE CONSTRUCTION COST: Opinions of Probable Construction Cost prepared by the ENGINEER represent its best judgment as a design professional familiar with the construction industry. It is recognized, however, that the ENGINEER has no control over the cost of labor, materials, or equipment; over the Contractor's methods of determining bid prices; or over competitive bidding or market conditions. Accordingly, the ENGINEER cannot and does not guarantee that bids will not vary from any cost estimate prepared by ENGINEER. If the CLIENT wishes greater assurance as to the amount of any cost, ENGINEER shall employ an independent cost estimator. ENGINEER's services required to bring costs within any limitation established by the CLIENT will be paid for as Additional Services.
- VII. EXPEDITED LETTING: If CLIENT instructs ENGINEER to advertise for bid knowing ENGINEER has not issued final, fully approved plans and specifications, ENGINEER shall not be responsible for the costs to revise the plans and specifications to meet applicable codes, ordinances, regulations, laws and/or statutes or for the increased construction costs as long as ENGINEER abided by its Standard of Care. The CLIENT acknowledges that all preliminary plans can be subject to substantial revision until plans are fully approved and all permits obtained.
- VIII. The ENGINEER shall obtain and maintain and shall require its subcontractors to obtain and maintain throughout the term of the Agreement, insurance of the types and in the minimum amounts set forth below.

The ENGINEER shall furnish certificates of insurance to the Owner evidencing compliance with the insurance requirements hereof. Certificates shall indicate name of the ENGINEER, name of the insurance company, policy number, term of coverage, and limits of coverage. The ENGINEER shall cause its insurance companies to provide the Owner with at least thirty (30) days' prior written notice of any reduction in the limit of liability by endorsement of the policy, cancellation or non-renewal of the insurance coverage required under this Agreement. The ENGINEER shall obtain such insurance from such companies having a Bests rating of B+/VII or better, licensed or approved to transact business in the State of Texas, and shall obtain such insurance of the following types and minimum limits:

- A. Worker's Compensation insurance in accordance with the laws of the State of Texas, and Employer's Liability coverage with a limit of not less than \$500,000 each employee for Occupational Disease; \$500,000 policy limit for Occupational Disease; and Employer's Liability of \$500,000 each accident.

- B. Commercial General Liability insurance including coverage for Products/Completed Operations, Blanket Contractual, Contractor's Protective Liability, Broad Form Property Damage, Personal Injury/Advertising Liability, and Bodily Injury and Property Damage with limits of not less than:

\$2,000,000	general aggregate limit
\$1,000,000	each occurrence, combined single limit
\$2,000,000	aggregate Products, combined single limit; and
\$1,000,000	aggregate Personal Injury/Advertising Liability
\$50,000	Fire Legal Liability
\$5,000	Premises Medical

- C. Business Automobile Liability coverage applying to owned, non-owned and hired automobiles with limits not less than \$1,000,000 each occurrence combined single limit for Bodily Injury and Property Damage combined.
- D. Umbrella Excess Liability insurance written as excess of Employer's Liability, with limits not less than \$1,000,000 each occurrence combined single limit.
- E. Professional Liability insurance with limits not less than \$1,000,000 each claim/annual aggregate.

The Owner and the Owner's directors shall be added as additional insureds to all coverages required above, except for those requirements in paragraphs "a" and "e". All policies written on behalf of the ENGINEER shall contain a waiver of subrogation in favor of the Owner and the Owner's directors, with the exception of insurance required under paragraph "e". In addition, all of the aforesaid policies shall be endorsed to provide that they are primary coverages and not in excess of any other insurance available to the Owner, and without rights of contribution or recovery against the Owner or from any such other insurance available to the Owner. The ENGINEER, and not the Owner, shall be responsible for paying the premiums and deductibles, if any, that may from time to time be due under all of the insurance policies required by the ENGINEER.

- IX. LIABILITY LIMITATION: The ENGINEER agrees to carry out and perform the services herein agreed to in a professional and competent manner. The CLIENT agrees that the ENGINEER shall not be liable for error, omission, or breach of warranty (either expressed or implied) in its preparation of designs and drawings, preparation of surveys, designation and selection of materials and equipment for the project, or the performance of any other services in connection with any assignment for which specific authorization is given by the CLIENT pursuant to Section I of this Agreement, except to the extent that ENGINEER fails to abide by its Standard of Care.

- X. INDEMNIFICATION: **GENERAL.** TO THE FULLEST EXTENT PERMITTED BY LAW, ENGINEER SHALL INDEMNIFY AND HOLD HARMLESS CLIENT, ITS EMPLOYEES, AGENTS, AND REPRESENTATIVES (HEREINAFTER REFERRED TO INDIVIDUALLY AS AN "INDEMNITEE" AND COLLECTIVELY AS THE "INDEMNITEES") FROM AND AGAINST ALL CLAIMS,

DAMAGES, LOSSES AND EXPENSES, INCLUDING BUT NOT LIMITED TO REASONABLE ATTORNEYS' FEES AND COSTS INCURRED BY INDEMNITEES WHICH ARE:

- A. DUE TO THE VIOLATION OF ANY ORDINANCE, REGULATION, STATUTE, OR OTHER LEGAL REQUIREMENT IN THE PERFORMANCE OF THIS AGREEMENT, BY ENGINEER, ITS AGENT, ANY CONSULTANT UNDER CONTRACT, OR ANY OTHER ENTITY OVER WHICH THE ENGINEER EXERCISES CONTROL;
 - B. CAUSED BY OR RESULTING FROM ANY NEGLIGENT OR INTENTIONAL ACT OR OMISSION IN VIOLATION OF ENGINEER'S STANDARD OF CARE, BY THE ENGINEER, ITS AGENT, ANY CONSULTANT UNDER CONTRACT, OR ANY OTHER ENTITY OVER WHICH THE ENGINEER EXERCISES CONTROL;
 - C. CAUSED BY OR RESULTING FROM ANY CLAIM ASSERTING INFRINGEMENT OR ALLEGED INFRINGEMENT OF A PATENT, TRADEMARK, COPYRIGHT OR OTHER INTELLECTUAL PROPERTY RIGHT IN CONNECTION WITH THE INFORMATION FURNISHED BY OR THROUGH ENGINEER, ITS AGENT, ANY CONSULTANT UNDER CONTRACT, OR ANY OTHER ENTITY OVER WHICH THE ENGINEER EXERCISES CONTROL;
 - D. DUE TO THE FAILURE OF ENGINEER, ITS AGENT, ANY CONSULTANT UNDER CONTRACT, OR ANY OTHER ENTITY OVER WHICH THE ENGINEER EXERCISES CONTROL TO PAY THEIR CONSULTANTS OR SUBCONSULTANTS AMOUNTS DUE FOR SERVICES PROVIDED IN CONNECTION WITH THE PROJECT; OR
 - E. OTHERWISE ARISING OUT OF OR RESULTING FROM THE PERFORMANCE OF THE SERVICES UNDER THIS AGREEMENT, INCLUDING SUCH CLAIMS, DAMAGES, LOSSES OR EXPENSES ATTRIBUTABLE TO BODILY INJURY, SICKNESS, DISEASE OR DEATH, OR TO INJURY TO OR DESTRUCTION OF TANGIBLE PROPERTY, INCLUDING LOSS OF USE RESULTING THEREFROM, BUT ONLY TO THE EXTENT SUCH CLAIMS, DAMAGES, LOSSES, COSTS AND EXPENSES ARE CAUSED BY OR RESULT FROM ANY NEGLIGENT OR INTENTIONAL ACTS OR OMISSIONS OF THE ENGINEER, ITS AGENT, ANY CONSULTANT UNDER CONTRACT, OR ANY OTHER ENTITY OVER WHICH THE ENGINEER EXERCISES CONTROL.
- XI. REIMBURSEMENT OF CLIENT'S FEES IN DEFENSE OF CLAIMS: To the extent CLIENT incurs attorney's fees in defense of any claim asserted against the CLIENT which arises or results from the alleged acts or omissions of the ENGINEER described in Section A. above, ENGINEER shall reimburse CLIENT its reasonable attorney's fees in proportion to the ENGINEER's liability found after a final adjudication of liability.
- XII. ADDITIONAL INSURED STATUS: ENGINEER shall name the CLIENT as an additional insured on the ENGINEER's general liability policy and provide the CLIENT any defense allowed under said policy. Any endorsement to ENGINEER's general liability policy prohibiting or limiting the coverages required herein shall be modified such that the policy will respond to the obligations of the ENGINEER as set forth in this Section to the full extent allowed under Texas law.

- XIII. It is agreed with respect to any legal limitations now or hereafter in effect and affecting the validity or enforceability of the indemnification obligations under this Section or the Additional Insured requirements in Section X, such legal limitations are made a part of the contractual obligations and shall operate to amend the obligations to the minimum extent necessary to bring the provision into conformity with the requirements of such limitations, and as so modified, the obligations shall continue in full force and effect. Should any provision or any part of any provision of this Agreement be held invalid, unenforceable, or contrary to public policy, law, statute or ordinance, then the remainder of the provision, paragraph, Section and/or Agreement shall not be affected thereby and shall remain valid and fully enforceable.
- XIV. The obligations contained in this Section shall survive the expiration, completion, abandonment and/or termination of the Agreement and final completion of the Work and any other services to be provided pursuant to this Agreement to the extent and for the time periods provided allowed under Texas law.

No provision herein shall be construed to increase the CLIENT's liability as provided and limited under the Texas Tort Claims Act, nor shall any such provision be construed as a waiver to any extent of any governmental immunity that the CLIENT may have.

XV. TERMINATION

- A. CONDITIONS OF TERMINATION: This Agreement may be terminated without cause at any time prior to completion of ENGINEER'S services either by CLIENT or by ENGINEER, upon thirty (30) days written notice to the other at the address of record. Termination shall release each party from all obligations of this Agreement, except as specified in paragraph VIII. Upon delivery of a termination notice by the CLIENT to the ENGINEER, unless the notice states otherwise, the ENGINEER shall immediately discontinue all services and deliver to the CLIENT copies of all completed or partially completed designs, drawings, specifications, reports, or any other document under Ownership of Documents prepared by ENGINEER pursuant to this Agreement. ENGINEER shall use its best efforts to provide all documents under Ownership of Documents to CLIENT within fourteen (14) days of the effective date of termination, at no additional cost to the CLIENT. ENGINEER shall provide all documents under Ownership of Documents to the CLIENT within at least thirty (30) days of the effective date of termination.
- B. COMPENSATION PAYABLE ON TERMINATION: On termination, by either CLIENT or ENGINEER, CLIENT shall pay ENGINEER the full undisputed amount specified in paragraph II.A of II.B, as applicable, with respect to GENERAL ENGINEERING SERVICES and any phase of BASIC SERVICES, as part of PROJECT SERVICES, which has been completed plus an amount fixed by applying the rate specified in paragraph II.B.2 to all ADDITIONAL SERVICES performed to date of termination (including all Reimbursable Expenses incurred).

- XVI. SUCCESSORS AND ASSIGNS: CLIENT and ENGINEER each binds itself, and its partners, successors, executors, administrators, and assigns to the other party of this Agreement

and to partners, successors, executors, administrators, and assigns of such other party in respect to all covenants of this Agreement. ENGINEER shall not assign, sublet, or transfer its interest in this Agreement without written consent of the CLIENT. Nothing herein shall be construed as giving any rights or benefits hereunder to anyone other than CLIENT and ENGINEER.

XVII. SPECIAL PROVISIONS: This instrument contains the entire Agreement between CLIENT and ENGINEER, except as additionally stated below:

- A. All letter proposals describing the scope of services, method of compensation, and any special contractual provisions, that are mutually agreed upon and signed by both parties shall become part of this Agreement.
- B. The amount of any excise, VAT, gross receipts, or sales tax that may be imposed shall be added to the compensation as determined above.
- C. Pursuant to Chapter 2252, Texas Government Code, ENGINEER represents and certifies that, at the time of execution of this Agreement neither the ENGINEER, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same is a company listed by the Texas Comptroller of Public Accounts under Sections 2270.0201 or 2252.153 of the Texas Government Code, as amended.
- D. As required by 2274.002, Texas Government Code (as added by Senate Bill 13, 87th Texas Legislature, Regular Session), as amended, ENGINEER hereby verifies that ENGINEER, including any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same, does not boycott energy companies, and will not boycott energy companies during the term of this Agreement. As used in the foregoing verification, "boycott energy companies" shall have the meaning assigned to the term "boycott energy company" in Section 809.001, Texas Government Code, as amended.
- E. As required by Section 2274.002, Texas Government Code (as added by Senate Bill 19, 87th Texas Legislature, Regular Session, "SB 19"), as amended, ENGINEER hereby verifies that ENGINEER, including any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same, (i) does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association, and (ii) will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. As used in the foregoing verification, "discriminate against a firearm entity or trade association" shall have the meaning assigned to such term in Section 2274.001(3), Texas Government Code (as added by SB 19), as amended.
- F. Pursuant to Chapter 2252, Texas Government Code, ENGINEER represents and certifies that, at the time of execution of this Agreement neither the ENGINEER, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same, is a company listed by the Texas Comptroller of Public Accounts under Sections 2270.0201 or 2252.153 of the Texas Government Code.

- G. Pursuant to Chapter 2274 of the Texas Government Code (as added by Senate Bill 2116, 87th Legislature, Regular Session), as amended, and to the extent this Agreement grants to [entity] direct or remote access to the control of critical infrastructure, excluding access specifically allowed for product warranty and support, [entity] verifies that neither ENGINEER, including any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same, nor any of its sub-contractors are: (i) owned or controlled by (a) individuals who are citizens of China, Iran, North Korea, Russia or a designated country; or (b) a company or other entity, including a governmental entity, that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North Korea, Russia, or a designated country; or (ii) headquartered in China, Iran, North Korea, Russia or a designated country. The term "designated country" means a country designated by the Governor as a threat to critical infrastructure under Section 2274.0103, Texas Government Code. The term "critical infrastructure" shall have the meaning assigned to such term in Section 2274.0101, Texas Government Code.
- XVIII. INVALIDATION AND MODIFICATIONS: If this Agreement is not executed by CLIENT within 30 days of date tendered, it shall become invalid unless ENGINEER extends the time in writing. This Agreement can be modified only by mutual written consent of both parties.
- XIX. H.B. 89 VERIFICATION: By signing and entering into the Contract, ENGINEER verifies that it does not boycott Israel and will not boycott Israel during the term of the Contract.
- XX. SEVERABILITY: Any provision of this Agreement prohibited by law shall be ineffective to the extent of such prohibition without invalidating the remaining provisions of this Agreement.
- XXI. PERSONNEL: ENGINEER agrees that during ENGINEER's performance of Services hereunder, adequate provision shall be made to staff and retain the services of such competent personnel as may be appropriate or necessary for the performance of the Services. CLIENT shall have the right to review the personnel assigned by ENGINEER, and ENGINEER shall remove any personnel not acceptable to CLIENT. ENGINEER may remove personnel assigned to a Task Order without CLIENT's prior approval, provided the progress of the Services shall not be unreasonably impaired.
- XXII. LICENSES: ENGINEER represents to CLIENT that it has and will maintain during the performance of the Services under this Agreement any licenses which, under the regulations of federal, state, or local governmental authority, it may be required to maintain in order to perform the Services.
- XXIII. CERTIFICATION OR SEALING OF INSTRUMENTS OF SERVICE BY PROFESSIONAL ENGINEER: All specifications, drawings, and other engineering documents that are prepared by ENGINEER shall be certified or sealed by a licensed professional engineer. Such certifications or seals shall be valid for the State of Texas. The ENGINEER shall not be required to execute certificates, consents, third-party reliance letters or other documents that are inaccurate, that relate to facts of which the ENGINEER does not have actual

knowledge, or that would cause the ENGINEER to violate applicable rules of professional responsibility.

- XXIV. DESIGN REQUIREMENTS: Subject to the Standard of Care, Construction plans and specifications shall conform to the design criteria and regulations of all agencies and political subdivisions with jurisdiction over the project at the start of design, including the Texas Commission on Environmental Quality. In the event the plans and specifications do not conform to any such entity's criteria, the ENGINEER shall redesign the plans and specifications to conform to such criteria at no cost to the CLIENT. However, in the event a change in the applicable codes, ordinances, regulations, laws and/or statutes occurs after the effected design elements have been started, the ENGINEER may seek to have the services necessary to revise the effected portion of the final design compensated as an additional service as otherwise provided in this Agreement.
- XXV. CLIENT INFORMATION: ENGINEER shall be entitled to rely upon the completeness and accuracy of information supplied by or through CLIENT.
- XXVI. INCORPORATION OF WORK DURING CONSTRUCTION: If, after the construction has begun, an error or omission is discovered and the item can still be provided in the sequence of construction without resulting in a loss or cost to the Owner, other than the cost of the installed item that would have been paid if the item had been included, the Owner will pay for this item just as if had been included in the original design documents. If this error or omission is discovered out of sequence with the construction timetable, then the ENGINEER will pay for any resulting loss, cost and/or expense to the Owner to have this item corrected or included that is in excess of the amount it would have paid if it was included in the original design documents.
- XXVII. HAZARDOUS SUBSTANCES AND CONDITIONS: ENGINEER shall not be a custodian, transporter, handler, arranger, contractor, or remediator with respect to hazardous substances and conditions. ENGINEER's services will be limited to analysis, recommendations, and reporting, including, when agreed to, plans and specifications for isolation, removal, or remediation. The ENGINEER will notify the CLIENT of unanticipated hazardous substances or conditions of which the ENGINEER actually becomes aware. The ENGINEER may stop affected portions of its services until the hazardous substance or condition is eliminated.

This Agreement shall be governed by the laws of the State of Texas. Executed and effective this ____ day of _____, 2022.

BROOKSHIRE-KATY DRAINAGE DISTRICT
1111 Kenney Street
Brookshire, TX 77423

QUIDDITY ENGINEERING, LLC
6330 West Loop South
Suite 150
Bellaire, Texas 77401

BY: _____

BY: _____

DATE: _____

DATE: _____

ATTEST: _____

ATTEST: _____

Version 07.21.22

EXHIBIT A - Construction Phase Services

A. Construction Contract Administration ("CCA")

Administration services during construction include activities (other than field services) supporting the construction phase of the project on behalf of the CLIENT. These services must be accompanied by Field Project Representation. Contract Administration services consist of the following:

- a. Creation/collection, coordination and execution of post-bid contract documents and subsequent forms needed during the contract period of performance
- b. Facilitate bond and insurance review by CLIENT's designated agent
- c. Maintain knowledge of the contract, general conditions, special conditions, and addenda
- d. Facilitation of the contractual and agreed upon lines of communication
- e. Sending contractual notices to all parties
- f. Receive, review and recommend periodic contractor pay requests. Provide written recommendation of payment to CLIENT based upon on-site observations
- g. Processing RFIs and RFPs
- h. Change order preparation and processing, quantity and price assessment
- i. Schedule monitoring
- j. Managing pre-construction meeting
- k. Management of submittals, samples and shop drawings
- l. Generating close-out documents
- m. File management
- n. Minimum level of documentation and reporting
- o. Issuance of a Certificate of Substantial Completion to CLIENT
- p. If CCA is selected for a project, the compensation will be in accordance with the applicable table in Section II.B.1.

B. Construction Management ("CM")

In addition to the items included in Construction Contract Administration, Construction Management services shall include the following:

- a. Review of a Critical Path Method schedule and monthly updating by the Contractor
- b. Active engagement with the Contractor for work sequencing, phasing and shut-downs
- c. Coordination of multiple contractors working under multiple contracts on-site simultaneously rather than in series
- d. Coordination of construction staking, construction materials testing, and special inspections (unless they are managed by the Contractor's contract).
- e. Review of test results, construction methods, planning, and Contractor's QA/QC plans
- f. Higher level of documentation and reporting (detail, frequency, method, accessibility, delivery)
- g. Make reasonable attempts to resolve issues before disputes arise
- h. Assist in risk mitigation including assessment of the Contractor's schedule and construction sequencing to limit interruptions to the CLIENT's services, reduction in construction delays
- i. Fee management of our subconsultants and the CLIENT's
- j. Reasonable change order negotiation/cost verification
- k. Provide regular and thorough communication with the project team
- l. Provide written construction summary twice per month to be submitted to the CLIENT

Construction Management can benefit by having “resident” personnel on the project site. With resident services, a licensed Professional ENGINEER or experienced Construction Manager will work from a temporary office trailer at the project site for the proposed average number of hours per week for the active duration of the construction contract period of performance. The Resident Personnel will share duties with the Field Project Representative to enhance the Construction Management and Field Project Representation services. **Level II Field Project Representation is required for all Construction Management jobs.**

Construction Management compensation, including resident services, are determined on a project-by-project basis. A written proposal will be provided to the CLIENT if these services are requested.

C. Field Project Representation

Field project representation services generally consist of full-time or part-time on-site project representative(s) to assist the ENGINEER and to provide more extensive observation of the Contractor's work. Presence of ENGINEER's Field Project Representatives does not guarantee the contractor's work shall be free of defect, but is intended to improve the CLIENT's familiarity with the contractor's progress and quality of work. ENGINEER can provide different levels of observation to meet the CLIENTS' needs. A description of ENGINEER's duties for the two different levels of observation are described below.

Work Observation: Level I (Periodic Part-Time Representation for Major Activities)

1. Spot check field-testing and other field quality assurance testing activities (while on-site)
2. Review and approximate periodic progress payment quantities, including verifying Materials on Hand
3. Monitor the Contractor's maintenance of record drawings
4. Provide field coordination and field communication between CLIENT and the Contractor
5. Occasional field attendance by construction project manager
6. Coordination of field project representatives
7. Observe work performed for substantial compliance with the contract documents. Observation includes up to 10 to 30 hours per week on-site (including travel time.) Field Project Representative will make best effort to be present for major activities as noted.
8. Prepare a summary of work observed during each visit

Major Activity Examples:

- Bedding and Backfill of Utilities
- Tunneling, Boring and Jacking
- Subgrade Stabilization & Compaction
- Mandrel, Pressure, Vacuum or other Testing
- Form and Rebar Placement
- Concrete Placement
- Equipment Setting & Start-Up
- Clear Water Tests
- Commissioning of Equipment
- Process Switchovers
- Start-up of Bypass Activities
- Coatings
- Any activity that interrupts service to District's customers
- Traffic Control Set-Up

Work Observation: Level II (Full-Time Representation)

Includes scope of Work Observation: Level I, plus the following:

1. Observe work performed for compliance with the contract documents. Observation includes up to 40 hours per week on-site (including travel time). These hours include performing all the tasks listed in Work Observation Level I plus the tasks noted below.
2. Monitor and track quantities of work performed
3. Monitor and track Contractor's crews and equipment on-site
4. Validate impact-days daily
5. Match concrete batch tickets to placement locations
6. Attendance at minor activities
7. Prepare a daily summary of work observed

Exhibit B – Additional Services

Additional Services general consist of optional services, or services normally performed by others or under separate engineering scope. Each project will require Additional Services which may include:

- a. Preliminary Engineering Reports, evaluation or feasibility reports, special reports or studies, comparative analyses, traffic studies, property maps, environmental investigations preparation of environmental statements, applications for permits or grants, appearances before regulatory agencies, and required filing fees;
- b. Renderings, exhibits, or scale models;
- c. Update of CLIENT GIS, including monthly update of water, sanitary sewer, and drainage facilities, repair data, as applicable.
- d. Services, including field observations during the design phase, to investigate existing conditions or facilities or to make measured drawings thereof, or to verify accuracy of drawings or other information furnished by CLIENT;
- e. Field surveys, construction staking, lot staking, and related office computations and drafting;
- f. Review of utility CCTV footage and field survey of manhole conditions
- g. Storm water pollution prevention plans and traffic control plans;
- h. Storm water pollution prevention plan best management practices observation and reporting
- i. Evaluation of, or use of, alternative delivery options such as Evaluated Bids, Competitive Sealed Proposals, Design Build, Construct Manager AT Risk, post bid evaluation services including evaluation of bid proposals, evaluation of alternative bid items, post bid value engineering;
- j. Revisions to substantially completed construction documents or approved preliminary documents occasioned by changes in scope of work;
- k. Computer/controls programming and configuration services;
- l. Change order negotiation and dispute resolution, to the extent possible, with the Contractor;
- m. Printed copies of construction documents;
- n. Construction management as described in Section II Construction Management of Exhibit A – Construction Phase Services;
- o. Field Project Representation, either Work Observation Level I, II, or III as described in Section III Field Project Representation Services of Exhibit A – Construction Phase Services;
- p. Drone inspection;
- q. Field visits by the design team to observe construction progress, observe the completed construction for conformity to contract documents, and assist in the startup and commission of facilities;

- r. Additional or extended services during construction past the original substantial completion date of the construction Contract Period of Performance made necessary by defective or neglected work of contractor; prolongation of construction contract, acceleration of work schedule involving services beyond normal working hours; default under construction contract due to delinquency or insolvency; or work damaged by fire or other cause during construction;
- s. Contractor's Insurance and bond verification;
- t. Contractor's surety assistance or coordination in any way but usually in the event of a potential default;
- u. Claims analysis and consulting, liquidated or actual damage determinations;
- v. Attendance at multiple start-ups during construction due to Contractor performance;
- w. Attendance at monthly construction meetings;
- x. Structural and MEP inspection for items not designed by QE;
- y. Revisions to construction documents after project completion to indicate "Record" conditions, and operation and maintenance manual review and preparation;
- z. Travel and subsistence;
- aa. Soil borings; soil, mill, shop, and laboratory tests;
- bb. Services in conjunction with preparation, calculation and submittal of subdivision plats;
- cc. Witness factory testing;
- dd. O&M support including observation, active participation in Owner training, preparation of comprehensive and integrated O&M manuals, and Emergency Planning;
- ee. Landscape and irrigation services;
- ff. Lot grade verification;
- gg. Acting as CLIENT interface with effected residents;
- hh. Services as an expert witness including preparation of engineering data and reports on behalf of the CLIENT or in connection with litigation or other controversies, or in consultation with CLIENT or attorneys;
- ii. Process estimation including observation, active participation in Owner training, including observation, active participation in Owner training, and preparation of Standard Operating Procedures;
- jj. 11 month warranty inspection;
- kk. Other services not otherwise included in the Agreement or not customarily furnished in accordance with generally accepted engineering practice;

DECEMBER 2022 - FINANCIAL REPORT

General Fund	\$1,773,514.02
Payroll Fund	\$109,475.78
Petty Cash	\$1,742.34
Building Fund	\$1,100,294.99
Capital Improvement Fund	\$600,184.02
Texpool Fund	\$2,949.44
Amegy Bank Checking	\$69,600.84
Austin Co. State Bank CD	\$243,052.51
Bank of Shiner CD	\$180,806.14
Bank of Brenham CD	\$245,000.00
Citizens State Bank CD	\$240,956.67
Fayetteville Bank CD	\$178,351.13
First Nat. Bank Bellville CD	\$179,083.16
Industry State Bank CD	\$245,720.99
TOTAL RECONCILED BALANCE	\$5,170,732.03
<i>All accounts are reconciled.</i>	

EXHIBIT "B"

FUNDS						
	TexPool	Prosperity Bank General Fund	Prosperity Bank Payroll Fund	Amegy Bank Grant - Checking	Prosperity Bank Building Fund	Prosperity Bank Capital Imprvmnts
Fund Balance						
Beginning Balance 12/1	\$2,940.72	\$1,766,197.51	\$163,223.46	\$69,600.84	\$1,100,154.83	\$600,107.57
Deposits and Credits	\$8.72	\$227,987.23	\$18.43	\$0.00	\$140.16	\$76.45
Debits and Withdrawals	\$0.00	\$203,612.87	\$40,095.57	\$0.00	\$0.00	\$0.00
Ending Balance 12/30	\$2,949.44	\$1,790,571.87	\$123,146.32	\$69,600.84	\$1,100,294.99	\$600,184.02
Less Total Outstanding Drafts/Deposits (Net Amount)	\$0.00	-\$17,057.85	-\$13,670.54	\$0.00	\$0.00	\$0.00
Adjusted Ending Balance 12/31	\$2,949.44	\$1,773,514.02	\$109,475.78	\$69,600.84	\$1,100,294.99	\$600,184.02
Monthly Interest Earned	\$8.72	\$231.02	\$18.43	\$0.00	\$140.16	\$76.45

CERTIFICATES OF DEPOSIT							
	Austin County State Bank	Bank of Shiner	Citizens State Bank	Fayetteville Bank	First National Bank of Bellville	Industry State Bank	Bank of Brenham
Fund Balance							
Beginning Balance 12/1	\$243,052.51	\$180,806.14	\$240,956.67	\$178,351.13	\$179,083.16	\$245,000.00	\$245,000.00
Deposits and Credits	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Debits and Withdrawals	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Ending Balance 12/31	\$243,052.51	\$180,806.14	\$240,956.67	\$178,351.13	\$179,083.16	\$245,000.00	\$245,000.00
Interest/Earned	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

BUDGET	
22-23 FY Budget	\$3,997,825.15
YTD Expenses	\$641,718.41
New Equipment	\$0.00
Total Budgeted Expenses YTD	\$641,718.41

MINUTES
BROOKSHIRE-KATY DRAINAGE DISTRICT

January 23, 2023

The Board of Supervisors of Brookshire-Katy Drainage District (the "District") met in a workshop, open to the public, at 8:00 a.m. at 1111 Kenney Street, Brookshire, Texas, inside the boundaries of the District, and the roll was called of the members of the Board:

Arnold England	President
Pat Keeling	Vice President
David Welch	Secretary
Blake Beckendorff	Supervisor
John Chisum	Supervisor

and all of the above were present, thus constituting a quorum.

Also attending the meeting were Stan Kitzman, General Manager of the District; Buddy Brand, Assistant General Manager of the District; Wendy Sidwell, District Administrator; Steve Berckenhoff, P.E. of Quiddity Engineering ("Quiddity" or "Engineer"); Michael McCarthy, P.E. of Quiddity Engineering, Rod Pinheiro, P.E. of Quiddity Engineering, Blair Bozoarth of Sunterra Development; Stephen Wilcox of Costello Engineering; Brooke Bacuetes of Waller County; Kyle Blank of Sunterra Development and Andrew P. Johnson, III, and William Petrov, attorneys, of Johnson Petrov, LLP ("Johnson Petrov" or "Attorney").

Agenda Item No. 2

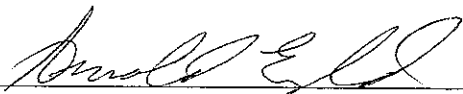
Discuss Interlocal Agreement for Community Development Block Grant Project. Mr. Kitzman and Ms. Bacuetes presented to and reviewed with the Board the Interlocal Agreement between Waller County and Brookshire-Katy Drainage District for the maintenance of a possible regional detention project, a copy of which is attached hereto as Exhibit "A". It was noted that the proposed construction end date would be July, 2025.

ADJOURNMENT

With no additional matters to discuss, upon motion by Supervisor Keeling, seconded by Supervisor Welch, and with all Supervisors voting aye, the Board adjourned the meeting at 9:12 a.m.

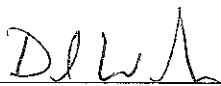
[EXECUTION PAGE FOLLOWS]

SIGNED this 13th day of February 2023.



President, Board of Supervisors

ATTEST:



Secretary, Board of Supervisors

Exhibit A

Interlocal Agreement

EXHIBIT "A"

THE STATE OF TEXAS §
COUNTY OF WALLER §

INTERLOCAL AGREEMENT FOR COMMUNITY DEVELOPMENT BLOCK GRANT PROJECT

This AGREEMENT is made pursuant to the Interlocal Cooperation Act at Chapter 791 of the Texas Government Code, between Waller County, Texas, hereinafter referred to as the COUNTY, acting through its Commissioners Court, and the Brookshire-Katy Drainage District, hereinafter referred to as the DISTRICT, acting through its Board of Directors.

A. The Improvements

The COUNTY agrees to provide grant funds budgeted from its Community Development Block Grant Regional Mitigation Method of Distribution contract to construct a drainage improvement project (Improvements) on behalf of the DISTRICT benefitting the City of Brookshire if such is awarded to the County by the General Land Office (GLO), hereinafter referred to as the GRANT.

B. Parties agree that the COUNTY shall:

1. Endeavor to execute its GRANT responsibilities in a timely and efficient manner.
2. Be the repository of all receipts and documentation pertinent to the GRANT and furnish such to GLO upon its request.
3. Serve as the primary contact in all matters pertaining to the GRANT and the conduit for communication between itself, the DISTRICT, and GLO.
4. Attempt to modify the GRANT contract with GLO in order to bring costs within the GRANT budget if construction bids exceed the GRANT budget and funds sufficient to cover the shortfall are not available.
5. Automatically transfer full ownership of the GRANT-funded Improvements to the DISTRICT upon acceptance by the COUNTY of the Certificate of Construction Completion.

C. Parties agree that the DISTRICT shall:

1. Comply with all COUNTY requests for information and documents required to fulfill the COUNTY's obligations under the GRANT.
2. Permit unrestricted access by the COUNTY and its selected engineering, administrative, and construction contractors to those portions of the construction site under DISTRICT control, to allow performance of the GRANT-related duties outlined in agreements these entities shall have with the COUNTY.
3. Be solely responsible for the continued maintenance and operation of any proposed Improvements upon acceptance by the COUNTY of the Certificate of Construction Completion and transfer of the Improvements pursuant to Section B.5. herein.

4. Automatically receive full ownership of the GRANT-funded Improvements upon acceptance by the COUNTY of the Certificate of Construction Completion and transfer of the Improvements pursuant to Section B.5. herein.

D. Term and Termination

1. The term of this Agreement shall be from April 1, 2023 until the later of: a) the administrative closure of the GRANT by the GLO, or b) the transfer of the Improvements from the COUNTY to the DISTRICT pursuant to Section B.5. herein.
2. Once grant funds are awarded by the GLO, this Agreement may only be terminated by: a) mutual written agreement of the parties, or b) for cause after a 60-day written notice and cure period.

E. Contacts and Notices

Each party shall designate a primary contact for communications about the project and this Agreement and for notices. Contact information may be changed with a 10-day written notice to the other party.

1. For the COUNTY:

Brooke Bacuetes, who can be contacted at b.bacuetes@wallercounty.us.

2. For the DISTRICT:

_____, who can be contacted at _____.

The parties further agree that any GRANT funds provided by the COUNTY are without warranty of any kind to the DISTRICT or any third party, and the DISTRICT hereby agrees, to the extent allowable by law, to defend, hold harmless, and indemnify the COUNTY, its officers, agents, and employees for any claims for injury or death of any person or any property damage arising out of the COUNTY's performance of its obligations under this Agreement. Nothing herein shall be construed to create any rights in third parties.

WALLER COUNTY, TEXAS

**BROOKSHIRE-KATY DRAINAGE
DISTRICT**

CARBETT "TREY" J. DUHON III
COUNTY JUDGE

ARNOLD ENGLAD
PRESIDENT OF THE BOARD

ATTEST:

DEBBIE HOLLAN
COUNTY CLERK

DAVID WELCH
BOARD SECRETARY

MINUTES
BROOKSHIRE-KATY DRAINAGE DISTRICT

January 23, 2023

The Board of Supervisors of Brookshire-Katy Drainage District (the "District") met in special session, open to the public, at 8:30 a.m. at 1111 Kenney Street, Brookshire, Texas, inside the boundaries of the District, and the roll was called of the members of the Board:

Arnold England	President
Pat Keeling	Vice President
David Welch	Secretary
Blake Beckendorff	Supervisor
John Chisum	Supervisor

and all of the above were present, thus constituting a quorum.

Also attending the meeting were Stan Kitman, General Manager of the District; Buddy Brand, Assistant General Manager of the District; Wendy Sidwell, District Administrator; Michael McCarthy, P.E., Rod Pinheiro, P.E. and Steve Berckenhoff, P.E. of Quiddity Engineering ("Quiddity" or "Engineer"); Blair Bozoarth and Kyle Blank of Sunterra Development; Stephen Wilcox of Costello Engineering; Brooke Bacuetes of Waller County; Osiel Saenz, Heather Caramanica, and Stephanie Zertuche of CenterPoint Energy ("CenterPoint"); Holly Feese of Angie Evans, CPA ("Auditor"); Steven Boyd and Amanda Barbier of LJA Engineering ("LJA"); and Andrew P. Johnson, III, and William Petrov, attorneys, of Johnson Petrov, LLP ("Johnson Petrov" or "Attorney").

Agenda Item No. 2
INVOCATION AND PLEDGE OF ALLEGIANCE

Supervisor David Welch led the invocation. Supervisor England led the Pledge of Allegiance.

Agenda Item No. 3
PUBLIC COMMENT

There was no public comment.

Agenda Item No. 4
PROVIDE UPDATE ON SUNTERRA DEVELOPMENT

Mr. Bozoarth updated the Board regarding Sunterra Development.

Agenda Item No. 11
EASEMENT BETWEEN BROOKSHIRE-KATY DISTRICT AND MR. EDDIE NEUMAN

Mr. Kitman presented the easement stating that the easement encompasses two to three low water bridges. Reasonable efforts will be made to preserve legacy trees.

Upon motion by Supervisor Welch, seconded by Supervisor Keeling, after full discussion and with all Supervisors present voting aye, the Board authorized execution of the easement between the District and Mr. Eddie Neuman; and authorized the Board President to send a commitment letter to Mr. Neuman.

Agenda Item No. 5
INTERLOCAL AGREEMENT FOR COMMUNITY DEVELOPMENT BLOCK GRANT PROJECT WITH WALLER COUNTY ("INTERLOCAL AGREEMENT FOR CDBG")

Upon motion by Supervisor Welch, seconded by Supervisor Beckendorff, after full discussion and with all Supervisors voting aye, the Board approved the Interlocal

Agreement between Waller County and Brookshire-Katy Drainage District for Community Development Block Grant project, a copy of which is attached as Exhibit "A".

Agenda Item No. 6

CREATION OF TWO ADDITIONAL DISTRICT FUNDS; BUILDING FUND AND CAPITAL IMPROVEMENT FUND

Upon motion by Supervisor Keeling, seconded by Supervisor Chisum, after full discussion and with all Supervisors present voting aye, the Board approved creation of two additional District funds - Building Fund and Capital Improvement Fund for the purposes of District improvements in excess of \$50,000.00.

Agenda Item No. 7

AUDIT REPORT FOR FISCAL YEAR ENDING SEPTEMBER 30, 2022

Certified Public Accountant, Holly Feese provided the Board with the District's Annual Audit for Fiscal Year 2021-2022. Holly thanked the District for allowing them to prepare the Audit and Wendy for her help in the processes. Upon motion by Supervisor Welch, seconded by Supervisor Keeling, after full discussion and with all Supervisors present voting aye, the Board approved the 2021-2022 Audit Report, a copy of which is attached hereto as Exhibit "B".

Agenda Item No. 8

PUBLIC INFORMATION ACT POLICY AND PROCEDURES

Mr. Petrov informed the Board regarding fees permitted to be charged to respond to open records requests.

Next, upon motion by Supervisor Welch, seconded by Supervisor Chisum, after full discussion and with all Supervisors present voting aye, the Board voted to start charging fees for responding to open records requests, in accordance with the law.

Agenda Item No. 9

AMEND THE BROOKSHIRE-KATY DRAINAGE DISTRICT RULES AND REGULATIONS

Mr. Petrov discussed the District's Rules and Regulations enforcement policy and an increase of the fines for violation of the District's Rules and Regulation from \$5,000 to \$10,000.

Upon motion by Supervisor Chisum, seconded by Supervisor Welch, after full discussion and with all Supervisors present voting aye, the Board amended the fines for violations of the Brookshire-Katy Drainage District Rules and Regulations.

Agenda Item No. 10

INTERPRETATION OF EASEMENT DOCUMENT LANGUAGE

Mr. Johnson updated the Board regarding the easement language related to Katy trees. No action was taken.

Agenda Item No. 12

EASEMENTS BETWEEN BROOKSHIRE-KATY DRAINAGE DISTRICT AND MR. ALTON NEUMAN

No action was taken.

Agenda Item No. 13

CORRESPONDENCE TO GOYA RAIL REGARDING PERMIT NO. 2022-35

Mr. Johnson informed the Board regarding the vested rights of Goya Rail in relation to the Atlas 14 regulations.

No action was taken.

Agenda Item No. 14

SUNTERRA PHASE IV DRAINAGE IMPACT ANALYSIS

Upon motion by Supervisor Keeling, seconded by Supervisor Welch, after full discussion and with all Supervisors present voting aye, the Board accepted the Sunterra Phase IV Drainage Impact Analysis.

Agenda Item No. 15

TRACT DEVELOPMENT WITH PLATTING FOR WELCOME GROUP FINAL PLAT AND DRAINAGE PLANS - PUBLIC, PERMIT NO. 2022-98

Upon motion by Supervisor Beckendorff, seconded by Supervisor Chisum, after full discussion and with all Supervisors present voting aye, the Board approved the Tract Development with Platting for Welcome Group Final Plat and Drainage Plat - Public Permit No. 2022-98.

Agenda Item No. 16

TRACT DEVELOPMENT WITH PLATTING FOR TWINWOOD COMMERCE FINAL PLAT AND DRAINAGE PLANS - PUBLIC, PERMIT NO. 2022-100.

This matter was combined with Agenda Item No. 17.

Agenda Item No. 17

TRACT DEVELOPMENT WITH PLATTING FOR TWINWOOD COMMERCE DRAINAGE PLANS - PRIVATE, PERMIT NO. 2022-101.

Upon motion by Supervisor Chisum, seconded by Supervisor Beckendorff, after full discussion and with all Supervisors present voting aye, the Board approved the Tract Development with Platting for Twinwood Commerce Final Plat and Drainage Plans - Public and Private Permit Nos. 2022-100 and 2022-1001.

Agenda Item No. 18

TRACT DEVELOPMENT WITH PLATTING FOR OLO FINAL PLAT AND DRAINAGE PLANS - PUBLIC, PERMIT NO. 2022-74.

This matter was combined with Agenda Item No. 19.

Agenda Item No. 19

VARIANCE REQUEST FOR TRACT DEVELOPMENT WITH PLATTING FOR OLO FINAL PLAT AND DRAINAGE PLANS, PERMIT NO. 2022-74.

Upon motion by Supervisor Keeling, seconded by Supervisor Chisum, after full discussion and with all Supervisors present voting aye, the Board approved the Variance Request and Permit for Tract Development with Platting for OLO Final Plant and Drainage Plans - Permit No. 2022-74.

enda Item No. 20

TRACT DEVELOPMENT WITHOUT PLATTING FOR SCHLIPF ROAD DRAINAGE PLANS, PERMIT NO. 2022-109.

Upon motion by Supervisor Chisum, seconded by Supervisor Beckendorff, after full discussion and with all Supervisors present voting aye, the Board approved the Tract Development with Platting for Schlipf Road Drainage Plans – Permit No. 2022-109.

Agenda Item No. 21

TRACT DEVELOPMENT WITHOUT PLATTING FOR CLAY ROAD SEGMENT 1 DRAINAGE PLANS REVISION PERMIT NO. 2023-09

Upon motion by Supervisor Keeling, seconded by Supervisor Chisum, after full discussion and with all Supervisors present voting aye, the Board approved the Tract Development without Platting for Clay Road Segment 1 Drainage Plans – Permit No. 2023-09.

Agenda Item No. 22

2023 IRS MILEAGE REIMBURSEMENT RATE.

The Board was informed that the standard mileage rate for transportation or travel expenses has increased to 65.5 cents per mile. Upon motion by Supervisor Chisum, seconded by Supervisor Beckendorff, after full discussion and with all Supervisors present voting aye, the Board adopted the IRS mileage rate for 2023 of 65.5 cents per mile.

Agenda Item No. 23

TEXAS WATER CONSERVATION ASSOCIATION 2023 ANNUAL MEETING.

The Board was informed that the Texas Water Conservation Association 2023 Annual Meeting will be held March 1, 2023 through March 3, 2023 in Bastrop, Texas.

Agenda Item No. 24

ADMINISTRATIVE ASSISTANT POSITION.

Ms. Sidwell informed the Board about the possibility of hiring Joy Shipman as an administrative assistant in the District.

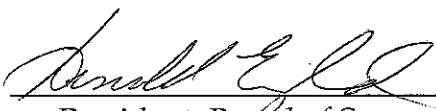
Upon motion by Supervisor Beckendorff, seconded by Supervisor Welch, after full discussion and with all Supervisors present voting aye, the Board hired Joy Shipman as an administrative assistant with a beginning annual salary of \$60,000.00 and waiving the 90 day probationary period.

ADJOURNMENT

With no additional matters to discuss, upon motion by Supervisor Keeling, seconded by Supervisor Welch, and with all Supervisors voting aye, the Board adjourned the meeting at 11:10 a.m.

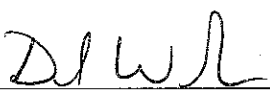
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SIGNED this 13th day of February 2023.



President, Board of Supervisors

ATTEST:



Secretary, Board of Supervisors

MINUTES
BROOKSHIRE-KATY DRAINAGE DISTRICT

January 27, 2023

The Board of Supervisors of Brookshire-Katy Drainage District (the "District") met in a Workshop, open to the public, at 9:00 a.m. at 1111 Kenney Street, Brookshire, Texas, inside the boundaries of the District, and the roll was called of the members of the Board:

Arnold England	President
Pat Keeling	Vice President
David Welch	Secretary
Blake Beckendorff	Supervisor
John Chisum	Supervisor

and all of the above were present, except Supervisor Chisum, thus constituting a quorum.

Also attending the meeting were Buddy Brand, Assistant General Manager of the District; Wendy Sidwell, District Administrator; Michael McCarthy, P.E. and Rod Pinheiro, P.E. of Quiddity Engineering; Jack Duran of Blueline Architects via videoconference; Brett Hanrahan, P.E. of ALJ Lindsey Engineers via videoconference and Andrew P. Johnson, III, and William Petrov, attorneys, of Johnson Petrov, LLP ("Johnson Petrov" or "Attorney").

Agenda Item No. 2
Discuss Brookshire-Katy Drainage District New Administration Building. Mr. Duran reviewed the plans for the proposed Administration Building. Ms. Sidwell relayed that Mr. Kitzman proposed the drainage ditch be located in the southwest corner near the property line. The Board concurred that the District should follow the Waller County foundation requirements of 24" instead of the City of Brookshire's requirements of 18". Mr. Duran responded to additional questions regarding the detention pond and stated that Blueline will work on the exhibits and prepare detention pond options for further consideration by the District.

ADJOURNMENT

With no additional matters to discuss, upon motion by Supervisor Keeling, seconded by Supervisor Beckendorff, and with all Supervisors voting aye, the Board adjourned the meeting at 10:00 a.m.

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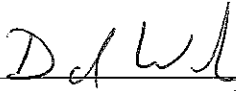
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SIGNED this 13th day of February 2023.



President, Board of Supervisors

ATTEST:



Secretary, Board of Supervisors

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