

Joyce Hudman
County Clerk
Brazoria County, Texas

NOTICE OF PUBLIC MEETING BRAZOSPORT WATER AUTHORITY

Notice is hereby given that a Regular Session Meeting of the Brazosport Water Authority will be held at 6:00 p.m. on Tuesday, May 26, 2020, at the Brazosport Water Authority Treatment Plant Facility Conference Room located at 1251 FM 2004, Lake Jackson, Texas.

NOTICE OF MEETING BY TELEPHONE CONFERENCE

In accordance with the order of the Office of the Governor issued March 16, 2020, the Authority will conduct the meeting scheduled at 6:00 p.m. on Tuesday, May 26, 2020, at the Brazosport Water Authority Treatment Plant Facility Conference Room located at 1251 FM 2004, Lake Jackson, Texas, in part by telephone conference in order to advance the public health goal of limiting face-to-face meetings (also known as "social distancing") to slow the spread of Coronavirus (COVID-19).

The meeting agenda and agenda packet are posted online at brazosportwaterauthority.org.

The public dial in number to participate in the telephonic meeting is (832) 917-1510, and the access code is 296299. In the event you have any difficulty calling into the meeting, please call (979) 236-9156.

The public will be permitted to offer public comment telephonically as provided by the agenda and as permitted by the presiding officer during the meeting. The meeting will also be recorded and made available in accordance with the requirements of the Texas Open Meetings Act.

At said meeting the Board will deliberate, consider and/or take action on any or all of the following matters:

AGENDA

1. CALL TO ORDER
2. CITIZENS COMMENTS
3. DISCUSS/CONSIDER APPROVAL OF RESOLUTION TO ACCEPT THE 2018 PLANT IMPROVEMENTS CONTRACT 1 PROJECT (10MG CLEARWELL) AS BEING COMPLETED IN SUBSTANTIAL COMPLIANCE WITH THE APPROVED PROJECT PLANS AND SPECIFICATIONS AS MODIFIED BY APPROVED CHANGE ORDERS.
4. DISCUSS/CONSIDER APPROVAL OF RESOLUTION TO ESTABLISH MAY 26, 2020 AS THE START OF THE WARRANTY DATE FOR THE 2018 PLANT IMPROVEMNET CONTRACT 1 PROJECT (10 MG CLEARWELL)
5. CONSENT AGENDA – APPROVAL OF MINUTES, MONTHLY EXPENDITURES AND FINANCIAL REPORTS
6. DISCUSS/CONSIDER APPROVAL OF BRAZOSPORT WATER AUTHORITY 2020/2021 EXPENSE BUDGET
7. DISCUSS/CONSIDER APPROVAL OF BRAZOSPORT WATER AUTHORITY 2020/2021 PERSONNEL POLICY
8. DISCUSS/CONSIDER APPROVAL OF BRAZOSPORT WATER AUTHORITY 2020/2021 INVESTMENT POLICY
9. GENERAL MANAGER'S REPORT
10. APPROVAL AND STATUS OF CAPITAL PROJECTS/MAINTENANCE PROJECTS
11. DISCUSS/CONSIDER APPROVAL OF AGENDA ITEMS FOR NEXT MEETING

Ronald Woodruff
General Manager
Brazosport Water Authority

**BRAZOSPORT WATER AUTHORITY
REGULAR SESSION
APRIL 28, 2020**

Joyce Hudman
County Clerk
Brazoria County, Texas

THE STATE OF TEXAS §
 §
COUNTY OF BRAZORIA §

NOT APPROVED

BE IT KNOWN that the Board of Directors of the Brazosport Water Authority met in Regular Session on Tuesday, April 28, 2020, via telephone conference pursuant to Governor Abbott's suspension of certain provisions of the Texas Open Meetings Act.

Today is Tuesday, April 28, 2020 and the time is 6:00 p.m. My name is Juan Longoria, President of Brazosport Water Authority. I will be conducting the regular monthly BWA board meeting via Teleconference pursuant to Governor Abbott's order suspending certain provisions of the Texas Open Meetings Act in order to minimize the impact of the Coronavirus outbreak. This will be the first time BWA uses this format, so I ask for your patience as we move forward.

With the posting of today's meeting a toll-free call in number was indicated on the agenda, along with the agenda packet. Both may be found on the district website.

As required by law and as a commitment to transparency we continue to include a public comment section with our meeting. In the event you would like to participate in the public comment section of our meeting the general guidelines and rules still apply. Those guidelines being that each individual will be permitted to speak for 5 minutes. Members of the public will not be permitted to participate during agenda items. In the event there is any member of the public desiring to speak during the public comments section, please state your name so that we can add your comments to the meeting minutes and ensure you have an opportunity to speak. Members of the public will only be permitted to speak during public comment section.

Are there any members of the public wishing to speak during the public comment section?

I ask again, are there any members of the public wishing to speak during public comment section?

In the event any member of the public is having any technical difficulty during the meeting, please call (979) 236-9156 and someone will do the best they can to assist you.

Following today's meeting this recording will be made available to the public, as is the case with any other recording of a public meeting. In the event there is an Executive Session to be conducted by this body, which Executive Session was noticed on the agenda or it will be announced prior to going into Executive session. During Executive Session, the public will not be permitted to hear the meeting, as is the case under the Texas Open Meeting Act. Following Executive Session, the board will resume the public meeting.

I will start by doing a roll call of our 7 BWA board members. I will identify the city and if the

board member representing that city is present, please identify yourself by name and say present.

Filed: 05/21/2020 09:22:08
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Angleton (Morris Massingill)	Present
Brazoria (Jesse Knight)	Present
Clute (Joe Damian)	Absent
Freeport (Kenny Hayes)	Present
Lake Jackson (Juan Longoria)	Present
Oyster Creek (Calvin Merriman)	Absent (Present as of 6:26 pm)
Richwood (Jeremy Fountain)	Absent (Present as of 6:09 pm)

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Thank You. Next.

Brazosport Water Authority Staff starting with the

General Manager: (Ronnie Woodruff)	Present
Operations Manager: (Wyatt Ringgold)	Present
Office Manager: (Kristina Crouch)	Present
Plant Superintendent (Eddie Easterling)	Present
Anyone else from the staff present?	
Chief Operator (Felix Davis)	Present

BWA Legal Counsel: (Jason Cordoba) Present

Others Present:

Tim Finley
Tom Sage

CALL TO ORDER

With a quorum present, Director Longoria called the meeting to order at 6:04 p.m.

CITIZENS COMMENTS

None.

DISCUSS/CONSIDER APPROVAL OF RESOLUTION REQUESTING FINANCIAL ASSISTANCE FROM THE TEXAS WATER DEVELOPMENT BOARD AND AUTHORIZING THE FILING OF AN APPLICATION FOR ASSISTANCE

General Manager, Ronald Woodruff, recommended approval of a Resolution requesting financial assistance from the Texas Water Development Board and authorizing the filing of an application for assistance. Director Fountain joined during this session. A motion was made by Director Hayes to approve the Resolution. Director Knight seconded, with a vote of:

Ayes: Knight, Hayes, Longoria, Fountain
 Nays: None
 Abstains: Massingill
 Absent: Damian, Merriman

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CONSENT AGENDA - APPROVAL OF MINUTES, MONTHLY EXPENDITURES AND FINANCIAL REPORTS

The Board discussed and reviewed approval of consent agenda items from March 2020. A motion was made by Director Hayes to approve consent agenda items. Director Fountain seconded, with a vote of:

Ayes: Massingill, Knight, Hayes, Longoria, Fountain
Nays: None
Absent: Damian, Merriman

DISCUSS/CONSIDER APPROVAL OF BRAZOSPORT WATER AUTHORITY'S 2020/2021 EXPENSE BUDGET

The Board discussed and reviewed approval of Brazosport Water Authority's 2020/2021 Expense Budget. Director Merriman joined during this session.

No action taken.

GENERAL MANAGER'S REPORT

Items of discussion included:

- a.) Raw Water Supply – Currently the raw water supply is 100% Harris Reservoir. At 6:00 am today, April 28, 2020, the Brazos River at Rosharon elevation was 14.96 feet and flowing 9,050 cubic feet per second or 4,062,000 gallons per minute. The Brazos River at Richmond elevation was 16.80 feet and flowing 9,040 cubic feet per second or 4,057,152 gallons per minute. The reservoir capacity on the Brazos River Basin today, April 28, 2020, is 97.4% full or 3,480,991-acre feet. The reservoir capacity of the Brazos River Basin on the morning of March 24, 2020, and the date of last month board meeting was 98.4% full or 3,756,470-acre feet. At year-to-date the Brazos River Basin was 99.0% full or 3,844,530-acre feet.
- b.) Brackish Groundwater Clearwell - The new 10 million-gallon clearwell is full, disinfected and bacteriological tested. DN Tank is currently cleaning the site and doing punch list items and preparing for demobilization.

DISCUSS/CONSIDER APPROVAL OF AGENDA ITEMS FOR NEXT REGULAR MEETING SCHEDULED ON MAY 26, 2020:

- 1. Discuss/Consider Approval of BWA 2020/2021 Expense Budget
- 2. Discuss/Consider Approval of BWA 2020/2021 Investment Policy
- 3. Discuss/Consider Approval of BWA 2020/2021 Personnel Policy

A motion was made by Director Fountain to approve agenda items for our next meeting. Director Merriman seconded, with a vote of:

Ayes: Massingill, Knight, Hayes, Longoria, Merriman, Fountain
Nays: None
Absent: Damian

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With no other business before the Board a motion was made by Director Knight to adjourn the meeting at 6:46 p.m. Director Hayes seconded, with a vote of:

Ayes: Massingill, Knight, Hayes, Longoria, Merriman, Fountain
Nays: None
Absent: Damian

These minutes read and approved this 26th day of May, 2020.

Juan Longoria III, Board President



Accountants' Compilation Report

Joyce Hudman
County Clerk
Brazoria County, Texas

To the Board of Directors
Brazosport Water Authority
Lake Jackson, Texas

Management is responsible for the accompanying financial statements, of Brazosport Water Authority which comprise the statement of assets, liabilities and net assets-modified cash basis as of April 30, 2020, the related statement of revenues and expenses-modified cash basis budget vs. actual for the one month and seven months then ended and Statement of Revenues and Expenses-Modified Cash Basis Budget vs. Actual for the seven months ended April 30, 2020 in accordance with the modified cash basis of accounting, and for determining that the modified cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements, prepared in accordance with the modified cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Authority's statement of assets, liabilities and net assets and revenues and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Management has not presented the management's discussion and analysis information that the Governmental Accounting Standards Board has determined is required to supplement, although not required to be a part of, the basic financial statements.

We are not independent with respect to Brazosport Water Authority.

Green & McElreath CPAs PLLC

May 15, 2020
Houston, Texas

BRAZOSPORT WATER AUTHORITY
STATEMENT OF ASSETS, LIABILITIES AND
NET ASSETS-MODIFIED CASH BASIS
APRIL 30, 2020

Joyce Hudman
County Clerk
Brazoria County, Texas

Assets

Cash and cash equivalents	\$ 10,386,910
Accounts receivable	1,577,640
Inventory	205,737
Prepaid Insurance	33,332
Prepaid Wages	-
Restricted cash and cash equivalents	47,523,038
Capital Assets	
Land and rights of way	209,312
Treatment plant and transmission facilities	73,581,183
Equipment, vehicles, and furnishings	3,188,486
Construction in progress	19,878,334
Accumulated depreciation	(27,831,759)
Deferred charges, net	-
Water rights	45,000
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Total Assets	\$ 128,797,213
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Liabilities and Net Assets

Liabilities:

Accounts payable	\$ 2,607,526
Compensated absences payable	113,519
Accrued payroll	11,925
Loan Payments	-
Accrued expenses	4,442
Accrued interest payable	483,664
Revenue bonds - Series 2013	-
Revenue bonds - Series 2014	11,905,000
Revenue bonds - Series 2015 A	22,275,000
Bond Premium - Series 2015 A	693,116
Bond amortn - Series 2015 A	(131,692)
Revenue bonds - Series 2015 C	29,940,000
Bonds Premium - Series 2015 C	3,009,852
Bond amortn - Series 2015 C	(443,117)
Revenue bonds - Series 2015 B	5,315,000
Revenue bonds - Series 2016	21,545,000
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Total Liabilities	97,329,235
	<hr/> <hr/>

Net Assets:

Contributed capital	35,400
Restricted for capital projects	3,215
Restricted for debt service	1,792,204
Restricted for rate stabilization	566,483
Unrestricted	25,513,515
Net Revenue	3,557,161
	<hr/>
Total Net Assets	31,467,978
	<hr/> <hr/>

Total Liabilities and Net Assets	\$ 128,797,213
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Joyce Hudman
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Brazoria County, Texas

BRAZOSPORT WATER AUTHORITY
STATEMENTS OF REVENUES AND
EXPENSES--MODIFIED CASH BASIS
BUDGET VS. ACTUAL
FOR THE ONE MONTH AND SEVEN MONTHS ENDED APRIL 30, 2020

FOR THE ONE MONTH ENDED APRIL 30, 2020

FOR THE SEVEN MONTHS ENDED APRIL 30, 2020

	Actual	Budget	Variance (Under /Over)	Percent of Budget	Actual	Annual Budget	Budget Remaining	Percent of Budget Used
OPERATING REVENUES								
City of Angleton	\$ 178,200	\$ 181,170	\$ 2,970	98.36%	\$ 1,265,220	\$ 2,174,040	\$ 908,820	58.20%
City of Brazoria	31,185	31,705	520	98.36%	221,414	380,457	159,043	58.20%
City of Clute	99,000	100,650	1,650	98.36%	702,900	1,207,800	504,900	58.20%
City of Freeport	198,000	201,300	3,300	98.36%	1,405,800	2,415,600	1,009,800	58.20%
City of Lake Jackson	198,000	201,300	3,300	98.36%	1,405,800	2,415,600	1,009,800	58.20%
City of Oyster Creek	16,236	15,098	(1,138)	107.54%	112,457	181,170	68,713	62.07%
City of Richmond	23,265	23,653	388	98.36%	165,182	283,833	118,651	58.20%
Texas Department of Corrections	98,550	100,193	1,643	98.36%	699,705	1,202,310	502,605	58.20%
Dow Chemical	104,400	106,140	1,740	98.36%	741,412	1,273,680	532,268	58.21%
City of Rosenberg	418,500	430,050	11,550	97.31%	2,971,350	\$ 5,160,600	2,189,250	57.58%
Other water sales	-	-	-	0.00%	1,155	-	(1,155)	0.00%
Uncategorized income	-	-	-	0.00%	-	-	-	0.00%
Total operating revenues	\$ 1,365,336	\$ 1,391,259	\$ 25,923	98.14%	\$ 9,692,395	\$ 16,695,090	\$ 7,002,695	58.06%

OPERATING EXPENSES

Payroll and benefits	\$ 128,305	\$ 167,833	\$ 39,528	76.45%	\$ 1,072,438	\$ 2,014,000	\$ 941,562	53.25%
Wages--plant support	17,201	13,500	(2,701)	127.41%	78,854	162,000	83,146	48.68%
Payroll taxes	14,665	11,750	(2,915)	124.81%	64,684	141,000	76,316	45.88%
Retirement	45,669	43,333	(2,336)	105.39%	320,611	520,000	199,389	61.66%
Group insurance	(5,324)	2,917	8,241	-182.52%	2,099	35,000	32,901	6.00%
Worker's comp insurance	200,516	\$ 239,333	\$ 38,817	83.78%	\$ 1,538,686	\$ 2,872,000	\$ 1,333,314	53.58%
Total payroll and benefits								

Water production expenses

Raw water storage and transfer	\$ 84,337	\$ 101,835	\$ 17,498	82.82%	\$ 580,004	\$ 1,222,020	\$ 642,016	47.46%
Raw water purchase	-	-	-	0.00%	-	-	-	0.00%
Power	35,260	44,167	8,907	79.83%	241,521	530,000	288,479	45.57%
Residuals disposal	41,593	66,667	25,074	62.39%	358,867	800,000	441,133	44.86%
Chlorine	556	8,333	7,777	6.67%	36,921	100,000	63,079	36.92%
Copper sulfate	9,197	12,500	3,303	73.58%	37,037	150,000	112,963	24.69%
Alum	10,153	22,917	12,764	44.30%	104,196	275,000	170,804	37.89%
Sodium chlorite	12,795	20,833	8,038	61.42%	100,460	250,000	149,540	40.18%
Anionic polymer	923	11,667	10,744	7.91%	31,165	140,000	108,835	22.26%
Cautic soda	9,300	18,750	9,450	49.60%	86,567	225,000	138,433	38.47%
Fluoride	-	-	-	0.00%	-	-	-	0.00%
Sequest	7,650	8,333	683	91.80%	40,453	100,000	59,547	40.45%
Carbon	-	1,250	1,250	0.00%	41,856	15,000	(26,856)	279.04%
Polyaluminum chloride	-	10,417	10,417	0.00%	-	125,000	125,000	0.00%
Cationic polymer	4,691	16,667	11,976	28.15%	57,168	200,000	142,832	28.58%
Ammonium sulfate	3,149	2,917	(232)	107.95%	19,820	35,000	15,180	56.63%

See accountants' compilation report.

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BRAZOSPORT WATER AUTHORITY
STATEMENTS OF REVENUES AND
EXPENSES--MODIFIED CASH BASIS
BUDGET VS. ACTUAL
FOR THE ONE MONTH AND SEVEN MONTHS ENDED APRIL 30, 2020

	FOR THE ONE MONTH ENDED APRIL 30, 2020				FOR THE SEVEN MONTHS ENDED APRIL 30, 2020			
	Actual	Budget	Variance Under (Over)	Percent of Budget	Actual	Annual Budget	Budget Remaining	Percent of Budget Used
Total administrative expenses	\$ 25,601	\$ 48,209	\$ 22,608	53.10%	\$ 239,549	\$ 578,500	\$ 338,951	41.41%
Depreciation	\$ 989,602	\$ 41,145	\$ (948,457)	2405.16%	\$ 1,219,396	\$ 493,735	\$ (725,661)	246.97%
Total depreciation expense	\$ 989,602	\$ 41,145	\$ (948,457)	2405.16%	\$ 1,219,396	\$ 493,735	\$ (725,661)	246.97%
Total operating expenses	\$ 1,471,426	\$ 742,980	\$ (728,446)	198.04%	\$ 4,974,477	\$ 8,915,755	\$ 3,941,278	55.79%
OPERATING INCOME (LOSS)	\$ (106,090)	\$ 648,279	\$ 754,369	-16.36%	\$ 4,717,918	\$ 7,779,335	\$ 3,061,417	60.65%
NONOPERATING REVENUES (EXPENSES)								
Interest income	\$ 36,624	\$ 8,333	\$ (28,291)	439.51%	\$ 347,755	\$ 100,000	\$ (247,755)	347.76%
Dividend income	1,337	-	(1,337)	0.00%	26,597	-	(26,597)	0.00%
Unrealized gains (losses)	(1,855)	-	1,855	0.00%	83,017	-	(83,017)	0.00%
Realized gains (losses)	-	-	-	0.00%	-	-	-	0.00%
Gain / Loss on Sale of Assets	-	-	-	0.00%	-	-	-	0.00%
Amortization of bond premium - 2015 A	2,310	2,310	-	100.00%	16,173	27,720	11,547	58.34%
Amortization of bond premium - 2015 C	8,361	8,361	-	100.00%	58,525	100,332	41,807	58.33%
Bond interest--2013 series	-	-	-	0.00%	-	-	-	0.00%
Bond interest--2014 series	(16,913)	(16,913)	-	100.00%	(118,390)	(202,954)	(84,564)	58.33%
Bond interest--2015 A series	(76,914)	(76,914)	-	100.00%	(538,399)	(922,969)	(384,570)	58.33%
Bond interest--2015 B series	(8,129)	(8,129)	-	100.00%	(56,900)	(97,542)	(40,642)	58.33%
Bond interest--2015 C series	(113,225)	(113,225)	-	100.00%	(792,575)	(1,358,700)	(566,125)	58.33%
Bond interest--2016 series	(26,651)	(26,651)	-	100.00%	(186,560)	(319,818)	(133,258)	58.33%
Amortization of bond premium - 2013	-	-	-	0.00%	-	-	-	0.00%
Bond issuance costs	-	-	-	0.00%	-	-	-	0.00%
Total nonoperating revenues (exp)	\$ (195,055)	\$ (222,828)	\$ 27,773	87.54%	\$ (1,160,757)	\$ (2,673,931)	\$ 1,513,174	43.41%
INCREASE (DECREASE) IN NET ASSETS	\$ (301,145)	\$ 425,451	\$ 726,596	-70.78%	\$ 3,557,161	\$ 5,105,404	\$ 1,548,243	69.67%

See accountants' compilation report.

**BRAZOSPORT WATER AUTHORITY
FUND ACCOUNTS SUMMARY
APRIL , 2020**

Joyce Hudman
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Brazoria County, Texas

	<u>CURRENT MONTH BALANCE</u>	<u>MINIMUM BALANCE</u>
Operations Account #105-908	\$ 4,062,190.31	
Debt Service Fund Account #108-738	\$ 2,903,184.06	
Debt Service Reserve Fund Account #108-746	\$ 4,676,599.20	
Operations Reserve Account #109-264	\$ 217,781.57	
Operating Reserve Account at Raymond James	\$ 410,738.46	
Sum of Operating Reserve at Raymond James and 109-264	<u>\$ 628,520.03</u>	\$ 450,000.00
Rate Stabilization Fund Account #109-298 (reserve fund)	\$ 276,299.48	
Rate Stabilization Account at Raymond James	\$ 288,559.25	
Sum of Rate Stabilization at Raymond James and 109-298	<u>\$ 564,858.73</u>	\$ 500,000.00
Renewal and Replacement Fund Account #109-645	\$ 2,883,527.11	
Construction Account #105-890	\$ 5,312,960.20	
Drought Contingency Water Relief Fund #100103197	\$ 121,177.83	\$122,012.72 paid 01/28/2014
General Support Fund #100104819	\$ 2,659,408.14	
General Support Fund @ TexSTAR BWA GSFTS	\$ 2,308,448.42	
General Support Fund @ LOGIC BWA GSFLG	\$ 2,315,937.27	
Sum of General Support Fund 100104819/TexSTAR/LOGIC	<u>\$ 7,283,793.83</u>	
Grant Agreement-TWDB G1001055 Escrow Acct #100107346	\$ 340,000.00	
Next Financial Services	<u>\$ 1,774,743.99</u>	
TOTAL OF ALL FUNDS	\$ 30,551,555.29	

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**BRAZOSPORT WATER AUTHORITY
RAYMOND JAMES ACCOUNT SUMMARY
APRIL , 2020**

RAYMOND JAMES ACCOUNTS	FAIR MARKET VALUE (as of 4/30)
Rate Stabilization Fund 27403791	\$ 288,559.25
Operating Reserve Fund 27403786	\$ 410,738.46
TOTALS	\$ 699,297.71

ACCOUNT BREAKDOWNS

<u>Rate Stabilization Fund</u>	<u>AMOUNT INVESTED</u>	<u>MARKET VALUE 3/31</u>	<u>MARKET VALUE 4/30</u>
SECURITIES TOTAL:	\$ -	\$ -	\$ -
Cash and Money Market:			
Previous Month		\$ 167,524.61	\$ 288,556.88
Earnings		\$ 1,032.27	\$ 2.37
Bond Maturity		\$ 120,000.00	
CASH AND MONEY MARKET TOTALS:		\$ 288,556.88	\$ 288,559.25
RATE STABILIZATION FUND TOTALS:		\$ 288,556.88	\$ 288,559.25
<u>Operating Reserve Fund</u>	<u>AMOUNT INVESTED</u>	<u>MARKET VALUE 3/31</u>	<u>MARKET VALUE 4/30</u>
Government and Agency Securities:			
Bonds Asset and Mortgage Backed Securities:			
Fed. National Mort. Assoc. Note due 11/23/21	\$ 45,000.00	\$ 45,008.10	\$ 45,004.50
SECURITIES TOTAL:	\$ 45,000.00	\$ 45,008.10	\$ 45,004.50
Cash and Money Market:			
Previous Month		\$ 310,261.06	\$ 365,733.96
Earnings		\$ 469.89	
Bond Maturity		\$ 55,000.00	
CASH AND MONEY MARKET TOTALS:		\$ 365,730.95	\$ 365,733.96
OPERATING RESERVE FUND TOTALS:		\$ 410,739.05	\$ 410,738.46
ACCOUNT BREAKDOWN TOTALS:		\$ 699,295.93	\$ 699,297.71

BRAZOSPORT WATER AUTHORITY
APRIL , 2020Joyce Hudman
County Clerk
Brazoria County, TexasNEXT FINANCIALS SERVICES

ACCT PP8-214395 NEW BONDS PURCHASED JANUARY 2017:

FEDERAL HOME LN BKS FIXED RATE 150,000 @ a price of 99.9020

ACCT PP8-214395 NEW BONDS PURCHASED JULY 2019:

FEDERAL FARM CR BKS CONS SYSTEMWIDE 385,000 @ a price of 101.8250

ACCT PP8-214395 NEW BONDS PURCHASED MARCH 2020:

FEDERAL HOME LN BKS FIXED RATE 425,000 @ a price of 101.7480

ACCT PP8-214395	<u>COST</u>	<u>MARKET 3/31</u>	<u>MARKET 4/30</u>
FEDERAL HOME LN BKS FIXED RATE (2/18/21 B/E)	\$ 149,853.50	\$ 151,356.00	\$ 151,345.50
FEDERAL FARM CR BKS CONS SYSTEMWIDE (1/29/27 B/E)	\$ 392,026.25	\$ 386,713.25	\$ 386,343.65
FEDERAL HOME LN BKS FIXED RATE (3/24/21 B/E) (PURCHASED 3/6/2020)	\$ 435,875.00	\$ 431,319.75	\$ 430,737.50
Money Market	\$ -	\$ 5,802.13	\$ 5,802.76
SUBTOTAL	\$ 977,754.75	\$ 975,191.13	\$ 974,229.41

ACCT PP8-143016 NEW BONDS PURCHASED JULY 2019:

FEDERAL FARM CR BKS CONS SYSTEMWIDE 415,000 @ a price of 101.95

ACCT PP8-143016 NEW BONDS PURCHASED MARCH 2020:

FEDERAL HOME LN BKS FIXED RATE 370,000 @ a price of 101.7480

ACCT PP8-143016	<u>COST</u>	<u>MARKET 3/31</u>	<u>MARKET 4/30</u>
FEDERAL FARM CR BKS CONS SYSTEMWIDE (7/17/20 B/E)	\$ 423,092.50	\$ 416,489.85	\$ 416,108.05
FEDERAL HOME LN BKS FIXED RATE (3/10/23 B/E)	\$ 379,468.10	\$ 375,501.90	\$ 374,995.00
Money Market	\$ -	\$ 9,410.51	\$ 9,411.53
SUBTOTAL	\$ 802,560.60	\$ 801,402.26	\$ 800,514.58
TOTAL	\$ 1,780,315.35	\$ 1,776,593.39	\$ 1,774,743.99

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BRAZOSPORT WATER AUTHORITY
BOND ISSUANCE SUMMARY
APRIL , 2020

Joyce Hudman
County Clerk
Brazoria County, Texas

BOND SERIES 2014 (DWSRF) @ 1.266%

Issued October 2014 to cover costs for BWA Administrations	Amount Issued:	\$ 15,500,000.00
Building, Clearwell, Plant Improvements and Upgrades;	Closing Cost:	\$ 1,396,273.25
(\$924,670 of closing costs to BWA Next Investment PP8-214395);	Current Month Expenses:	\$ 685,251.40
Bond Funds are currently held with Bank of New York Mellon	Bank of New York Mellon 668688:	\$ 2,262,208.32
and Next Investments	NEXT Investments PP8-214395:	\$ 974,229.41
	TOTAL FUNDS AT MONTH END:	\$ 3,236,437.73

BOND SERIES 2015A (Open Market) @ 4%

Issued July 2015 to cover costs for BWA's first phase of the	Amount Issued:	\$ 23,377,708.35
Northern Regional Pipeline	Closing Cost:	\$ 272,350.31
ALL 2015A FUNDS EXHAUSTED	Current Month Expenses:	\$ -
	TexSTAR 0201120150:	\$ -
	LOGIC 0264611001:	\$ -
	TOTAL FUNDS AT MONTH END:	\$ -

BOND SERIES 2015B (SWIFT) @ 2.41%

Issued December 2015 to cover costs for BWA Desalination	Amount Issued:	\$ 5,605,000.00
Well, Pilot Project & Engineering;	Closing Cost:	\$ 390,812.50
(\$318,500 of closing costs to BWA Construction Acct 105890);	Current Month Expenses:	\$ 106,110.00
Bond Funds are currently held with BONY	Bank of New York Mellon 459072:	\$ 1,867,918.05
	TOTAL FUNDS AT MONTH END:	\$ 1,867,918.05

BOND SERIES 2015C (Open Market) @ 4%

Issued November 2015 to cover costs for BWA second phase	Amount Issued:	\$ 33,450,577.10
of the Northern Regional Pipeline	Closing Cost:	\$ 2,936,974.65
(\$2,603,723 of closing costs to BWA LOGIC Acct 0264611002)	Current Month Expenses:	\$ 656.25
ALL 2015C FUNDS EXHAUSTED	LOGIC 0264611002:	\$ -
	Bayern BWA15C/1666038N:	\$ -
	TOTAL FUNDS AT MONTH END:	\$ -

BOND SERIES 2016 (SWIFT) @ 1.67%

Issued November 2016 for building of Desalination Plant;	Amount Issued:	\$ 22,695,000.00
2 wells and associated piping	Closing Cost:	\$ 853,849.89
(\$699,426 of closing costs to BWA Debt Service Acct 108738);	Current Month Expenses:	\$ -
Bond Funds are currently held with BONY	Bank of New York Mellon 280682:	\$ 23,211,393.96
	TOTAL FUNDS AT MONTH END:	\$ 23,211,393.96

To the best of my knowledge, this four page report reflects compliance with the Texas Public Funds Investment Act and Internal Management Reports section of Brazosport Water Authority's Investment Policy approved March 26, 2019.



Ronald Woodruff, BWA General Manager

5-19-2020

Date

**NOTABLE EXPENDITURE REPORT
APRIL, 2020**

Filed: 05/21/2020 09:22:08
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Joyce Hudman
County Clerk
Brazoria County, Texas

5519 - MATERIALS/PARTS

Global Treat - \$9,440.00

Series 300 ton mount vacuum regulators for chlorine scales.

5522 - ACCOUNTING/AUDIT

Hilltop Securites Inc. - \$3,500.00

Annual report for BWA water supply system revenue.

**WATER COMPLAINTS
April 22 To May 19, 2020**

Angleton	No Complaints
Brazoria	No Complaints
Clute	No Complaints
Freeport	No Complaints
Lake Jackson	No Complaints
Oyster Creek	No Complaints
Richwood	No Complaints
Rosenberg	No Complaints
TDCJ - Clemens Unit	No Complaints
TDCJ - Wayne Scott Unit	No Complaints

SURFACE WATER MONTHLY OPERATING REPORT

FOR PUBLIC WATER SYSTEMS THAT ARE USING SURFACE WATER SOURCES
OR GROUND WATER SOURCES UNDER THE INFLUENCE OF SURFACE WATER

Summary Page

PUBLIC WATER SYSTEM NAME: BRAZOSPORT WATER AUTHORITY PWS ID No.: 0200497 Plant ID No.: 14711 Report for the Month of: April 2020	PLANT NAME OR NUMBER: BRAZOSPORT WATER AUTHORITY (0200497) <small>I certify that I am familiar with the information contained in this report and that, to the best of my knowledge, the information is true, complete, and accurate.</small> Operator's Signature: _____ Certificate No. & Grade: WS0007568, B Date: May 4, 2020
---	--

TREATMENT PLANT PERFORMANCE			
Total number of turbidity readings:	180	Number of 4-hour periods when plant was off-line:	0
Number of readings above 0.10 NTU:	0	Number of 4-hour periods when plant was on-line but turbidity data was not collected:	0
Number of readings above 0.3 NTU:	0	Number of days when plant was on-line but individual filter turbidity data was not collected:	0
Number of readings above 0.5 NTU:	0	Number of days with readings above 1.0 NTU:	0 (2)
Number of readings above 1.0 NTU:	0	Number of days with readings above 5.0 NTU:	0 (3)
Maximum allowable turbidity level:	0.3		
Percentage of readings above this limit:	0.0 % (1)		
Number of days with a low CT for no more than 4.0 consecutive hours:	0	Average log inactivation for Giardia:	1.84
Number of days with a low CT for more than 4.0 consecutive hours:	0 (4)	Average log inactivation for viruses:	8.05
Minimum disinfectant residual required leaving the plant:	0.5 mg/L, measured as Total Chlorine	Number of days when profiling data was not collected:	0
Number of days with a low residual for no more than 4.0 consecutive hours:	0	Number of days when CT data was not collected:	0
Number of days with a low residual for more than 4.0 consecutive hours:	0 (5)	Minimum pH in the last disinfection zone:	7.36
		Number of days with pH below 7.0 in the last disinfection zone:	0.00
		Number of days when disinfectant residual leaving the plant was not properly monitored:	0

DISTRIBUTION SYSTEM			
Minimum disinfectant residual required in distribution system:	0.5 mg/L, measured as Total Chlorine		
Total number of readings this month:	30 (at least 30 required) (8)	Percentage of readings with a low residual this month:	0.0 % (6A)
Average disinfectant residual value:	2.81	Percentage of readings with a low residual last month:	0.0 % (6B)
Number of readings with a low residual:	0		
Number of readings with no detectable residual:	0		

ADDITIONAL REPORTS & WORKSHEETS			
The Page 1 Addendum (Public Notices) is not required because there were no treatment technique or monitoring/reporting violations reported.			
Additional report(s) for individual filter monitoring required:	<input type="checkbox"/> NONE <input type="checkbox"/> Filter Profile <input type="checkbox"/> Filter Assessment <input type="checkbox"/> CPE		
Additional report(s) for individual filter monitoring submitted:	<input type="checkbox"/> NONE <input type="checkbox"/> Filter Profile (9) <input type="checkbox"/> Filter Assessment (10) <input type="checkbox"/> CPE (11)		
No additional IFE Reports are required this month.			

STATISTICAL ANALYSIS OF TURBIDITY DATA				
Settled Water	Maximum turbidity reading:	2.53 NTU	Average turbidity value:	0.90 NTU
Stastical	Minimum turbidity reading:	0.33 NTU	Standard deviation:	0.441 NTU
Summary	95 th percentile value:	1.84 NTU		
IFE	Maximum IFE turbidity reading:	0.16 NTU	Average IFE turbidity value:	0.08 NTU
Stastical	Minimum IFE turbidity reading:	0.05 NTU	Standard deviation:	0.022 NTU
Summary	95 th percentile IFE value:	0.13 NTU		
CFE	Maximum CFE turbidity reading:	0.10 NTU	Average CFE turbidity value:	0.07 NTU
Stastical	Minimum CFE turbidity reading:	0.05 NTU	Standard deviation:	0.009 NTU
Summary	95 th percentile CFE value:	0.08 NTU		

STATISTICAL ANALYSIS OF pH DATA				
Last Zone pH	Maximum pH reading:	8.01 pH	Average pH value:	7.80 pH
Stastical	Minimum pH reading:	7.36 pH	Standard deviation:	0.107 pH
Summary	95 th percentile value:	7.90 pH		

SURFACE WATER MONTHLY OPERATING REPORT
 TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
 WATER SUPPLY DIVISION/PUBLIC DRINKING WATER SECTION (MC-155)
 P.O. BOX 13087, AUSTIN, TEXAS 78711-3087

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Joyce Hudman
County Clerk
Brazoria County, Texas

Joyce Hudman
County Clerk
Brazoria County, Texas

MONTHLY COST PER 1,000 GALLONS PRODUCED

APRIL, 2020

	APRIL	MARCH	FEBRUARY
CHEMICAL	0.2401	0.2223	0.2210
ENERGY	0.1283	0.1224	0.1300
RAW WATER	0.2811	0.2661	0.2670
LABOR	0.6683	0.8924	0.7265
OPERATIONS & MAINTENANCE	0.3443	0.3911	0.4308
DEBT SERVICE	1.7498	1.8220	1.9319
ACTUAL 1,000 GALLON COST	\$3.4118	\$3.7164	\$3.7073
BILLED 1,000 GALLONS	3.30/3.65/3.48	3.30/3.65/3.48	3.30/3.65/3.48
1,000 GAL/WATER PUMPED	300,038.63	288,140.62	271,749.62
1,000 GAL/WATER BILLED	438,254.00	452,944.00	424,781.00
DOLLARS BILLED	\$1,365,336.00	\$1,388,047.20	\$1,324,174.80
GAIN <LOSS>	\$341,651.52	\$317,195.17	\$316,725.28

**WATER TREATMENT PLANT PERFORMANCE
APRIL, 2020**

Joyce Hudman
County Clerk
Brazoria County, Texas

TOTAL RAW WATER PUMPED	<u>337,349.00</u>	THOUSAND GALLONS
AVERAGE RAW WATER PUMPED PER DAY	<u>10,882.23</u>	THOUSAND GALLONS
AVERAGE RAW WATER TURBIDITY	<u>29.30</u>	NEPHELOMETRIC TURBIDITY UNITS
TOTAL OFFSITE DELIVERY	<u>300,038.63</u>	THOUSAND GALLONS
AVERAGE FINISHED TURBIDITY	<u>0.07</u>	NTU
AVERAGE FILTER RUN	<u>6,250.80</u>	THOUSAND GALLONS

CHEMICAL TREATMENT

<u>NAME OF CHEMICAL USED</u>	<u>POUNDS OF INVENTORY</u>	<u>POUNDS USED</u>	<u>COST</u>
ALUM SULFATE	<u>124,660</u>	<u>145,047</u>	<u>10,153.29</u>
AMMONIUM SULFATE	<u>20,145</u>	<u>27,313</u>	<u>3,149.19</u>
ANIONIC POLYMER	<u>6,892</u>	<u>478</u>	<u>922.54</u>
POWDERED ACTIVATED CARBON	<u>2,200</u>	-	<u>0.00</u>
SODIUM HYDROXIDE (CAUSTIC SODA)	<u>83,772</u>	<u>51,667</u>	<u>9,300.06</u>
CHLORINE	<u>19,468</u>	<u>7,699</u>	<u>2,521.42</u>
COPPER SULFATE	<u>49,782</u>	<u>14,955</u>	<u>9,197.33</u>
SODIUM CHLORITE	<u>11,525</u>	<u>31,129</u>	<u>24,467.39</u>
SEAQUEST	<u>31,264</u>	<u>6,322</u>	<u>7,649.62</u>
CATIONIC POLYMER	<u>41,113</u>	<u>6,532</u>	<u>4,690.87</u>
FERROUS CHLORIDE	<u>2,475</u>	-	<u>0.00</u>
TOTAL COST			<u>\$72,051.71</u>
CHEMICAL COST PER 1,000 GALLONS			<u>\$0.2401</u>

ELECTRICAL ENERGY USAGE

	<u>TOTAL KWH</u>	<u>TOTAL \$/KWH</u>	<u>TOTAL PAID</u>
TOTAL KWH	<u>616,202</u>	@ <u>\$0.0625</u> /KWH	<u>\$38,498.07</u>
POWER COST PER 1,000 GALLONS			<u>\$0.1283</u>
FISCAL YEAR TO DATE ELECTRICAL TOTALS:	<u>4,492,148</u>	<u>0.0611</u>	<u>\$274,597.09</u>
FISCAL YEAR TO DATE POWER COST PER 1,000 GALLONS			<u>0.1250</u>
AVERAGE ELECTRICAL:	<u>641,735</u>	<u>0.0611</u>	<u>\$39,228.16</u>
AVERAGE POWER COST PER 1,000 GALLONS			<u>0.1250</u>

2019-2020 CHEMICAL USAGE

ALUM	POUNDS	DOLLARS	POUNDS	DOLLARS
	ON HAND	ON HAND	USED	USED
October	128,996	\$6,915.98	233,084	\$16,315.88
November	128,020	\$6,847.66	240,096	\$16,806.72
December	84,552	\$6,802.02	307,988	\$21,559.16
January	143,088	\$7,902.42	173,584	\$12,150.88
February	126,828	\$6,764.22	202,020	\$14,141.40
March	126,828	\$6,764.22	186,700	\$13,069.00
April	124,660	\$6,612.53	145,047	\$10,153.29
May				
June				
July				
August				
September				
Total Used:			1,488,519	\$104,196.33

ANIONIC POLYMER	POUNDS	DOLLARS	POUNDS	DOLLARS
	ON HAND	ON HAND	USED	USED
October	7,903	\$14,320.68	2,711	\$5,473.78
November	4,639	\$7,730.34	3,264	\$6,590.34
December	5,541	\$9,472.80	1,528	\$2,949.04
January	6,099	\$10,551.34	1,872	\$3,612.96
February	2,027	\$2,692.38	4,072	\$7,858.96
March	7,367	\$12,981.67	1,947	\$3,757.71
April	6,892	\$12,059.13	478	\$922.54
May				
June				
July				
August				
September				
Total Used:			15,872	\$31,165.33

AMMONIUM SULFATE	POUNDS	DOLLARS	POUNDS	DOLLARS
	ON HAND	ON HAND	USED	USED
October	21,812	\$5,008.33	29,049	\$3,349.35
November	43,555	\$8,590.67	26,697	\$3,078.16
December	15,513	\$6,802.02	15,513	\$1,788.65
January	51,158	\$10,518.24	24,224	\$2,793.03
February	27,535	\$7,794.51	23,623	\$2,723.73
March	47,458	\$11,099.51	25,477	\$2,937.50
April	20,145	\$7,950.32	27,313	\$3,149.19
May				
June				
July				
August				
September				
Total Used:			171,896	\$19,819.61

CARBON	POUNDS	DOLLARS	POUNDS	DOLLARS
	ON HAND	ON HAND	USED	USED
October	5,500	\$7,789.19	10,850	\$18,987.50
November	5,500	\$7,789.19	8,800	\$16,632.00
December	2,200	\$1,552.19	3,300	\$6,237.00
January	2,200	\$1,552.19	0	\$0.00
February	2,200	\$1,552.19	0	\$0.00
March	2,200	\$1,552.19	0	\$0.00
April	2,200	\$1,552.19	0	\$0.00
May				
June				
July				
August				
September				
Total Used:			22,950	\$41,856.50

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Joyce Hudman
County Clerk
Brazoria County, Texas

2019-2020 CHEMICAL USAGE

CAUSTIC SODA	POUNDS ON HAND	DOLLARS ON HAND	POUNDS USED	DOLLARS USED
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October	57,099	\$25,079.25	92,431	\$16,637.58
November	69,734	\$27,353.55	78,835	\$14,190.30
December	44,041	\$22,728.81	71,108	\$12,799.44
January	111,079	\$34,795.65	72,328	\$13,019.04
February	54,082	\$24,536.19	56,997	\$10,259.46
March	89,139	\$30,846.45	57,563	\$10,361.34
April	83,772	\$29,880.39	51,667	\$9,300.06
May				
June				
July				
August				
September				
Total Used:			480,929	\$86,567.22

CHLORINE	POUNDS ON HAND	DOLLARS ON HAND	POUNDS USED	DOLLARS USED
----------	----------------	-----------------	-------------	--------------

October	2,283	\$24,359.82	17,221	\$5,639.88
November	11,390	\$21,309.49	17,314	\$5,670.34
December	13,075	\$25,604.95	14,594	\$4,779.54
January	19,636	\$27,753.68	19,439	\$6,366.27
February	10,080	\$24,624.09	19,556	\$6,404.59
March	17,167	\$26,545.08	16,913	\$5,539.01
April	19,468	\$27,448.66	7,699	\$2,521.42
May				
June				
July				
August				
September				
Total Used:			112,736	\$36,921.05

COPPER SULFATE	POUNDS ON HAND	DOLLARS ON HAND	POUNDS USED	DOLLARS USED
----------------	----------------	-----------------	-------------	--------------

October	47,033	\$33,327.14	18,653	\$11,471.60
November	29,444	\$22,509.90	17,589	\$10,817.24
December	26,606	\$20,764.53	2,838	\$1,745.37
January	26,645	\$20,764.53	0	\$0.00
February	26,507	\$20,679.66	138	\$84.87
March	20,457	\$16,958.91	6,050	\$3,720.75
April	49,782	\$34,993.79	14,955	\$9,197.33
May				
June				
July				
August				
September				
Total Used:			60,223	\$37,037.16

SODIUM CHLORITE	POUNDS ON HAND	DOLLARS ON HAND	POUNDS USED	DOLLARS USED
-----------------	----------------	-----------------	-------------	--------------

October	39,446	\$26,580.99	24,862	\$19,541.53
November	16,634	\$8,650.76	22,812	\$17,930.23
December	40,634	\$27,514.76	20,920	\$16,443.12
January	24,475	\$14,813.78	16,159	\$12,700.97
February	57,505	\$40,775.36	11,930	\$9,376.98
March	42,654	\$29,102.48	14,851	\$11,672.89
April	26,376	\$16,307.97	16,278	\$12,794.51
May				
June				
July				
August				
September				
Total Used:			127,812	\$100,460.23

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Joyce Hudman
County Clerk
Brazoria County, Texas

2019-2020 CHEMICAL USAGE

	PHOSPHATE		CATIONIC	
	POUNDS ON HAND	DOLLARS ON HAND	POUNDS ON HAND	DOLLARS ON HAND
October	14,929	\$13,267.35	14,650	\$15,408.52
November	57,105	\$64,300.31	45,050	\$37,239.89
December	52,324	\$58,515.30	34,689	\$29,799.27
January	47,824	\$53,070.30	20,813	\$19,834.40
February	42,649	\$46,808.55	54,456	\$43,996.53
March	37,586	\$40,682.32	47,645	\$39,105.30
April	31,264	\$33,032.70	41,113	\$34,414.43
May				
June				
July				
August				
September				
Total Used:	33,432	\$40,452.72	79,537	\$57,167.94

	FERROUS CHLORIDE			
	POUNDS ON HAND	DOLLARS ON HAND	POUNDS USED	DOLLARS USED
October	2,475	\$1,485.00	0	\$0.00
November	2,475	\$1,485.00	0	\$0.00
December	2,475	\$1,485.00	0	\$0.00
January	2,475	\$1,485.00	0	\$0.00
February	2,475	\$1,485.00	0	\$0.00
March	2,475	\$1,485.00	0	\$0.00
April	2,475	\$1,485.00	0	\$0.00
May				
June				
July				
August				
September				
Total Used:	0	\$0.00	0	\$0.00

2019-2020 WATER USAGE

Joyce Huggan
County Clerk
Brazoria County, Texas

ANGELTON		GALLONS		GALLONS		TOTAL	
	CONTRACTED	ACTUALLY	OVER/(UNDER)	CONTRACT	OVER/(UNDER)	CONTRACT	
October	55,800,000	60,633,000	4,833,000		4,833,000		
November	54,000,000	55,473,000	1,473,000		6,306,000		
December	55,800,000	54,621,000	(1,179,000)		5,127,000		
January	55,800,000	53,541,000	(2,259,000)		2,868,000		
February	52,200,000	51,448,000	(752,000)		2,116,000		
March	55,800,000	54,616,000	(1,184,000)		932,000		
April	54,000,000	51,710,000	(2,290,000)		(1,358,000)		
May	55,800,000						
June	54,000,000						
July	55,800,000						
August	55,800,000						
September	54,000,000						

BRAZORIA		GALLONS		GALLONS		TOTAL	
	CONTRACTED	ACTUALLY	OVER/(UNDER)	CONTRACT	OVER/(UNDER)	CONTRACT	
October	9,765,000	9,618,000	(147,000)		(147,000)		
November	9,450,000	8,929,000	(521,000)		(668,000)		
December	9,765,000	9,000,000	(765,000)		(1,433,000)		
January	9,765,000	9,113,000	(652,000)		(2,085,000)		
February	9,135,000	8,747,000	(388,000)		(2,473,000)		
March	9,765,000	9,205,000	(560,000)		(3,033,000)		
April	9,450,000	9,037,000	(413,000)		(3,446,000)		
May	9,765,000						
June	9,450,000						
July	9,765,000						
August	9,765,000						
September	9,450,000						

CLUTTE		GALLONS		GALLONS		TOTAL	
	CONTRACTED	ACTUALLY	OVER/(UNDER)	CONTRACT	OVER/(UNDER)	CONTRACT	
October	31,000,000	29,986,000	(1,014,000)		(1,014,000)		
November	30,000,000	26,723,000	(3,277,000)		(4,291,000)		
December	31,000,000	24,990,000	(6,010,000)		(10,301,000)		
January	31,000,000	24,307,000	(6,693,000)		(16,994,000)		
February	29,000,000	24,788,000	(4,212,000)		(21,206,000)		
March	31,000,000	27,866,000	(3,134,000)		(24,340,000)		
April	30,000,000	27,905,000	(2,095,000)		(26,435,000)		
May	31,000,000						
June	30,000,000						
July	31,000,000						
August	31,000,000						
September	30,000,000						

FREERPORT		GALLONS		GALLONS		TOTAL	
	CONTRACTED	ACTUALLY	OVER/(UNDER)	CONTRACT	OVER/(UNDER)	CONTRACT	
October	62,000,000	49,850,000	(12,150,000)		(12,150,000)		
November	60,000,000	46,726,000	(13,274,000)		(25,424,000)		
December	62,000,000	48,184,000	(13,816,000)		(39,240,000)		
January	62,000,000	48,845,000	(13,155,000)		(52,395,000)		
February	58,000,000	44,072,000	(13,928,000)		(66,323,000)		
March	62,000,000	46,643,000	(15,357,000)		(81,680,000)		
April	60,000,000	46,944,000	(13,056,000)		(94,736,000)		
May	62,000,000						
June	60,000,000						
July	62,000,000						
August	62,000,000						
September	60,000,000						

Joyce Hudman
County Clerk
Brazoria County, Texas

BRAZOSPORT WATER AUTHORITY
STATEMENTS OF REVENUES AND
EXPENSES-MODIFIED CASH BASIS
BUDGET VS. ACTUAL
FOR THE ONE MONTH AND SEVEN MONTHS ENDED APRIL 30, 2020

FOR THE ONE MONTH ENDED APRIL 30, 2020

FOR THE SEVEN MONTHS ENDED APRIL 30, 2020

	Actual	Budget	Variance (Under /Over)	Percent of Budget	Actual	Annual Budget	Budget Remaining	Percent of Budget Used
Quality control expenses								
Ferrrous Chloride	-	583	583	0.00%	-	7,000	7,000	0.00%
Cupric Sulfate	-	-	-	0.00%	-	-	-	0.00%
Chemical delivery charges	-	208	208	0.00%	-	2,500	2,500	0.00%
Chemical inventory (over) short	-	-	-	0.00%	-	-	-	0.00%
Water Production Exp - Other	-	-	-	0.00%	-	-	-	0.00%
Total quality control expenses	\$ 219,604	\$ 348,044	\$ 128,440	63.10%	\$ 1,736,035	\$ 4,176,520	\$ 2,440,485	41.57%
Maintenance expenses								
Tools/equipment	1,704	8,333	6,629	20.45%	30,602	100,000	69,398	30.60%
Buildings/grounds	3,280	6,667	3,387	49.20%	5,403	80,000	74,597	6.75%
Sewer/garbage	-	208	208	0.00%	2,021	2,500	479	80.84%
Vehicles	2,526	2,083	(443)	121.27%	19,062	25,000	5,938	76.25%
Office/computer equipment	2,258	3,333	1,075	67.75%	18,954	40,000	21,046	47.39%
Rentals	395	2,917	2,522	13.54%	3,545	35,000	31,455	10.13%
Distribution system	2,193	8,333	6,140	26.32%	41,454	100,000	58,546	41.45%
Fuels	2,133	5,000	2,867	42.66%	11,146	60,000	48,854	18.58%
Freight (out)	594	833	239	71.31%	4,600	10,000	5,400	46.00%
Materials/parts	14,186	7,500	(6,686)	189.15%	44,477	90,000	45,523	49.42%
Lab maintenance	-	1,042	1,042	0.00%	10,923	12,500	1,577	87.38%
Sub-contractor expense	3,015	12,500	9,485	24.12%	24,830	150,000	125,170	16.55%
Total maintenance expenses	\$ 32,284	\$ 58,749	\$ 26,465	54.95%	\$ 217,017	\$ 705,000	\$ 487,983	30.78%
Administrative expenses								
Office supplies	500	1,667	1,167	30.00%	3,417	20,000	16,583	17.09%
Training	-	2,500	2,500	0.00%	8,184	30,000	21,816	27.28%
Dues/permits/licenses	351	4,333	3,982	8.10%	40,979	52,000	11,021	78.81%
Travel	-	4,167	4,167	0.00%	1,884	50,000	48,116	3.77%
Safety	-	2,500	2,500	0.00%	15,771	30,000	14,229	52.57%
Legal	4,814	4,583	(231)	105.04%	15,263	55,000	39,737	27.75%
Advertising	-	1,250	1,250	0.00%	-	15,000	15,000	0.00%
Reference materials	-	292	292	0.00%	249	3,500	3,251	7.11%
Medical	2,040	2,500	460	81.60%	12,235	30,000	17,765	40.78%
Engineering/studies	4,705	8,333	3,628	56.46%	34,283	100,000	65,717	34.28%
Communications	2,268	3,167	899	71.61%	20,249	38,000	17,751	53.29%
Accounting/audit	5,854	3,750	(2,104)	156.11%	48,914	45,000	(3,914)	108.70%
Insurance	5,069	6,250	1,181	81.10%	35,801	75,000	39,199	47.73%
Additional Administrative expenses	-	2,917	2,917	0.00%	2,320	35,000	32,680	6.63%

See accountants' compilation report.

2019-2020 WATER USAGE

05/21/2020 09:52:08 AM
 Joyce Hudson
 County Clerk
 Brazoria County, Texas

LAKE JACKSON	CONTRACTED GALLONS	GALLONS ACTUALLY USED	GALLONS OVER/(UNDER) CONTRACT	TOTAL GALLONS OVER/(UNDER) CONTRACT
October	62,000,000	48,827,000	(13,173,000)	(13,173,000)
November	60,000,000	41,630,000	(18,370,000)	(31,543,000)
December	62,000,000	49,427,000	(12,573,000)	(44,116,000)
January	62,000,000	42,103,000	(19,897,000)	(64,013,000)
February	58,000,000	29,069,000	(28,931,000)	(92,944,000)
March	62,000,000	27,877,000	(34,123,000)	(127,067,000)
April	60,000,000	35,703,000	(24,297,000)	(151,364,000)
May	62,000,000			
June	60,000,000			
July	62,000,000			
August	62,000,000			
September	60,000,000			

OYSTER CREEK	CONTRACTED GALLONS	GALLONS ACTUALLY USED	GALLONS OVER/(UNDER) CONTRACT	TOTAL GALLONS OVER/(UNDER) CONTRACT
October	4,650,000	5,902,000	1,252,000	1,252,000
November	4,500,000	2,628,000	(1,872,000)	(620,000)
December	5,084,000	3,326,000	(1,758,000)	(2,378,000)
January	5,084,000	3,003,000	(2,081,000)	(4,459,000)
February	4,756,000	2,578,000	(2,178,000)	(6,637,000)
March	5,084,000	3,411,000	(1,673,000)	(8,310,000)
April	4,920,000	3,820,000	(1,100,000)	(9,410,000)
May	5,084,000			
June	4,920,000			
July	5,084,000			
August	5,084,000			
September	4,920,000			

RICHWOOD	CONTRACTED GALLONS	GALLONS ACTUALLY USED	GALLONS OVER/(UNDER) CONTRACT	TOTAL GALLONS OVER/(UNDER) CONTRACT
October	7,285,000	6,573,000	(712,000)	(712,000)
November	7,050,000	6,147,000	(903,000)	(1,615,000)
December	7,285,000	6,586,000	(699,000)	(2,314,000)
January	7,285,000	6,922,000	(363,000)	(2,677,000)
February	6,815,000	6,481,000	(334,000)	(3,011,000)
March	7,285,000	7,197,000	(88,000)	(3,099,000)
April	7,050,000	6,958,000	(92,000)	(3,191,000)
May	7,285,000			
June	7,050,000			
July	7,285,000			
August	7,285,000			
September	7,050,000			

TDCJ CLEMENS	CONTRACTED GALLONS	GALLONS ACTUALLY USED	GALLONS OVER/(UNDER) CONTRACT	TOTAL GALLONS OVER/(UNDER) CONTRACT
October	13,950,000	10,953,000	(2,997,000)	(2,997,000)
November	13,500,000	10,965,000	(2,535,000)	(5,532,000)
December	13,950,000	10,910,000	(3,040,000)	(8,572,000)
January	13,950,000	9,810,000	(4,140,000)	(12,712,000)
February	13,050,000	9,685,000	(3,365,000)	(16,077,000)
March	13,950,000	10,375,000	(3,575,000)	(19,652,000)
April	13,500,000	11,526,000	(1,974,000)	(21,626,000)
May	13,950,000			
June	13,500,000			
July	13,950,000			
August	13,950,000			
September	13,500,000			

2019-2020 WATER USAGE

EDCJ RAYNE SCOTT 05/21/2019 Joyce Hudson County Clerk Brazoria County, Texas	CONTRACTED	GALLONS	ACTUALLY	GALLONS	OVER/(UNDER)	TOTAL	GALLONS	OVER/(UNDER)
	GALLONS	USED	CONTRACT	CONTRACT				
October	13,950,000	11,031,000	(2,919,000)	(2,919,000)				
November	13,500,000	9,929,000	(3,571,000)	(6,490,000)				
December	13,950,000	11,042,000	(2,908,000)	(9,398,000)				
January	13,950,000	9,509,000	(4,441,000)	(13,839,000)				
February	13,050,000	7,327,000	(5,723,000)	(19,562,000)				
March	13,950,000	7,842,000	(6,108,000)	(25,670,000)				
April	13,500,000	7,676,000	(5,824,000)	(31,494,000)				
May	13,950,000							
June	13,500,000							
July	13,950,000							
August	13,950,000							
September	13,500,000							

DOW CHEMICAL	CONTRACTED	GALLONS	ACTUALLY	GALLONS	OVER/(UNDER)	TOTAL	GALLONS	OVER/(UNDER)
	GALLONS	USED	CONTRACT	CONTRACT				
October	31,000,000	26,253,000	(4,747,000)	(4,747,000)				
November	30,000,000	26,873,000	(3,127,000)	(7,874,000)				
December	31,000,000	27,186,000	(3,814,000)	(11,688,000)				
January	31,000,000	26,303,000	(4,697,000)	(16,385,000)				
February	29,000,000	24,563,000	(4,437,000)	(20,822,000)				
March	31,000,000	25,093,000	(5,907,000)	(26,729,000)				
April	30,000,000	22,632,000	(7,368,000)	(34,097,000)				
May	31,000,000							
June	30,000,000							
July	31,000,000							
August	31,000,000							
September	30,000,000							

BWA Board Packet for May 26, 2020 Board Meeting

ROSENBERG 5.7 MGD	CONTRACTED	GALLONS	ACTUALLY	GALLONS	OVER/(UNDER)	TOTAL	GALLONS	OVER/(UNDER)
	GALLONS	USED	CONTRACT	CONTRACT				
October	176,700,000	99,990,784	(76,709,216)	(76,709,216)				
November	171,000,000	79,721,856	(91,278,144)	(167,987,360)				
December	176,700,000	80,656,768	(96,043,232)	(264,030,592)				
January	176,700,000	70,708,096	(105,991,904)	(370,022,496)				
February	165,300,000	62,991,616	(102,308,384)	(472,330,880)				
March	176,700,000	68,015,616	(108,684,384)	(581,015,264)				
April	171,000,000	76,127,232	(94,872,768)	(675,888,032)				
May	176,700,000							
June	171,000,000							
July	176,700,000							
August	176,700,000							
September	171,000,000							

ROSENBERG 3.0 MGD	CONTRACTED	GALLONS	ACTUALLY	GALLONS	OVER/(UNDER)	TOTAL	GALLONS	OVER/(UNDER)
	GALLONS	USED	CONTRACT	CONTRACT				
October	93,000,000	99,990,784	6,990,784	6,990,784				
November	90,000,000	79,721,856	(10,278,144)	(3,287,360)				
December	93,000,000	80,656,768	(12,343,232)	(15,630,592)				
January	93,000,000	70,708,096	(22,291,904)	(37,922,496)				
February	87,000,000	62,991,616	(24,008,384)	(61,930,880)				
March	93,000,000	68,015,616	(24,984,384)	(86,915,264)				
April	90,000,000	76,127,232	(13,872,768)	(100,788,032)				
May	93,000,000							
June	90,000,000							
July	93,000,000							
August	93,000,000							
September	90,000,000							

	2020	2021	2022	2023	2024
JAN			BWA Salary Review		Board Approve: DCP; WCP;WCIR due TCEQ May 1, 2024; next due: May 1, 2029
FEB					
MAR	Fin. Audit Approval Rev. Personnel Policy Rev. Investment Pol.	Fin. Audit Approval Rev. Personnel Policy Rev. Investment Pol.	Fin. Audit Approval Rev. Personnel Policy Rev. Investment Pol.	Fin. Audit Approval Rev. Personnel Policy Rev. Investment Pol.	Fin. Audit Approval Rev. Personnel Policy Rev. Investment Pol.
APR	Begin Annual Expense Budget due Jul 1	Begin Annual Expense Budget due Jul 1	Begin Annual Expense Budget due Jul 1	Begin Annual Expense Budget due Jul 1	Begin Annual Expense Budget due Jul 1
MAY		Review Bylaws		Review Bylaws	
JUN	Approve Exp. Budg. due 7/1;Cap Budg due 10/1; Appt GM rev Committee	Approve Exp. Budg. due 7/1;Cap Budg due 10/1; Appt GM rev Committee	Approve Exp. Budg. due 7/1;Cap Budg due 10/1; Appt GM rev Committee	Approve Exp. Budg. due 7/1;Cap Budg due 10/1; Appt GM rev Committee	Approve Exp. Budg. due 7/1;Cap Budg due 10/1; Appt GM rev Committee
JUL	GM Perf Eval. Approve Cap Budget	GM Perf Eval. Approve Cap Budget	GM Perf Eval. Approve Cap Budget	GM Perf Eval. Approve Cap Budget	GM Perf Eval. Approve Cap Budget
AUG					
SEP	Installation of Board Members Election of Officers	Installation of Board Members Election of Officers	Installation of Board Members Election of Officers	Installation of Board Members Election of Officers	Installation of Board Members Election of Officers
OCT	Set date Nov/Dec mtg	Set date Nov/Dec mtg	Set date Nov/Dec mtg	Set date Nov/Dec mtg	Set date Nov/Dec mtg
NOV					
DEC					Filed: 05/21/2020 09:22:08 AM Joyce Hudman

Joyce Hudman
County Clerk
Brazoria County, Texas



BRAZOSPORT WATER AUTHORITY

PERSONNEL POLICY

Approved by the Board of Directors ~~March 24, 2020~~

Joyce Hudman
County Clerk
Brazoria County, Texas

This personnel policy was reviewed and approved for all revisions by the Brazosport Water Authority Board of Directors on ~~March 24, 2020~~. The next review is scheduled for March 2021.

BWA PERSONNEL POLICY

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Brazoria County, Texas

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Brazoria County, Texas

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Joyce Hudman
County Clerk
Brazoria County, Texas

1 INTRODUCTION AND WELCOME

Section 1.1 Welcome

Welcome to employment with Brazosport Water Authority (hereinafter referred to as "Brazosport Water Authority" or "BWA" or "the Authority"). BWA'S responsibility is to provide potable water service to our customers in an efficient, courteous and effective manner. Every individual is important to the overall achievement of our team effort. Success for BWA depends on each team member's accomplishment of assigned tasks. As a new or experienced employee, this handbook is designed to provide general information.

Section 1.2 History of the Brazosport Water Authority

The Texas Legislature created the Brazosport Water Authority in 1985 (Ref. HB No. 650) pursuant to Article XVI Section 59 of the Texas Constitution. The Board of Directors consists of members appointed by each of the participating cities. The Board elects a President, who presides at board meetings. The Board from within their ranks also elects a Vice President, Secretary, and Assistant Secretary. The President appoints a General Manager. The Board confirms this appointment.

The General Manager is Chief Executive Officer of the Authority and along with the Assistant General Managers is responsible for the day-to-day administration of BWA's business. The staff is organized into three (3) functional areas: (1) Administrative, (2) Water Production, Distribution and Quality Control, and (3) Maintenance.

Section 1.3 Mission Statement

It is Brazosport Water Authority's commitment to produce and deliver to its member cities and contracted customers a consistent, reliable and cost-effective supply of quality potable water through the continuing pursuit of employee training, public education, technology and the fulfillment of applicable regulations.

Section 1.4 Goals

- 1.4.1 Produce the highest quality water in the most economical manner.
- 1.4.2 Comply with all state, federal and local requirements and agreed parameters.
- 1.4.3 Plan for future expansion and implementation of such plans to assure adequate water quality.
- 1.4.4 Ensure sound financial management.
- 1.4.5 Continuously improve service and communication with member cities, contract customers and raw water provider.

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County Clerk
Brazoria County, Texas

1.4.6 Maintain good public relations.

1.4.7 Maintain a highly qualified and equitably compensated workforce in a safe working environment.

Section 1.5 Image

Employment in public service (specifically the water authority) requires compliance with obedience to all federal, state, and local laws and ordinances. Even the appearance of misconduct must be avoided.

Section 1.6 Reservations of Rights

The Brazosport Water Authority reserves the right to interpret, change, suspend, cancel, or dispute, with or without notice, all or any part of this Policy, or procedures or benefits discussed herein. ~~Employees will be notified before implementation of any change.~~ Although adherence to this Policy is considered a condition of continued employment, nothing in this Policy alters an employee's status and shall not constitute nor be deemed a contract or promise of employment. Employees remain free to resign their employment at any time for any or no reason, without notice, and the Brazosport Water Authority retains the right to terminate any employee at any time, for any or no reason, without notice.

2 PERSONNEL ADMINISTRATIVE POLICIES

Section 2.1 Employees at Will

All employees of the Brazosport Water Authority are "Employees at Will" and their employment can be terminated by either the employee or Brazosport Water Authority with or without cause. Nothing in these policies and procedures shall be construed as granting employees a contractual or property right or vested interest in the Brazosport Water Authority.

Section 2.2 Employee Selection

A prospective employee is required to complete the standard employment application form, supplying all relevant information regarding education, experience, training and background.

Education, training, experience, criminal background check, motor vehicle operating record, and physical condition (where certain physical criteria are necessary to do the job) will be considered a condition of employment for each particular position. ~~The Assistant General Manager~~ Management staff will review and recommend candidates for employment to the General Manager.

Joyce Hudman
County Clerk
Brazoria County, Texas

Section 2.3 Medical Examinations

All ~~applicants~~ ~~Potential employees~~ are required to undergo a physical examination consistent with the provisions of the Americans with Disabilities Act, to include substance abuse screening, by a physician designated by BWA at the Authority's expense before final acceptance for employment.

"Negative" substance abuse test and minimum physical fitness (where required for performance) must be met for employment.

[Note to management: The Americans with Disabilities Act limits the medical information an employer can obtain from an applicant. Job applicants may be asked about their ability to perform the specific job functions but not about their medical condition, nor can they be required to take a medical examination before making a conditional job offer. Offers of employment may be conditioned upon the results of a medical examination, provided all applicants for that category of jobs are required to undergo the same examination, and the examinations are job-related and based on a legitimate business necessity.]

3 GENERAL ADMINISTRATION POLICIES

Section 3.1 Probationary Period

- 3.1.1 The first six (6) months after employment shall be a probationary period. During the probationary period, the employee shall be deemed a Probationary Employee. During this probationary period, the employee will be evaluated to determine ability to continue training. Should it become evident that the probationary employee lacks the necessary ability and desirable qualifications to continue successfully, the employee will be terminated without right of appeal through the BWA internal grievance process. This Employee Handbook is a guide to successful employment. It is not a contract and should in no way or for any reason be construed to be a contract.
- 3.1.2 During the first three (3) months of an employee's probationary period, the employee will be covered by Worker's Compensation Insurance only. At the end of three (3) months of probationary period, the employee becomes eligible for full benefits.
- 3.1.3 Newly hired operators will be required to obtain a D certificate of competency issued by the Texas Commission of Environmental Quality (TCEQ) within 90 days of completing required training. Operator Trainee with a D certification will be required to obtain a C Surface Water Certification issued by TCEQ within 180 days of completing required training classes and experience time as specified by TCEQ regulation. Failure to obtain proper certification within required time limits will result in termination of employment.

Section 3.2 Contract/Temporary Work ~~Employment~~

On occasion, a ~~workern~~ ~~employee~~ is needed temporarily for a specific project, specific length of time or for limited substitution for a ~~full-time~~ ~~permanent~~ BWA employee. Such

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Brazoria County, Texas

temporary or contract ~~worker~~employees will be hired through an outside service contractor or BWA management staff.

- 3.2.1 All temporary or contract ~~worker~~employees shall adhere to all rules, regulations and safety policies set forth in this manual and all other policies and procedures of BWA as applicable to their work assignment.
- 3.2.2 Contract or temporary ~~workers' assignments~~employees may be ~~ended~~terminated at any time with or without cause and without a hearing.
- 3.2.3 Hours for a temporary or contract ~~worker~~employee shall be set as required for the job to be performed.
- 3.2.4 Supervision of temporary or contract ~~worker~~employees shall be by a ~~full-time permanent~~ employee as designated by ~~the Assistant General Manager and/or General Manager management staff~~.
- 3.2.5 A contract ~~worker~~employee who has worked for BWA for more than six (6) months who is then hired as full-time employee of BWA shall be considered to have been probationary from the date of temporary (contract) ~~work~~employment at the BWA facility and shall have full benefits from the date of appointment as a ~~full-time permanent~~ employee.

Section 3.3 Part-time Employees

A regular part-time employee is one who is employed to hold an authorized (budgeted) position that involves fewer than thirty hours per week and has been appointed to a position not specified as temporary.

A part-time employee who is appointed to a regular full-time ~~permanent~~ employee position after six (6) months or more shall be considered a probationary employee from the date of the original appointment as part-time and receive full benefits from the date of appointment as a ~~full-time permanent~~ employee. For operations and maintenance employees please refer to section 3.1.3.

Section 3.4 Full Time Employees

- 3.4.1 A full-time employee for BWA shall work forty (40) hours per week. ~~42-hour shift~~Shift schedules for ~~operators~~are ~~employees~~will be prepared by the ~~Assistant General Manager and approved by the General Manager management staff~~.
- 3.4.2 Employees are responsible for being present at their work places in accordance with prescribed schedules. The Employee is required to provide His / Her own transportation to the BWA Plant. Employee shall provide a working contact phone number. Daily time sheets will be maintained ~~for~~by each employee stating hours worked, overtime, holidays and other special rates or provisions. Timesheets will be turned into immediate supervisor on the designated day to turn them in.

Section 3.5 Tobacco Products Including E-Cigarettes

The use of tobacco products of any type, including e-cigarettes, is strictly prohibited on BWA properties, and including BWA operated, owned, leased, or rented vehicles or equipment, as well as any BWA operated, owned, leased, or rented off-site properties. Tobacco products of any type, including e-cigarettes, must remain in the employee's personal vehicle at all times.

Section 3.6 Equal Opportunity

The Brazosport Water Authority operates a system of personnel administration which ensures an environment that will provide equal opportunity for public employment to all segments of our society based on individual merit and fitness of applicants and employees without regard to race, color, religion, sex, age, national origin, sexual preference or political affiliations or other categories protected by law.

Section 3.7 Solicitation

Solicitation of funds for any purpose is not permitted by or among BWA employees on the job without specific written approval of the General Manager.

Section 3.8 Collective Bargaining

Per statutory ruling, employees of BWA are not allowed to strike or form a union or to cause a work stoppage which is equivalent to a strike.

Section 3.9 On The Job Accidents

Injury or accident causing an employee to leave work resulting from an on-the-job injury to the employee shall be subject to Workmen's Compensation Act. All on-the-job injuries suffered by an employee, however minor, shall be reported immediately to his or her immediate supervisor by the injured employee.

Section 3.10 Social Media Policy

At Brazosport Water Authority ("BWA"), we understand that social media can be a fun and rewarding way to share your life and opinions with family, friends and co-workers around the world. However, use of social media also presents certain risks and carries with it certain responsibilities. To assist you in making responsible decisions about your use of social media, we have established these guidelines for appropriate use of social media. This policy applies to all employees who work for BWA.

- 3.10.1 Guidelines: In the rapidly-expanding world of electronic communication, social media can mean many things. The term "social media" includes all means of communicating or posting information or content of any sort on the Internet, including to your own or someone else's web log or blog, journal, or diary, personal web site, social networking

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or affinity web site, web bulletin board, or a chat room, whether or not associated or affiliated with BWA, as well as any other form of electronic communication.

The same principles and guidelines found in BWA policies and these free basic beliefs apply to your activities online. Ultimately, you are solely responsible for what you post online. Before creating online content, consider some of the risks and rewards that are involved. Keep in mind that any of your conduct that adversely affects or reflects poorly upon your job performance, the performance of fellow associates or otherwise adversely affects members, customers, suppliers, people who work on behalf of BWA or BWA's legitimate business interests may result in disciplinary action up to and including termination.

- 3.10.2 Know and follow the rules: Carefully read these guidelines and the BWA Personnel Policy and ensure your postings are consistent with these policies. Inappropriate postings that may include discriminatory remarks, harassment, and threats of violence or similar inappropriate or unlawful conduct will not be tolerated and may subject you to disciplinary action up to and including termination.
- 3.10.3 Be respectful: Always be fair and courteous to fellow associates, customers, members, suppliers, or people who work on behalf of BWA. Also, keep in mind that you are more likely to resolve work-related complaints by speaking directly with your co-workers or by direct communications rather than by posting complaints to a social media outlet. Nevertheless, if you decide to post complaints or criticism, avoid using statements, photographs, video, or audio that reasonably could be viewed as malicious, obscene, threatening, or intimidating, that disparage customers, members, associates, or suppliers, or that might constitute harassment or bullying. Examples of such conduct might include offensive posts meant to intentionally harm someone's reputation or posts that could contribute to a hostile work environment on the basis of race, sex, disability, religion, or any other status protected by law or company policy.
- 3.10.4 Be honest and accurate: Make sure you are always honest and accurate when posting information or news and if you make a mistake, correct it quickly. Be open about any previous posts you have altered. Remember that the Internet archives almost everything; therefore, even deleted postings can be searched. Never post any information or rumors that you know to be false about BWA, fellow associates, members, customers, suppliers, and people working on behalf of BWA.
- 3.10.5 Post only appropriate and respectful content: Express only your personal opinions. Never represent yourself as a spokesperson for BWA. If BWA is a subject of the content you are creating, be clear and open about the fact that you are an associate or employee and make it clear that your views do not represent those of BWA, fellow associates, members, customers, suppliers, or people working on behalf of BWA. If you do publish a blog or post online related to the work you do or subjects associated with BWA, make it clear that you are not speaking on behalf of BWA. It is best to include a disclaimer such as "The postings on this site are my own and do not necessarily reflect the views of BWA."

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- 3.10.6 Using social media at work: Refrain from using social media while on work time or on equipment we provide, unless it is work-related as authorized by your manager or consistent with the BWA personnel policy. Do not use BWA e-mail addresses to register on social networks, blogs, or other online tools utilized for personal use.
- 3.10.7 Retaliation is prohibited: BWA prohibits taking negative action against any associate for reporting a possible deviation from this policy or for cooperating in an investigation. Any associate who retaliates against another associate for reporting a possible deviation from this policy or for cooperating in an investigation will be subject to disciplinary action, up to and including termination.
- 3.10.8 Media contacts: Associates should not speak to the media on BWA's behalf. All media inquiries should be directed to the BWA General Manager.

Section 3.11 Email

Company email accounts will be provided to employees by BWA. These email accounts must be used to conduct all of BWA business and are not to be used for personal matters.

Section 3.12 Cellphone

Please limit phone calls and use of personal devices to a minimum while on BWA time.

4 NEPOTISM (EMPLOYMENT OF RELATIVES)

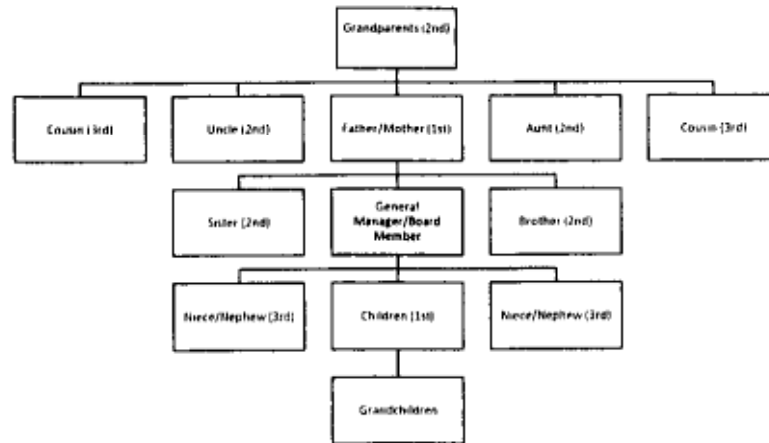
Section 4.1 New Hires

This section applies to new hires and those employed after this section was approved by the Board of Directors.

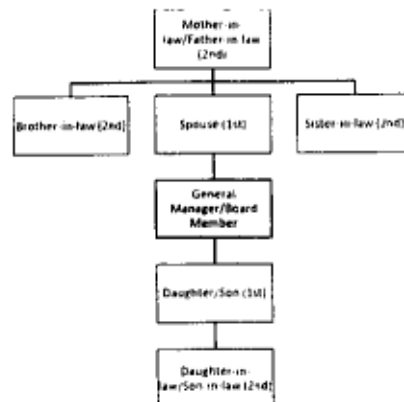
- 4.1.1 No officer of this State nor any officer of any district, county, city, precinct, school district or other municipal subdivision of this State, shall appoint, or vote for, or confirm the appointment to any office, position, clerkship, employment or within the third degree of consanguinity, as determined under Article 5996h, Revised Statutes to the person so appointing or so voting, or to any other member of any such board, the Legislature, or court of which such person so appointing or voting may be a member, when the salary, fees, or compensation of such appointee is to be paid for, directly or indirectly, out of or from public funds or fees of any kind or character whatsoever.
- 4.1.2 No person may be employed by the Brazosport Water Authority if there exists reasonable traceable blood or legal family relations at a second degree or lower level of consanguinity and/or affinity (existing or severed) to any Board member or General Manager of the Brazosport Water Authority. Degree of consanguinity and affinity is charted below.
- 4.1.3 Employees of BWA may not supervise a family member of traceable blood or legal family relations at a second degree or lower level.

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Degree of Consanguinity



Degree of Affinity



Section 4.2 Professional Contract Services

Contract legal, engineering, accounting, and other professional contract services may be exempt from this regulation only by action of the Board of Directors of the Brazosport Water Authority in regular session upon full disclosure of possible relation.

5 COMPENSATION

Section 5.1 Classification

5.1.1 The employee will be paid according to the wage schedule for employees of each classification.

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- 5.1.2 An employee may be hired at entry level commensurate with experience and qualifications. The decision of where starting wages are on the wage schedule is made by the Assistant General Manager(s) with General Manager approval.
- 5.1.3 Classification and wage category are based on job description for a particular position title. These job titles, classifications and wage scales are designed to be competitive with other jobs of similar classification over the state.
- 5.1.4 Job classification and wage schedule are to be reviewed on a five (5) year basis by the BWA Board of Directors as part of the annual budgeting process for personnel costs. Review by the Board of Directors will include a comparison to at least 2 other organizations with similar process or management functions in Texas for wage equitability assuming such information is available as public information.

Section 5.2 Classification Change

- 5.2.1 Employees may advance in classification based on a combination of job performance evaluation, special education achievements, experience, certification upgrade and supervisory recommendation.
- 5.2.2 Oral and/or written field exams may be required as a part of the performance evaluation.
- 5.2.3 All changes in salary or classification will be processed by the Assistant General Manager(s) and approved by the General Manager.
- 5.2.4 Administrations personnel will be evaluated and/or adjusted in salary by the supervisor and approved by the General Manager.
- 5.2.5 All monetary awards will require the routine approval of the BWA Board of Directors.
- 5.2.6 An employee may request or accept voluntary reclassification when assignment to less difficult or responsible work would be to the employee's advantage and in the best interest of the BWA.
- 5.2.7 Any change in classification may result in a salary change for the subject employee based on the current wage schedule and/or the discretion of the general manager.

Section 5.3 Overtime and Compensation Schedule

- 5.3.1 The BWA workweek is Wednesday through Tuesday. The standard workweek is forty (40) hours with schedules prescribed by the Assistant General Manager(s). Hours worked in excess of forty (40) hours per week will be paid at overtime rate for hourly paid employee's (See Section 5.4 below). Hours observed for holidays not worked, sick leave and vacation do not count as "hours worked" for overtime pay calculations.

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- 5.3.2 Employees shall work overtime when necessary. Overtime shall be distributed as evenly as possible among all employees qualified to work overtime based on work schedule and job classification.
- 5.3.3 The working of hours that will result in compensatory time must be approved by the General Manager in advance. Exempt employees shall record all time worked over the regularly scheduled and all compensatory time off taken during the pay period on their timesheet. The department manager that approves timesheets is authorized to grant compensatory time off to exempt employees. The department manager's approval of the employee's timesheet will constitute the granting of the employee's compensatory time off. Exempt employees shall not exceed two hundred forty (240) hours of compensatory time within a twelve (12) month timeframe. ~~Compensatory time will be available to exempt employees working overtime not to exceed two hundred and forty (240) hours. An hour overtime worked will equal one and one half hour of compensatory time. This time must be taken within 12 months from time earned, and in a minimum of ½ day increments with proper approval and will require approval of BWA management in advance.~~ Any earned compensatory time will be paid to an eligible employee upon termination or separation from employment with BWA at the rate then required by law. Exempt employees will, however, be monetarily compensated, at standard overtime rate, for overtime worked during any natural disaster or State of Emergency as declared by the Governor of the State, county judge, or Brazosport Water Authority Board of Directors that could or would affect the operations of BWA. This provision does not apply to non-exempt employees.
- 5.3.4 Employees who are not assigned to shiftwork or maintenance duties may request to participate in a "9/80" program upon approval, a modification of standard working hours which includes 9 hour workdays on Monday through Thursday, and then 8 hours per day on one Friday with the following Friday off. Any employee who receives approval to participate in a 9/80 program is only eligible for overtime compensation when their total hours worked in a two-week period exceeds 80 hours. Any employee who elects to participate in a 9/80 schedule must maintain that schedule for the remainder of that calendar year.
- 5.3.5 BWA will not provide shift differential.

Section 5.4 Overtime Distribution

- 5.4.1 Overtime is defined as all hours worked in excess of forty (40) hours in one (1) week unless an employee participates in the "9/80" program defined in Section 5.3.4.
- 5.4.2 The most equitable system for allotting overtime to all employees is a system of averaging hours available to all employees. A log will be maintained and employees who are offered overtime will be charged with that overtime whether accepted (worked) or not. This will avoid "high grading" or "picking and choosing".

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- 5.4.3 Overtime shall be authorized by the Assistant General Manager(s), General Manager or their designee. It will be the responsibility of the employee and his/her immediate supervisor to acquire this authorization.
- 5.4.4 Overtime compensation is, and must be, paid out at a rate of one and one-half (1 ½) times the base pay for all hours over forty (40) hours in one (1) week, unless the employee has elected the "9/80" program. (See paragraph 5.3.4)
- 5.4.5 Part-Time and Temporary ~~worker~~employees are eligible for overtime over forty (40) hours per workweek, with the exception of ~~those~~employees who have elected to participate in the 9/80 program described in Section 5.3.4 above.

Section 5.5 Holiday Observances

- 5.5.1 Full Time employees have ~~eleven (11)~~ twelve (12) guaranteed holidays and one (1) personal holiday in a calendar year. The personal holiday may be taken preferably on an employee's birthday but due to work schedules, may be observed on any day of the year pending prior approval of the general manager or their designee.
- 5.5.2 Holidays occurring on an employee's regular day off will be compensated at a rate of eight (8) hours of the employee's regular base rate. An employee participating in a 9/80 program will only receive 8 hours of holiday pay per day. The remaining one hour of a nine-hour workday will be observed by either vacation or shall be made up during the same workweek as the holiday, subject to general manager approval.
- 5.5.3 When a holiday falls on a regularly scheduled work day, all hours worked within the 24-hour period constituting the holiday will be paid at one and one-half times the regular base rate in addition to a holiday allowance of base rate times 8 hours or equal to the number of hours worked, whichever is greater. Actual hourly compensation will never exceed two-and-one-half times the base pay.
- 5.5.4 When an employee works "overtime" on a holiday that is not his/her regularly scheduled work day, all hours worked within the 24-hour period constituting the holiday will be paid at one and one-half times the regular base rate in addition to a holiday allowance of base rate times 8 hours or equal to the number of hours worked, whichever is greater. Actual hourly compensation will never exceed two-and-one-half times the base pay.
- 5.5.5 Call-out on a holiday will be compensated for actual hours worked in addition to the employee's base pay that would have been paid, had the employee not worked. A minimum of four (4) hours' time will be paid for call-outs. The rate of pay will be one and one half (1½) times the employee's base pay for the time worked plus holiday allowance. Actual hourly compensation will never exceed two-and-one-half times the base pay.
- 5.5.6 Employees are only eligible for holiday pay if the employee works the regularly scheduled workday preceding the holiday and the regularly scheduled workday after the holiday.

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unless the employee is between shifts on the regularly scheduled work day preceding or following the holiday or has approved time off.

Section 5.6 Schedule of Holidays:

The general manager shall post a Holiday Schedule each year and shall include specific dates observed by the Authority for the following paid holidays:

- New Year's Day**
- Martin Luther King Day**
- Presidents Day**
- Good Friday**
- Memorial Day**
- Independence Day**
- Labor Day**
- Veteran's Day**
- Thanksgiving Day**
- Friday After Thanksgiving**
- Christmas Eve**
- Christmas Day**
- Personal Holiday**

Calendar dates for holiday observances will be posted each year by general manager and/or other administrative function.

Section 5.7 Holiday Pay – Part-Time/Temporary Employees

Part-Time and Temporary employees are not eligible for holiday pay.

Section 5.8 Calculation for Overtime and Holiday Pay

5.8.1 Overtime Pay = Base Rate X 1½

5.8.2 Holiday Pay Total hourly compensation will never exceed Base Pay X 2½ for the relevant hours

5.8.3 Call-Out Pay = Base Rate X Hours Worked (four (4) hours minimum)

Section 5.9 Longevity Pay

Longevity pay is based on total years of BWA service. It is paid each pay period in addition to Base Salary. Longevity pay is paid at a rate of \$10 per month X years of service X 12 months per year / 26 pay periods per year. Employees will begin earning Longevity pay after the first year of service with an anniversary date January 1 for each year thereafter. Part-time employees are not eligible to earn Longevity pay.

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Section 5.10 Meal Allowances

- 5.10.1 An employee forced to miss a meal due to unplanned working conditions or emergency situation requiring at least four hours extended work time will be furnished or reimbursed for that meal.
- 5.10.2 When an employee is traveling for BWA business the employee will be compensated the standard rate set by U.S General Services Administration for meals.

6 EMPLOYEE BENEFITS

Section 6.1 Holidays –

Please reference Sections 5.5 – 5.8 above.

Section 6.2 Vacation

During first months of employment, 6.66 hours of vacation will be earned per month until start of the next calendar year. This puts the anniversary date for all employees' vacation as January 1 ~~and simplifies bookkeeping~~. Then, with completion of one (1) year service from the January 1 calendar date with BWA allows an employee to earn vacation days according to the following schedule:

Section 6.3 Years of Services / Hours of Vacation

- | | | | |
|-------|--------------------------|--------|-----------|
| 6.3.1 | After one (1) year | —————> | 80 hours |
| | After five (5) years | —————> | 120 hours |
| | After ten (10) years | —————> | 160 hours |
| | After fifteen (15) years | —————> | 200 hours |
| | After twenty (20) years | —————> | 240 hours |
- 6.3.2 Employees resigning in good standing will receive pay for all annual vacation days earned up to the date of resignation.
- 6.3.3 Employees terminated for any reason will receive pay for annual vacation days earned up to the date of dismissal, less any expenses incurred by BWA due to the employee's dismissal or any amounts owed BWA in restitution of lost or damaged equipment.
- 6.3.4 Vacation schedules are established on first come, first served basis. All vacation schedules shall be approved subject to the ability of the remaining staff to perform the existing work schedule. Vacation requests should be submitted thirty (30) days before vacation time is to begin, unless extenuating circumstances exist. The ~~Assistant General Manager(s)~~ department head and/or General Manager will approve all vacation schedules.

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- 6.3.5 Vacation may be taken in a minimum of 2 hour increments with prior approval considering shift requirements and other plant needs.

Section 6.4 Vacation Adjustments

- 6.4.1 If an employee becomes sick or disabled as verified by a licensed medical physician during vacation time, he/she may take sick leave for the duration of the verified illness or disability to the extent that sick leave is available.
- 6.4.2 If an employee on vacation is hospitalized, vacation time will be canceled upon notice as of the end of the payroll day immediately prior to the day of hospitalization.
- 6.4.3 Vacation is cumulative up to the appropriate number of hours for years of service (see page 15, 17 section 6.3.1). Employees may carryover or sell back vacation, up to the amount of vacation time earned in the prior year. Any excess vacation over this limit is forfeited. An employee may sell back a maximum vacation time annually equal to their accumulation rate of vacation for years of service. Example: an employee with (6) years' service may carry over or sell back a maximum of 120 hours of vacation. Vacation must be sold in forty (40) hour increments unless otherwise approved.
- 6.4.4 Vacation may be borrowed up to a maximum of forty (40) hours. This will be handled on a case-by-case basis with approval of the General Manager.

Section 6.5 Sick Leave

- 6.5.1 **Notification:** Employee calling in due to illness shall notify their supervisor at least 2 hours prior to beginning assigned shift. Brazosport Water Authority reserves the right to require any employee to provide proof of illness from a doctor or medical facility.
- 6.5.2 Full time employees are eligible for sick leave with full pay, during personal illness, injury, or scheduled procedures due to serious illness of an immediate family member, per the guidelines herein. ~~Probationary employees are not eligible for sick leave, but New Employees will be covered under the Workman's Compensation Act for work related injuries during the first two (2) months of employment. Unpaid sick leave may be available under the Family Medical Leave Act, as applicable.~~
- 6.5.3 Supervision may choose to investigate and/or disapprove any sick leave claims that appear to be improper. Evidence of abuse of sick leave constitutes grounds for disciplinary action.
- 6.5.4 Not Used. [Note to management: Patterns of sick leave usage should be investigated, but no need to state it. Frequent use of sick leave may constitute grounds for investigation of the employee's physical condition. For example, if you have someone missing Fridays and Monday, you might call them in for a random substance test.] ~~condition by whatever means necessary to determine the employee's ability to perform appointed duties.~~

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- 6.5.5 Sick leave is earned at a rate of eight (8) hours per month of employment. During the first calendar year of employment and thereafter sick leave will be earned at the rate of ninety-six (96) hours per calendar year. Whether by resignation, termination, or retirement no compensation of earned sick leave will be given upon separation of employment.

Section 6.6 Doctor's Verification for Extended Sick Leave

- 6.6.1 The use of three (3) consecutive days of sick leave requires, upon return to work, a doctor's note confirming treatment. The note must be submitted stating the doctor's release for the employee's return to work and class of duty. Return to work is conditional on class of duty and availability of that class of work. These notes should appear on the doctor's stationary. BWA reserves the right to request a doctor's excuse for any absence due to illness. Failure to comply may result in disciplinary action up to and including termination.
- 6.6.2 An employee absence without approved sick leave will be considered absent without authorization, and will not be paid for that day or days, and may be subject to disciplinary action.
- 6.6.3 If illness lasts beyond the extent of the employee's available sick leave, the employee may choose to use vacation time or compensatory time, if applicable. Otherwise, no pay will be given for these days.
- 6.6.4 It is the responsibility of the employee to keep her or his immediate supervisor updated during extended periods of sick leave. The immediate supervisor will then inform the Assistant General Manager(s) and/or General Manager management staff of status of the employee's condition.

Section 6.7 Administrative Leave

Administrative leave is defined as leave approved by BWA administration and may be granted to full time employees with pay for a period not to exceed three (3) working days for death within the immediate family, unexpected serious illness or injury, or unscheduled procedure within the immediate family. Immediate family will be interpreted as legal, blood related, or guardianship, and is determined at the discretion of the General Manager.

6.8 Maternity Leave

- 6.8.1 Unpaid maternity leave will be granted upon written notice from an employee who becomes pregnant. The leave may be up to ninety (90) calendar days prior to delivery, and no more than eighty-four (84) calendar days or twelve (12) weeks after the birth of a child. This leave is unpaid once all sick leave and vacation time has been exhausted. ~~An employee may work the duration of the pregnancy if the condition does not impair the employee's health, efficiency, or contribute to a safety hazard which may cause harm to the employee or co-workers.~~

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- 6.8.2 Employees shall return to work as soon as they receive medical clearance from their physician and must provide a copy of such written approval from their physician to the ~~g~~General ~~m~~Manager. If additional time off is needed due to medical complications for either mother or baby, additional unpaid leave may be available under the Family Medical Leave Act, as applicable. ~~written notice must be provided to the general manager from the physician before the expiration of the six weeks leave. BWA reserves the right to request a medical examination by a physician chosen by BWA to confirm continued disability.~~
- 6.8.3 ~~Not Used.~~ Maternity leave will not extend beyond that stated by the physician unless approved by the ~~g~~General ~~m~~Manager.

Section 6.9 Extension of Maternity Leave

- 6.9.1 Employees refusing to return to employment after the time recommended by the physician has expired without further approval of extension will be considered to have resigned.
- 6.9.2 ~~Not Used.~~ Any employee who becomes pregnant has the option of resigning their employment at any time during the pregnancy. Such employees will be considered for rehire should there be an opening for which they qualify.

Section 6.10 Paternity Leave

- 6.10.1 Full time employees, upon written request, may use their accumulated sick leave up to a period of five (5) days and/or vacation time ~~up to a period of five (5) days as approved by~~ General Manager to spend time with their spouse and/or newborn child.
- 6.10.2 Full time employees may request in writing time off without pay to assist a hospitalized spouse or child, or arrange for day care for a child (newborn or otherwise), per the Family Medical Leave Act, as applicable, ~~for up to five (5) days upon approval by the General Manager.~~

Section 6.11 Leave for Adoptive Parents

Full time employees, upon written request, may use their accumulated sick leave up to a period of five (5) days and/or vacation time ~~up to a period of five (5) days, as approved by~~ General Manager to spend time with their spouse and/or newly adopted child.

Section 6.12 Military Leave

- 6.12.1 Military leave is granted in accordance with Federal and State Statutes relating to Military Leave, and more specifically, Art. 431.005 of Vernon's TCA Local Governmental Code. A maximum of fifteen (15) days may be taken in one (1) calendar year, unless extenuating circumstances prevail, which will be considered on a case-by-case basis.
- 6.12.2 Any employee who is serving in the reserved armed forces and is called for active duty will be eligible for such benefits and vesting considerations as prescribed by federal statute and the discretion of management.

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Section 6.13 Jury Duty and Court Duty

- 6.13.1 Upon receipt of a summons to report for jury screening, the employee shall provide a copy of the summons to the employee's immediate supervisor.
- 6.13.2 If the employee receives notice prior to the court date that the jury screening or jury duty has been cancelled, the employee shall report to work at the regularly scheduled time and shall not use administrative leave approved prior to the court date.
- 6.13.3 An employee who is summoned to serve on a jury or is serving as a witness under court subpoena is excused with pay for any scheduled workday which ends on the calendar day of jury duty.
- 6.13.4 Any employee summoned or subpoenaed to appear for jury duty, a witness, or any other court proceeding must bring a Return-To-Work note stating the date and time of release.
- 6.13.5 Payment for regularly scheduled work days to attend court will be made only when a subpoena or summons exists for that employee to appear as a witness, juror, or other court proceedings which do not involve illegal acts on the part of the employee or the immediate family of the employee.
- 6.13.6 Payment for regularly scheduled work days taken to attend court will be paid only when a subpoena or summons exists for the appearance of that employee for witness or other court duty and, if the court proceedings are not a result of a suit brought about by the employee or the employee's immediate family.
- 6.13.7 An employee may use compensatory time and/or vacation time to attend court proceedings involving the personal business of the employee or the employee's immediate family if approved in advance by the General Manager or if a subpoena or summons exists for the employee's appearance.

Section 6.14 Insurance

- 6.14.1 Health and Life Insurance in the form of Group Hospitalization, Medical and Life Insurance will be made available to all full-time employees. Costs of premiums for providing said health and life insurance coverage for the employee will be borne by Brazosport Water Authority as employer. Dependent coverage of full-time employees will be determined by factors of insurance costs and budget approval of the BWA. Details of insurance coverage are available in brochures supplied in cooperation with insurance carriers at employee's request.
- 6.14.2 Accidental Death and Dismemberment Insurance covers each full-time employee in an amount equal to two times the employee's annual salary.
- 6.14.3 Worker's Compensation is provided by BWA in accordance with the Workman's Compensation Law. This insurance provides certain medical coverage and salary/wage

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~~benefits medical aid, as may be required at the time of injury and at any time thereafter to care and relieve to assist the employee from the effects of naturally resulting from a workplace injury, an injury disputed by the insurance carriers.~~

Section 6.15 Retirement

6.15.1 Retirement benefits for all full-time employees are included in the BWA retirement plan. The BWA will contribute up to seven percent (7%) if the employee contributes seven percent (7%) of their annual salary (including paid vacation) to the employee’s retirement account, which is vested according to the following set schedule:

Year of Service	Vested Percentage
Less than 3 years	0%
3 years	50%
4 years	75%
5 years or more	100%

6.15.2 Employees may voluntarily contribute an additional amount up to the amount limited by the Internal Revenue Service guidelines for a qualified program. Subject to IRS regulations, any employee who leaves BWA before reaching retirement age may be eligible to withdraw those funds which the employee has contributed, plus interest earned less any penalties of early withdrawal. See detailed retirement brochure for additional information and current rate of benefits.

Section 6.16 Awards

Awards paid for ideas and/or action for improvement of processes that save money or increase efficiency are permissible and will be administered to deserving individuals as budgeted resources allow and as permitted by law. All awards will require the approval of the Board of Directors. Awards for the performance of the General Manager are at the discretion of the Board of Directors as permitted by law and budgeting restrictions.

Section 6.17 Educational Assistance/Licensing Requirements

6.17.1 Educational assistance is a form of encouragement to BWA employees to continue education in those areas pertaining to BWA operations. Upon written approval by BWA management, BWA will reimburse one hundred percent (100%) of tuition, books, registration fees, required transportation, renewal fees, and lodging at the completion of approved courses of study or application of renewal for continuing education directly related to the employee’s professional development at BWA. This 100% reimbursement is available only for the first attempt at each course with a pass/fail grade. Non-Certification Courses offering a letter grade requires the employee earn a letter grade of a “C” or better for reimbursement. All courses and renewal applications must be pre-approved by supervision.

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- 6.17.2 Plant operators are minimally required to acquire certifications as required by State regulations as soon as permissible after employment. BWA requires all operators to obtain and maintain a minimum "C" Surface Water License issued by TCEQ.
- 6.17.3 Plant operators are required to maintain renewals and/or advancement in their certification as required by State regulations.
- 6.17.4 Pending successful completion of certification, advancement in State certification will be a mandatory part of the evaluation for advancement in grade classification, promotion and salary increases, as well as process control knowledge, knowledge of facility, and performance.
- 6.17.5 Required certification and/or renewal as described for a particular position according to State regulations will be a requirement of continued employment with BWA. Failure of this requirement will be grounds for dismissal.
- 6.17.6 All BWA personnel are required to maintain a good driving record and a minimum Class C Driver's License issued by the State of Texas in order to be covered by BWA's Insurance Carrier. Any employee required to drive a BWA vehicle owned, leased, or operated, and with a gross combination weight rating or gross combination weight of 26,001 or more are required to maintain a Commercial Driver's License (CDL). All BWA employees shall notify the ~~Assistant General Manager(s)~~ management staff of motor vehicle moving violation convictions including any off-duty motor vehicle moving violation convictions.

SEE NUMBER SAF-BWA007, SECTION II OF THE BWA SAFETY MANUAL FOR CLASSES OF LICENSE, ENDORSEMENTS AND RESTRICTIONS

Section 6.18—Reimbursement of Expenses

- ~~6.18.1 Employees of the BWA shall be reimbursed expenses for official business incurred while attending meetings or conducting BWA business, locally or outside the local area. Only actual expenses will be reimbursed. If spouses, children and other family members attend out-of-town meetings the portion of the expenses attributable to them is not reimbursable, and shall be borne by them or the employee. Family members accompanying the BWA employee will not interfere with the business to be attended or conduct themselves in any disruptive manner whatsoever.~~
- ~~6.18.2 Attendance of all meetings to be held away from local areas must be approved by the General Manager.~~
- ~~6.18.3 If air travel is required, reservations will be made through the BWA administrative office. Airline coach fare will be travel mode.~~
- ~~6.18.4 While traveling on behalf of the BWA, employees will be furnished adequate lodging. When possible, reservations for said lodging will be made through the BWA administrative office, governmental or conference rates should be used when possible.~~

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~~6.18.5 Reasonable food and meal expenses (excluding any alcoholic beverages) will be reimbursed with adequate receipts.~~

~~6.18.6 All travel expenses to be reimbursed must be recorded on an approved "BWA Expense Report" with actual receipts attached. Any deviation or "special case" from the above policy must have the approval of the General Manager.~~

7 REIMBURSEMENT OF TRAVEL EXPENSES

Section 7.1 Authorization of Travel Expenses

Employees of the BWA shall be reimbursed expenses for official business incurred while attending meetings or conducting BWA business, locally or outside the local area. Only actual expenses will be reimbursed or in accordance with 5.10.2 employees will be compensated the standard rate set by U.S General Services Administration for meals. All travel by BWA employees eligible for reimbursement by BWA must be approved in advance by the appropriate Department Manager and General Manager or Board President. The availability of funds in the budget must also be verified.

<u>General Manager</u>	<u>Board President</u>
<u>Department Manager</u>	<u>General Manager or Board President</u>
<u>Administration</u>	<u>Office Manager and General Manager or Board President</u>
<u>Maintenance</u>	<u>Operations Manager or Superintendent and General Manager or Board President</u>
<u>Operations</u>	<u>Operations Manager or Superintendent and General Manager or Board President</u>
<u>Distribution</u>	<u>Construction/Distribution Manager and General Manager or Board President</u>

Section 7.2 Travel Arrangements

7.2.1 Requests for travel arrangements should be made to the BWA travel coordinator using the Travel Request Form. The BWA travel coordinator should be given sufficient time to make reservations and purchases so that discount savings to BWA can be maximized but should be thoroughly planned. Changes to travel plans need to be minimized since this is an added responsibility.

7.2.2 All arrangements for flights, hotel accommodations, rental cars, etc. for BWA business travel will be made through the Internet. A Travel Itinerary is to be completed for each employee traveling. The Office Manager is to be copied on all trip itineraries. A separate file will be maintained by the travel coordinator for each trip.

Section 7.3 Air Travel

7.3.1 Airline/Flight choice should be based on the following criteria listed in order of priority: Flight schedules to destination, fare, and number of stops/plane changes required.

7.3.3 Coach fare shall be used when traveling.

7.3.4 In the event an employee chooses to extend a trip to include an extra night stay the employee is responsible for additional hotel, meal and difference in cost of air fare expenses for the extended stay. Such arrangements must be approved in advance by the General Manager or Board President.

Section 7.4 Vehicles

All employees shall utilize BWA vehicles for travel. An employee can use their personal vehicle for travel if the employee does not intend to seek any vehicle use reimbursement.

Section 7.5 Rental Cars

Rented automobiles should be used only when clearly more economical and practical than other available modes of transportation and/or when required for business purposes.

Section 7.6 Hotel Accommodations

Lodging can be charged for reimbursement for travel outside of a _____-mile radius from BWA. Hotel rooms are to be reserved at the lower of government or conference rates, when available, otherwise the lowest rate should be sought. The closest hotel to the place of business dealings, conventions or seminars, which affords reasonable security and offers American standards of comfort, should be used. An itemized receipt shall be provided and personal charges to the hotel room will not be reimbursed by BWA.

Section 7.7 Meals

When an employee is traveling for BWA business the employee will be compensated the standard rate set by U.S General Services Administration for meals. It is the responsibility of the individual employees to control these expenses considering the location and circumstance of the trip.

Section 7.8 Spouse Expenses

The expenses of any spouse or other family member accompanying the employee on a business trip are considered personal expenses and must be paid for by the employee.## spouses/ children

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Section 7.9 Check Advances

7.9.1 Employees requesting an advance for travel must prepare a Check Advance Request form and have it approved by the General Manager or Board President. Request must be submitted 14 business days prior to departure of trip.

7.9.2 All advances must be cleared by submitting a Travel/Expense Statement form within 30 days after the completion of the trip for which the advance was received.

Section 7.10 Travel Statements

A Travel/Expense Statement shall be completed and processed for reimbursement for all travel expenses incurred by BWA employees. By signing this statement, the employee is conveying to BWA that the expenditures incurred are in accordance with this policy, and are true and correct.

Required Documentation:

<u>Lodging</u>	<u>Original receipt or ticket.</u>
<u>Transportation</u>	<u>Original receipt or ticket.</u>

*When expenditure is supported by BWA credit card or other charge card, the ticket received must be used to support the reimbursement request.

78 ADDITIONAL EMPLOYEE INFORMATION

Section 7.1 ~~Section 8.1~~ Personal Appearance and Conduct

~~7.1.~~7.1.1 Employees are expected to dress appropriately and maintain the standard of personal grooming that would exemplify the employee's position.

~~7.1.~~7.1.2 Personal appearance, hygiene and attitude of BWA employees should at all times exemplify to the public a quality of product and service of the highest standards.

Section 7.2 ~~Section 8.2~~ Conduct and Discipline

~~7.2.~~7.2.1 Working relations of the highest standard of cooperation, efficiency and economy must be maintained at all times.

~~7.2.~~7.2.2 Employees' work habits, individual conduct, attitude, and/or productivity must be maintained at acceptable standards. Counseling and warnings, or disciplinary action up to and including termination could result from failure to maintain these expected standards.

~~Section 7.3~~Section 8.3 Gifts and Gratuities

~~7.3.18.3.1~~ 7.3.28.3.1 Employees shall not accept or agree to accept any gifts, gratuities, trips, or other special privileges from any individual or business doing business with BWA other than token items of nominal value (not to exceed \$50).

~~7.3.28.3.2~~ 7.3.28.3.2 Any gifts or gratuities of value (not to exceed \$50) that are offered to an employee shall be reported to the General Manager. The General Manager shall report offers of gifts and gratuities of value to the Board of Directors.

~~Section 7.4~~Section 8.4 Outside Employment

~~7.4.18.4.1~~ 7.4.28.4.1 Outside employment is not permitted when such employment may affect job performance, public welfare or constitute a possible conflict of interest with BWA.

~~7.4.28.4.2~~ 7.4.28.4.2 Request for outside employment must be approved on an individual basis by the General Manager. Failure to notify BWA of outside employment may result in disciplinary action up to and including termination.

~~Section 7.5~~Section 8.5 Political Activity

~~7.5.18.5.1~~ 7.5.28.5.1 Employees of BWA are not required to participate campaigning or working in any way or capacity in any city elections on behalf of any candidate for city office, and are prohibited to use any BWA equipment by or on behalf of any political candidate. This does not in any way restrict voting.

~~7.5.28.5.2~~ 7.5.28.5.2 BWA employees elected to public office could be asked to resign their position with BWA if holding such elected office could cause a conflict of interest with BWA.

~~Section 7.6~~Section 8.6 Disciplinary Action

~~7.6.18.6.1~~ 7.6.28.6.1 Employees are representatives of Brazosport Water Authority (BWA) and are expected to adhere to the highest standards of conduct ~~while on duty or off-duty~~, including adherence to the rules of conduct as published and described within the BWA Personnel Policies and Procedures. Employees who ~~allegedly~~ commit a rule violation will be subject to disciplinary action in accordance with the procedures within this directive.

~~7.6.28.6.2~~ 7.6.28.6.2 It is an employee's responsibility to know the rules and regulations as set forth by Brazosport Water Authority and all local, State, and Federal Agencies, and to seek clarification, if necessary. Not being aware of the existence of any of the rules and regulations is not a defense for violations.

~~7.6.38.6.3~~ 7.6.38.6.3 When possible, supervisors are expected to take actions to correct an employee's unacceptable behavior or actions before pursuing disciplinary action. Supervisors shall ensure these actions are objective, job-related, and used in a consistent manner. If the corrective action does not result in the necessary change in conduct, the supervisor may

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proceed with disciplinary action. Receipt of an informal corrective action does not prevent formal disciplinary action from being processed after a review of the circumstances.

~~7.6.4~~7.6.6.4 The fact that any employee is deemed competent at the time of employment shall not preclude a judgment of incompetence as the result of unacceptable or low quality job performance, apparent unwillingness to perform assigned tasks, being absent without leave or demonstrating unnecessary or excessive absence from the assigned work area during assigned hours of work. Other methods of proof of incompetence shall include repeated oral and written disciplinary actions of minor infractions of manuals, directives, safety policies and procedures or repeated oral and written disciplinary actions demonstrating the employee's inability or unwillingness to meet performance standards.

~~7.6.5~~7.6.6.5 An employee may be reclassified on the wage schedule for performance at the discretion of the General Manager.

~~7.6.6~~7.6.6.6 Suspension of employees for just cause up to (30) days without pay in a single year may only occur upon approval of the General Manager.

~~7.6.7~~7.6.6.7 Dismissal of employees may come at any time with or without cause. A copy of the dismissal shall be made part of the employee's permanent personnel record.

~~7.6.8~~7.6.6.8 Dismissed employees may appeal the dismissal to the General Manager in written form (See Hearing and Grievance Procedures, Section 10).

~~7.6.9~~7.6.6.9 Acts of misconduct that will require severe disciplinary action and/or dismissal are listed as follows, but not limited to:

- a. Any violation of Drug-free Workplace Policy or any violation of Harassment and Discrimination Policy contained herein.
- b. Theft of BWA property.
- c. Fighting or verbal threats while on BWA premises or while conducting BWA business off-site.
- d. Willful destruction of property, equipment or materials while on BWA premises or while conducting BWA business off-site.
- e. Conviction of a felony or any crime of moral turpitude.
- f. Misdemeanor convictions in a calendar year, if related to a crime of theft, assault or harassment of any degree or moral turpitude.
- g. Refusal to obey orders of a supervisor.
- h. Repeated incompetence or neglect of duty after two prior written warnings.
- i. Unauthorized absence from duty.
- j. Involvement in political activities which are judged to be a violation of this section as previously mentioned.
- k. Unlawfully carrying a weapon or firearm on BWA property.

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- l. Falsifying a statement on an employment application, timesheet or other BWA record.
- m. Embezzlement of BWA, City, Citizen or another employee's property.
- n. Unauthorized use of BWA vehicles, equipment, supplies or other property.
- o. Gross financial irresponsibility with BWA funds.
- p. Sleeping on the job.
- q. Chronic or blatant failure to observe safety rules and regulations including but not limited to those of OSHA, BWA, TCEQ, EPA or any other governmental body.
- r. Insubordination, including but not limited to offensive or rude behavior towards others.
- s. Unauthorized removal or altering safety equipment or devices.
- t. Use of tobacco products of any type, including e-cigarettes on BWA properties, and including BWA operated, owned, leased, or rented vehicles or equipment, as well as any BWA operated, owned, leased, or rented off-site properties.
- u. Any violation of this handbook as it currently exists or hereafter amended or any other BWA policy or procedure.

~~7.6.10~~ 8.6.10 ~~D~~ Schedule of disciplinary action against employees for a specific offense may involve, but not be limited to the General Rules of Conduct and Disciplinary Action Guidelines for Employees workbook.

Any employee subjected to this disciplinary procedure (other than a terminated employee) is further required to prepare and submit a corrective action plan to management detailing the employee's plan to prevent the reoccurrence of the infraction. This corrective plan must be reviewed in person with immediate supervisor and Human Resources representative within three (3) days of the conclusion of the disciplinary procedure. The Assistant General Manager, will review and edit, as necessary, the corrective plan. The employee will sign the plan and it will be placed in his/her file for employee development. The BWA is not required to follow this procedure in all circumstances and may unilaterally elect to terminate employment immediately, if approved by the General Manager.

~~Section 7.7~~ Section 8.7 ~~Resignations~~

~~7.7.18.7.1~~ 8.7.1 Any resigning employee shall give (14) calendar days' notice to supervisor of his/her intentions to resign in order to maintain good standing with BWA.

~~7.7.28.7.2~~ 8.7.2 Employees resigning in good standing will receive full pay for that pay period on the next scheduled pay day, plus all other earned benefits, regardless of the date of departure.

~~Section 7.8~~Section 8.8 **Inclement Weather**

Because of the critical nature of the BWA's work, it is imperative that employees make every effort to report to work in the event of inclement weather, including, but not limited to, snow, ice, freezing rain, flood and severe storms.

Employees should not assume that the BWA offices or operations are shut down. We are a service operation and as such, we are obligated to the customers to perform our duties. In the event of inclement weather conditions employee safety will be considered. If you feel it is unsafe to drive, you must contact your supervisor and notify him/her. If you cannot make it to work, you may be charged a day of personal leave or leave without pay. In the event of emergencies that require evacuation (such as hurricanes or other natural disasters) all scheduled employees should return within twenty-four (24) hours of the all clear notice. All non-scheduled employees are required to report their ability to return to work to their immediate supervisor.

In the event that ~~BWA~~the Authority operations are shut down by the General Manager due to inclement weather, employee absence will be recorded as approved paid leave until such time as shut down is discontinued by directive of the General Manager. Employees already on an approved leave during an inclement weather event may not substitute any leave approved by the General Manager for employees scheduled to work those days for the leave they are already approved for.

~~Section 7.9~~Section 8.9 **USE OF PERSONAL TOOLS, EQUIPMENT AND VEHICLES**

Use of personal tools, equipment and vehicles will not be permitted while performing BWA assigned tasks or while conducting BWA business.

Section 8.10 Firearms and Weapons

BWA prohibits firearms and weapons in all BWA buildings. Employees that are licensed firearms owners may keep firearms inside their locked vehicles in parking lots that are unsecured. Violations of this policy will result in disciplinary action up to and including termination.

89 DRUG-FREE WORKPLACE POLICY

~~Section 8.1~~Section 9.1 **Purpose**

The purpose of this policy is to identify and remove the adverse effects of alcohol and drugs on job performance and to protect the health and safety of our employees. Use of alcohol and drugs can and does impair the ability of an employee to perform his/her duties and may endanger the employee, his/her coworkers, and the public as well as property. The

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Brazosport Water Authority seeks to prevent this use/abuse/misuse of drugs and alcohol by employees in any way.

~~Section 8.2~~Section 9.2 Policy

~~8.2.19.2.1~~ This policy applies to all employees of the Brazosport Water Authority regardless of rank or position and includes full-time, temporary and part-time help.

~~8.2.29.2.2~~ The Brazosport Water Authority shall conduct and employee shall attend an annual drug and alcohol education program. As part of that program, information will be provided on the availability of employee assistance program services.

~~8.2.39.2.3~~ The manufacture, distribution, dispensing, possession, sale, purchase or use of a controlled substance or prescription drug bearing another person's name other than your own on Brazosport Water Authority property is prohibited (See definition of Controlled Substance in Appendix A).

~~8.2.49.2.4~~ An employee's use of a legal or prescription drug can pose a significant risk to the safety of the employee or others. Employees taking medications whose instructions for use indicate a potential for impaired performance or a safety risk are required to report such drug use to their supervisors. Supervisors will determine appropriate action based on circumstances, job requirements and the medical opinion of the Authority's medical consultant.

~~8.2.59.2.5~~ Being under the influence of alcohol, a controlled substance, substance, or prescription medication which can pose a significant risk to the safety of the employee or others while on Authority property or while performing Authority business is prohibited. Additionally, the use, possession, sale, transfer or purchase of any drug which is illegal due to the nature of the drug, the method by which obtained or sold, the intended use, or the circumstances of possession or use, is also prohibited both on company property and during work hours. The consumption of alcohol, both on Authority property (owned or leased) or during working hours is prohibited.

~~8.2.69.2.6~~ Employees who violate this policy are subject to appropriate disciplinary action, including immediate termination.

~~Section 8.3~~Section 9.3 Corrective Action

~~8.3.19.3.1~~ BWA supervision shall have the authority to randomly request any employee (whether full-time, part-time or temporary) to submit to a urine, blood, hair follicle and/or breath testing for drug and alcohol use or abuse.

~~8.3.29.3.2~~ Any employee involved in a work-related accident shall be subject to urine, blood, hair follicle, and/or breathe testing for drug and alcohol use or abuse.

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~~8.3.39.3.3~~ Any employee who refuses to submit to urine, blood, hair follicle, and/or breathe testing for drug and/or alcohol use or abuse shall be subject to severe disciplinary action up to and including immediate termination.

~~8.3.49.3.4~~ All employees of the Authority are required to submit to random drug testing as a condition of employment. An employee suspected of violating this policy may be required to submit to a test to establish a violation. All required testing will be done at the expense of the Authority at a qualified testing facility selected by the Authority. Any employee failing a drug test and within 24 hours of a positive result, and at his own expense, may appeal the results of the positive drug test by requesting in writing that a portion of the original urine sample be provided to another Texas Department of Health and Human Services approved laboratory for retesting, and by procuring the services of a licensed physician meeting the qualifications of the Authority to interpret the test results. In the event the result of the retest is negative, indicating the initial positive result may have been erroneous; the Authority will reimburse the employee for the cost of the retest.

~~8.3.59.3.5~~ Using, selling, purchasing, transferring, possessing, manufacturing or storing an illegal drug or drug paraphernalia, or attempting or assisting another to do so, while in the course of employment or engaged in a BWA sponsored activity, on premises, in owned, leased or rented vehicle, or on business or that violates Section 7.5.1 or 7.6.1 is strictly prohibited.

~~8.3.69.3.6~~ Working or reporting to work, conducting Brazosport Water Authority business or going on Brazosport Water Authority premises or in a Brazosport Water Authority owned, leased or rented vehicle while under the influence of an illegal drug, alcohol or in an impaired condition is strictly prohibited.

~~Section 8.4~~ Section 9.4 Reasonable Search and Procedures

~~8.4.19.4.1~~ Where reasonable suspicion of prohibited substance policy violation exists, the employee may be asked to surrender personal items from pockets, purses, or other receptacles used by them, including personal vehicles, desks or lockers for search. An employee's refusal to consent may be grounds for disciplinary action up to and including termination or dismissal.

~~8.4.29.4.2~~ BWA reserves the right to conduct searches of company property, work places (owned or leased) including, but not limited to lockers, desks, files, and Authority vehicles without the express consent of an employee or employees.

~~8.4.39.4.3~~ Search procedures, conducted under reasonable suspicion and/or cause, such as inspection of employee's personal property including briefcases, lunch boxes or tool boxes, will be maintained as part of the Brazosport Water Authority's security measures. All employees will be expected to cooperate as a condition of continued employment with special drug/alcohol searches of personal property when there is reasonable suspicion to believe that an employee may be in possession of drugs or alcohol. Searches on Brazosport Water Authority property may be conducted at any time, by whatever means BWA deems necessary and may be conducted with the assistance of law enforcement agencies.

~~Section 8.5~~ Section 9.5 **Supervisor and Employee Training**

Supervisors will receive training regarding the Drug and Alcohol Policy and the use of an Employee Assistance Program. All employees will receive copies of the Drug and Alcohol Policy and information about an Employee Assistance Program.

~~Section 8.6~~ Section 9.6 **Coordination with Law Enforcement Agencies**

The sale, use, purchase, transfer, or possession of an illegal drug or drug paraphernalia is a violation of the law and BWA policy. The Brazosport Water Authority will report information concerning possession, distribution, or use of any illegal drugs to law enforcement officials and will turn over to the custody of law enforcement officials any such substance found during a search of an individual or property. Searches will only be conducted of individuals and their property or workspace based on reasonable cause and/or suspicion. The Brazosport Water Authority will cooperate fully in the prosecution and/or conviction of employee for any violation of the law.

910 HARASSMENT/DISCRIMINATION POLICY

BWA prohibits any form of sexual harassment or any other harassment. Harassment is defined as verbal or physical conduct that has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive work environment. Sexual Harassment is defined as unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature.

~~9.1.1~~ 10.1.1 These acts become unlawful when:

- submission to such conduct is made explicitly or implicitly for a term or condition of employment;
- submission to, or ejection of such conduct is used as the basis for employment decisions affecting the individual (e.g. performance appraisal, compensation, advancement, assigned duties or any other condition of employment);
- The conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive work environment.

~~9.1.2~~ 10.1.2 Sexually harassing conduct includes, but is not limited to:

- a. Continued or repeated commentaries about an individual's body
- b. Sexually offensive language
- c. Repeated offensive sexual flirtations
- d. Advances or propositions
- e. Leering

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- f. Jokes
- g. Whistling
- h. Gestures
- i. The display in the workplace of sexually suggestive pictures or objects.
- j. Promising directly or indirectly, to retaliate against an employee, if the employee refuses to comply with a sexually oriented request.
- k. Denying, directly or indirectly, and employee an employment-related opportunity, if the employee refuses to comply with a sexually oriented request.
- l. Displaying, storing, transmitting, or distributing pornographic or sexually-oriented materials using BWA equipment or facilities
- m. Unwelcome touching

~~9.1.3~~ 10.1.3 BWA prohibits any form of Sexual Harassment or any other harassment. No form of harassment or other offensive conduct will be tolerated, including, but not limited to, harassment for the following reasons: Age, Citizenship, Color, Disability, National Origin, Pregnancy, Race, Religion, Sex, Sexual Orientation, Status as a Vietnam-era veteran, and any other basis prohibited by law.

~~9.1.4~~ 10.1.4 Individuals who believe that they have been the subject of sexual or other harassment must report the alleged act immediately to their supervisor. If the problem or complaint is directed at the immediate supervisor, the complaint should be filed with the next level of management. If the complaint is directed at the General Manager employee should file the complaint with BWA legal counsel or Board President.

~~9.1.5~~ 10.1.5 Employees who bring complaints to the attention of management or who assist management in the investigation of any complaint of sexual or other harassment shall not be subjected to harassment, coercion, intimidation, threats, retaliation or discrimination. Information regarding the complaint and investigation will be held in confidence and only disclosed within BWA on a "need to know" basis.

~~9.1.6~~ 10.1.6 BWA will conduct a timely investigation of any Sexual or other harassment complaint which will normally include interviewing all parties and witnesses.

~~9.1.7~~ 10.1.7 If the complaint proved valid, appropriate disciplinary action designed to stop the harassment immediately and to prevent its recurrence will be taken, up to and including the termination of employment for employees, and permanent removal from the site for contractors or temporary workers.

~~9.1.8~~ 10.1.8 If the complaint proves to be an intentionally false allegation, the individual who provided the false information will be subject to disciplinary action, up to and including

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termination of employment. [Note to management: There are some significant anti-retaliation provisions related to harassment claims, so we need to be sure that such allegation if "intentionally false" prior to taking disciplinary action against a complainant.]

~~9.1.9~~ 10.1.9 Exercising rights under this policy does not in any way affect an employee's right to seek relief through the Texas Commission on Human Rights, the Equal Employment Opportunity Commission or in a court of proper jurisdiction for any complaint for which a remedy is provided under state law or federal law.

~~9.1.10~~ 10.1.10 It is the responsibility of each employee to be aware of the details of the foregoing policy.

1011 HEARING & GRIEVANCE PROCEDURE

~~10.1.1~~ 11.1.1 If disciplinary action is taken, then the employee may request a hearing. Such request shall be in writing and must be made within three (3) working days of the date the employee received notice of disciplinary decision.

~~10.1.2~~ 11.1.2 Employees may submit their appeal/grievance in writing to the General Manager, which must detail the facts surrounding the grievance and any witnesses with personal knowledge of those facts.

~~10.1.3~~ 11.1.3 The General Manager will hear and investigate all sides of the complaint, taking testimony from all parties involved. Evidence, written or oral, may be presented. The employee may question any evidence against him/her.

~~10.1.4~~ 11.1.4 The General Manager will render a decision within five (5) working days in writing. At the conclusion of the hearing, the Manager shall rule on the allegations by either upholding the original decision or amending or changing then rendering the decision to the employee. The decision of the General Manager will be final and all parties will respond accordingly.

~~10.1.5~~ 11.1.5 At the General Manager's discretion, a grievance may be taken to the Board of Directors where policy or other extenuating circumstances is involved. This action may require more time than the previously mentioned five (5) working days. All parties will be notified in this case.

1012 OTHER LAWS AND REGULATIONS

The provisions of the personnel policy shall apply in addition to, and shall be subordinated to, any requirements imposed by applicable federal, state or local laws, regulations or judicial decisions. Unenforceable provisions of this policy shall be deemed to be deleted.

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12 EMPLOYEE ACKNOWLEDGEMENT

I hereby certify that I have received a copy of the Brazosport Water Authority Personnel Policy (revised ~~March 18, 2019~~ March 24, 2020), including the Drug-Free Workplace Policy (section 89) along with a copy of the General Rules of Conduct and Disciplinary Action Guidelines for Employees. I also acknowledge that the provisions of the Policy are part of the terms and conditions of my employment and that I have read, understand, and agree to abide by the aforementioned Policy of the Brazosport Water Authority and any amendments thereto. Any violations of this Policy may subject an employee to formal disciplinary actions which may include, but is not limited to immediate termination:

Employee's Signature

Printed Name of Employee

Date

Employee Number

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APPENDIX A

DEFINITIONS

An Employee is any person receiving compensation from BWA for services rendered as labor performed other than providing contract legal, engineering, accounting, or other professional services to BWA on a part time basis

Full-Time Employee is any person employed by BWA to hold an authorized position that involves a minimum of forty (40) hours per week not specified as Part-Time or Temporary. Full-Time employees may have hourly or salaried positions.

Part-Time Employee is any employee holding an authorized position that involves fewer than thirty (30) work hours per week that is not specified as Temporary.

A **Temporary Employee** is any employee in a position established for a specified time limit or until a specified project is complete.

Nepotism – The employing of a legal or blood relative by those who have the authority to employ.

Probation Period – All Full-Time employees are considered probationary employees for a period of six (6) months after date of employment.

Work Day - The hours an employee is scheduled to work, normally eight (8) hours in length, dependent on predetermined shifts.

On Call – Status of an employee required to be available for a designated period of time for call in. Possession of a cellular phone or designated telephone number is required.

Standby – Status of an employee on notice for possible call in. Possession of company pager is required.

Work-week – The number of hours an employee is scheduled to work during any consecutive seven (7) days. Currently at BWA, the workweek is forty (40) hours and includes Wednesday through Tuesday to coincide with normal pay periods.

Company Premises – All Brazosport Water Authority property including vehicles, lockers, and parking lots, both at the treatment plant and offsite locations.

Company Property – All Brazosport Water Authority owned or leased property used by employees such vehicles, lockers, desks, closets, etc.

Controlled Substance – Any substance listed in Schedules I-V of Section 202 of the Controlled Substance Act (32 U.S.C. s 812), as amended. Copies are maintained for employee review by general manager or other administrative personnel.

Drug – A drug is any chemical substance that produces a physical, mental, emotional or behavioral change in the user.

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Drug Paraphernalia – Equipment, a product or material that is used or intended for use in injecting, ingesting, inhaling, or otherwise introducing into the human body an illegal drug or controlled substance.

Fitness for Duty – To work in a manner suitable for the job. To determine “fitness” a medical evaluation may include drug and/or alcohol testing.

Illegal Drug – An illegal drug is any drug or derivative thereof which the use, possession, sale, transfer, attempted sale or transfer, manufacture or storage of is illegal or regulated under any federal, state or local law or regulation and any other drug, including (but not limited to) a prescription drug, used for any reason other than a legitimate medical reason and inhalants used illegally. Included is marijuana or cannabis in all forms.

Reasonable Cause/Reasonable Search – Supported by evidence strong enough to establish that a policy violation has occurred.

Testing – Generally defined as urine, blood or breathe test to determine chemical or drug content.

- a. Testing may be required as a condition of employment. A person refusing to submit to a test at BWA expense would not be considered for employment. Random testing may also be required during a person’s employment with BWA. Anyone refusing to submit to these tests could be subject to dismissal.
- b. Any employee may be tested for drug or alcohol use when there is “reasonable cause/reasonable suspicion” that:
 - 1. Use of a substance is affecting performance; or.
 - 2. The employee is engaged in any of the prohibited acts or activities listed in this policy.

Under the Influence – A state of having an alcohol content of 0.02 or more or the state of not having the normal use of mental or physical faculties resulting from the voluntary introduction into the body of an alcoholic beverage or a controlled substance.

THIS PERSONNEL POLICY WAS REVIEWED AND APPROVED FOR ALL REVISIONS BY THE BRAZOSPORT WATER AUTHORITY BOARD OF DIRECTORS ON MARCH 26, 2019. THE NEXT REVIEW IS SCHEDULED FOR MARCH 2020.

BWA, Board President

Date

BWA, General Manager

Date

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BRAZOSPORT WATER AUTHORITY INVESTMENT POLICY

(BOARD APPROVED MAY 26, 2020)

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BRAZOSPORT WATER AUTHORITY INVESTMENT POLICY

BOARD APPROVED MAY 26, 2020

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I. INVESTMENT POLICY STATEMENT

It is the policy of the Brazosport Water Authority ("Authority") to prudently invest public funds in a manner which will provide an investment return with proper security while meeting daily cash flow demands and conforming to all state and local statues governing the investment of public funds. Any earnings from investment will be used in a manner that best serves the public trust and interests of the Authority.

The Authority's investment program is based on the Texas Public Funds Investment Act (Texas Government Code Chapter 2256, the "Act") and the Texas Public Funds Collateral Act (Texas Government Code Chapter 2257).

II. SCOPE

This Investment Policy applies to all financial assets of the Authority. These funds are accounted for in the Authority's Comprehensive Annual Financial Report and include:

- Operations Account
- Operations Reserve Account
- Construction Account
- Debt Service Fund Account
- Debt Service Reserve Fund Account
- Drought Contingency Water Relief Fund
- General Support Fund
- Insurance Claim Account
- Project Fund Account
- Rate Stabilization Fund Account
- Renewal & Replacement Fund Account

and any new funds created by the Authority unless specifically exempted by the Board of Directors and this Policy.

III. PRUDENCE

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio.

Investments shall be made with judgment and care-under circumstances then prevailing-which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

Investment officers acting in accordance with written procedures and the Investment Policy and exercising due diligence shall be relieved of personal liability for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

In determining whether an investment officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration:

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- The investment of all funds under the Authority's control, over which the Officer has responsibility rather than a consideration as to the prudence of a single investment.
- Whether the investment decision was consistent with the written Investment Policy and the Act.

IV. DEFINITIONS (Section 2256.002; Texas Public Funds Investment Act)

1. "Bond proceeds" means the proceeds from the sale of bonds, notes, and other obligations issued by the Authority, and reserves and funds maintained by the Authority for debt service purposes.
2. "Book value" means the original acquisition cost of an investment plus or minus the accrued amortization or accretion.
3. "Funds" means public funds in the custody of a state agency or local government that:
 - a) are not required by law to be deposited in the state treasury; and
 - b) The Authority has authority to invest.
4. "Investing entity" and "entity" mean an entity subject to this chapter and described by Section 2256.003.
5. "Investment pools" means an entity created under this code to invest public funds jointly on behalf of the entities that participate in the pool and whose investment objectives in order of priority are:
 - a) preservation and safety of principal;
 - b) liquidity; and
 - c) yield.
6. "Market value" means the current face or par value of an investment multiplied by the net selling price of the security as quoted by a recognized market pricing source quoted on the valuation date.
7. "Qualified representative" refers to the Investment Officer of the Authority who is authorized to act on behalf of the organization.

V. AUTHORITY TO INVEST FUNDS; ENTITIES SUBJECT TO THIS CHAPTER (Section 2256.003)

1. Each governing body of the following entities may purchase, sell, and invest its funds and funds under its control in investments authorized under this subchapter in compliance with investment policies approved by Authority and according to the standard of care prescribed by Section 2256.006.
 - a) a local government;
 - b) a state agency;
 - c) a nonprofit corporation acting on behalf of a local government or a state agency;
or
 - d) an investment pool acting on behalf of two or more local governments, state agencies, or a combination of those entities.
2. In the exercise of its powers under subsection (1) , the governing body of an investing entity may contract with an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.) or with the State Securities Board to provide for the investment and management of its public funds or other funds under its control. A contract made under authority of this subsection may not be for the term

longer than two (2) years. A renewal or extension of the contract must be made by the Authority of the investing entity by order, or by a resolution.

3. This chapter does not prohibit an investment officer from using the entity's employees or the services of a contractor of the entity to aid the investment officer in the execution of the officer's duties under this chapter.

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VI. INVESTMENT POLICIES; INVESTMENT STRATEGIES; INVESTMENT OFFICER (Section 2256.005)

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1. The governing body of an investing entity shall adopt by rule, order or resolution, as appropriate, a written investment policy regarding the investment of its funds and funds under its control.
2. The investment policies must:
 - a) be written;
 - b) primarily emphasize safety of principal and liquidity;
 - c) address investment diversification, yield, and maturity and the quality and capability of investment management; and
 - d) include:
 - A) a list of the types of authorized investments in which the investing entity's funds may be invested;
 - B) the maximum allowable stated maturity of any individual investment owned by the entity
 - C) methods to monitor the market price of investments acquired with public funds; and
 - D) a requirement for settlement of all transactions, except investment pool funds and mutual funds, on a delivery versus payment basis.
 - E) for pooled fund groups, the maximum dollar-weighted average maturity allowed based on the stated maturity date for the portfolio;
 - F) procedures to monitor rating changes in investments acquired with public funds and the liquidation of such investments consistent with the provisions of Section XV below.
3. The investment policies provides that bids for certificates of deposit be solicited:
 - a) in writing;
 - b) electronically; or
 - c) in any combination of those methods.
4. As an integral part of an investment policy, the Authority shall adopt a separate written investment strategy for each of the funds or group of funds under its control. Our investment strategy describes the investment objectives for the particular fund using the following priorities in order of importance:
 - a) understanding of the suitability of the investment to the financial requirements of the entity;
 - b) preservation and safety of principal;
 - c) marketability of the investment if the need arises to liquidate the investment before maturity;
 - d) diversification of the investment portfolio and
 - e) yield.

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5. The Authority shall review its investment policy and investment strategies not less than annually. The Authority shall adopt a written instrument by rule, order or resolution stating that it has reviewed the investment policy and investment strategies and that the written instrument so adopted shall record any changes made to either the investment policy or investment strategies.
6. The investment officer of the Authority who has a personal business relationship with a business organization offering to engage in an investment transaction with the entity shall file a statement disclosing that personal business interest. An investment officer who is related within the second degree of affinity or consanguinity, as determined under Chapter 573, to an individual seeking to sell an investment to the investment officer's entity shall file a statement disclosing that relationship. A statement required under this subsection must be filed with the Texas Ethics Commission and the Authority. For purposes of this subsection, an investment officer has a personal relationship with a business organization if:
 - a) The investment officer owns 10 percent (10%) or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;
 - b) Funds received by the investment officer from the business organization exceed 10% of the investment officer's gross income for the previous year; or
 - c) The investment officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the investment officer.
 - d) The Authority may specify in its investment policy that any investment authorized by this chapter is not suitable.
 - e) A written copy of an investment policy shall be presented to any person offering to engage in an investment, buy or sell securities to us, transactions with an investing entity or to an investment management firm under contract with an investing entity to invest or manage the entity's investment portfolio. For purposes of this subsection, a business organization includes investment pools and an investment management firm under contract with the Authority to invest or manage the entity's investment portfolio. Nothing in this subsection relieves the Authority of the responsibility for monitoring the investments made by the investing entity to determine that they are in compliance with the investment policy. The qualified representative of the business organization offering to engage in an investment transaction with an investing entity and the business organization substantially to the effect that the business organization has:
 - A) received and reviewed the investment policy of the entity; and
 - B) acknowledged that the business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the entity and the organization that are not authorized by the Authority's investment policy, except to the extent that this authorization is dependent on an analysis of the makeup of the Authority's entire portfolio or requires an interpretation of subjective investment standards.
 - f) The investment officer of the Authority may not acquire or otherwise obtain any authorized investment described in the investment policy of the investing entity from a person who has not delivered to the entity the instrument required by subsection (e).

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VII. STANDARD OF CARE (Section 2256.006)

1. Investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived. Investment of funds shall be governed by the following investment objectives, in order of priority:
 - a. Preservation and safety of principal;
 - b. Liquidity; and
 - c. Yield.
2. In determining whether an investment officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration:
 - a. The investment of all funds, or funds under the Authority's control, over which the officer had responsibility rather than a consideration as to the prudence of a single investment; and
 - b. Whether the investment decision was consistent with the written investment policy of the entity.

VIII. INVESTMENT TRAINING OF OFFICER (Section 2256.008)

1. Unless provided otherwise herein or Texas Law, the General Manager of the Authority shall attend at least one training session from an independent source approved by the board of directors for the Authority, which training session shall advise the General Manager of the investment policy for the Authority and Texas law and containing at least 10 hours of instruction relating to the requirements imposed under this investment policy and Texas law within 12 months after taking office or assuming duties.
2. Unless provided otherwise herein or Texas law, the General Manager of the Authority shall attend an investment training session not less than once in a two-year period that begins on the first day of that Authority's fiscal year and consists of the two consecutive fiscal years after that date, and receive not less than 10 hours of instruction relating to investment responsibilities of the Authority under Texas law from an independent source approved by the Authority or a designated investment committee.
3. Training must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with this chapter.

IX. AUTHORIZED INVESTMENTS: OBLIGATIONS OF, OR GUARANTEED BY GOVERNMENTAL ENTITIES (Section 2256.009)

1. The following are authorized investments under this subchapter:
 - a. Obligations, including letters of credit, of the United States or its agencies and instrumentalities;
 - b. Direct obligations of this state or its agencies and instrumentalities;
 - c. Collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States;
 - d. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, this state or the United States or their respective agencies and instrumentalities;

- e. Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent;
 - f. All investments covered by this section shall have a maximum maturity of ten (10) years.
2. The following are not authorized investments under this section:
- a. Obligations whose payments represents the coupon payment on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal;
 - b. Obligations whose payments represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest;
 - c. Collateralized mortgage obligations that have a stated final maturity date of greater than 10 years; and
 - d. Collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

X. AUTHORIZED INVESTMENTS: CERTIFICATES OF DEPOSIT AND SHARE CERTIFICATES (Section 2256.010)

1. A certificate of deposit or share certificate is an authorized investment under this subchapter if the certificate is issued by a depository institution that has its main office or a branch office in this state and is:
- a. guaranteed or insured by the F.D.I.C. or its successor or the National Credit Union Share Insurance Fund or its successors;
 - b. secured by obligations that are described by section 2256.009 (1), including mortgage backed securities directly issued by a federal agency or instrumentality that have a market value of not less than the principal amount of the certificates, but excluding those mortgage backed securities of the nature described by section 2256.009 (2); or
 - c. secured in any other manner and amount provided by law for deposits of the investing entity.
2. In addition to the authority to invest funds in certificates of deposit under subsection (1), an investment in certificates of deposit made in accordance with the following conditions is an authorized investment under this subchapter.
- a. The funds are invested by an investing entity through a depository institution that has its main office or a branch office in this state and that is selected by the Authority.
 - b. The depository institution selected the Authority under subdivision (1) arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the Authority.
 - c. The full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States;
 - d. The depository institution selected by the investing entity under subdivision (1) acts as custodian for the Authority with respect to the certificates of deposit issued for the account of the investing entity; and
 - e. At the same time that the funds are deposited and the certificates of deposit are issued for the account of the investing entity, the depository institution selected by the Authority under subdivision (1) receives an amount of deposits from customers of other federally insured depository institutions, where located, that is

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equal to or greater than the amount of the funds invested by the investing entity through the depository institution selected under subdivision (1).

XI. AUTHORIZED INSTRUMENTS; REPURCHASE AGREEMENTS (Section 2256.011)

1. A fully collateralized repurchased agreement is an authorized investment under this subchapter if the repurchase agreement:
 - a. has a defined termination date;
 - b. is secured by obligations described by section 2256.009 (1) and
 - c. requires the securities being purchased by the entity to be pledged to the entity, held in the entity's name, and deposited at the time the investment is made with the entity or with a third party selected and approved by the entity; and
 - d. is placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this state.
2. In this section, "repurchase agreement" means a simultaneous agreement to buy, hold for a specified time, and sell back at a future date obligations described by section 2256.009 (1), at a market value at the time the funds are disbursed of not less than the principal amount of the funds disbursed. The term includes a direct securities repurchase agreement and a reverse security repurchase agreement.
3. Notwithstanding any other law, the term of any reverse security repurchase agreement may not exceed 90 days after the date the reverse security repurchase agreement is delivered.
4. Money received by an entity under the terms of a reverse security repurchase agreement shall be used to acquire additional authorized investments, but the term of the authorized investments acquired must mature not later than the expiration date stated in the reverse security repurchase agreement.

XII. AUTHORIZED INVESTMENTS: MUTUAL FUNDS. (Section 2256.014)

1. A no load money market mutual fund is an authorized investment under this subchapter if the mutual fund:
 - a. is registered with and regulated by the Securities and Exchange Commission;
 - b. provides the investing entity with a prospectus and other information required by the Securities Exchange Act of 1934 (15 U.S.C. section 78a et seq.) or the Investment Company Act of 1940 (15 U.S.C. section 80a-1 et seq.);
 - c. has a dollar-weighted average stated maturity of 90 days or fewer; and
 - d. includes in its investment objectives the maintenance of a stable net asset value of \$1 for each share.
2. In addition to a no-load money market mutual fund permitted as an authorized investment in subsection (1), a no-load mutual fund is an authorized investment under this subchapter if the mutual fund:
 - a. is registered with the Securities and Exchange Commission;
 - b. has an average weighted maturity of less than two (2) years;
 - c. is invested exclusively in obligations approved by this subchapter; and
 - d. is continuously rated as to investment quality by at least one nationally recognized investment rating firm of not less than AAA or its equivalent; and
 - e. conforms to the requirements set forth in Sections 2256.016 (1) and (2) relating to the eligibility of investment pools to receive and invest funds of investing entities.
3. An entity is not authorized by this section to:

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- a. invest in the aggregate more than 15 percent of its monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service, in mutual funds described in subsection (2);
- b. invest any portion of bond proceeds, reserves and funds held for debt service, in mutual funds described in subsection (2); or
- c. invest its funds or funds under its control, including bond proceeds and reserves and other funds held for debt service, in any one mutual fund described in subsection (1) or (2) in an amount that exceeds 10 percent of the total assets of the mutual fund.

XIII. AUTHORIZED INVESTMENTS: GUARANTEED INVESTMENT CONTRACTS (Section 2256.015)

1. A guaranteed investment contract is an authorized investment for bond proceeds under this subchapter if the guaranteed investment contract:
 - a. has a defined termination date;
 - b. is secured by obligations described by section 2256.009 (1) (a), excluding those obligations described by section 2256.009 (2), in an amount at least equal to the amount of bond proceeds invested under the contract; and
 - c. is pledged to the entity and deposited with the entity or with a third party selected and approved by the entity.
2. Bond proceeds, other than bond proceeds representing reserves and funds maintained for debt service purposes, may not be invested under this subchapter in a guaranteed investment contract with a term of longer than five (5) years from the date of issuance of the bonds.
3. To be eligible as an authorized investment:
 - a. The governing body of the entity must specifically authorize guaranteed investment contracts as an eligible investment to the order or resolution authorizing the issuance of bonds;
 - b. The entity must receive bids from at least three separate providers with no material financial interest in the bonds from which proceeds were received;
 - c. The entity must purchase the highest yielding guaranteed investment contract for which a qualifying bid is received;
 - d. The price of the guaranteed investment contract must take into account the reasonably expected drawdown schedule for the bond proceeds to be invested; and
 - e. The provider must certify the administrative costs reasonably expected to be paid to third parties in connections with the guaranteed investment contract.

XIV. AUTHORIZED INVESTMENTS: INVESTMENT POOLS (Section 2256.016)

1. An entity may invest its funds and funds under its control through an eligible investment pool if the governing body of the entity by rule, order, ordinance, or resolution, as appropriate, authorizes investment in the particular pool. An investment pool shall invest the funds it receives from entities in authorized investments permitted by this subchapter. An investment pool may invest its funds in money market mutual funds to the extent

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permitted by and consistent with this subchapter and the investment policies and objectives adopted by the investment pool.

2. (b) To be eligible to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must furnish to the investment officer or other authorized representative of the entity an offering circular or other similar disclosure instrument that contains, at a minimum, the following information:
 - a. the types of investments in which money is allowed to be invested;
 - b. the maximum average dollar-weighted maturity allowed, based on the stated maturity date, of the pool;
 - c. the maximum stated maturity date any investment security within the portfolio has;
 - d. the objectives of the pool;
 - e. the size of the pool;
 - f. the names of the members of the advisory board of the pool and the dates their terms expire;
 - g. the custodian bank that will safekeep the pool's assets;
 - h. whether the intent of the pool is to maintain a net asset value of one dollar and the risk of market price fluctuation;
 - i. whether the only source of payment is the assets of the pool at market value or whether there is a secondary source of payment, such as insurance or guarantees, and a description of the secondary source of payment;
 - j. the name and address of the independent auditor of the pool;
 - k. the requirements to be satisfied for an entity to deposit funds in and withdraw funds from the pool and any deadlines or other operating policies required for the entity to invest funds in and withdraw funds from the pool; and
 - l. the performance history of the pool, including yield, average dollar-weighted maturities, and expense ratios.

3. To maintain eligibility to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must furnish to the investment officer or other authorized representative of the entity:
 - a. investment transaction confirmations; and
 - b. a monthly report that contains, at a minimum, the following information:
 - i. the types and percentage breakdown of securities in which the pool is invested;
 - ii. the current average dollar-weighted maturity, based on the stated maturity date, of the pool;
 - iii. the current percentage of the pool's portfolio in investments that have stated maturities of more than one year;
 - iv. the book value versus the market value of the pool's portfolio, using amortized cost valuation;
 - v. the size of the pool;
 - vi. the number of participants in the pool;
 - vii. the custodian bank that is safekeeping the assets of the pool;
 - viii. a listing of daily transaction activity of the entity participating in the pool;

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- ix. the yield and expense ratio of the pool, including a statement regarding how yield is calculated;
 - x. the portfolio managers of the pool; and
 - xi. any changes or addenda to the offering circular.
4. An entity by contract may delegate to an investment pool the authority to hold legal title as custodian of investments purchased with its local funds.
 5. In this section, "yield" shall be calculated in accordance with regulations governing the registration of open-end management investment companies under the Investment Company Act of 1940, as promulgated from time to time by the federal Securities and Exchange Commission.
 6. To be eligible to receive funds from and invest funds on behalf of an entity under this chapter, a public funds investment pool created to function as a money market mutual fund must mark its portfolio to market daily, and, to the extent reasonably possible, stabilize at a \$1 net asset value. If the ratio of the market value of the portfolio divided by the book value of the portfolio is less than 0.995 or greater than 1.005, portfolio holdings shall be sold as necessary to maintain the ratio between 0.995 and 1.005. In addition to the requirements of its investment policy and any other forms of reporting, a public funds investment pool created to function as a money market mutual fund shall report yield to its investors in accordance with regulations of the federal Securities and Exchange Commission applicable to reporting by money market funds.
 7. To be eligible to receive funds from and invest funds on behalf of an entity under this chapter, a public funds investment pool must have an advisory board composed:
 - a. equally of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for a public funds investment pool created under Chapter 791 and managed by a state agency; or
 - b. of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for other investment pools.
 8. To maintain eligibility to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must be continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service.
 9. If the investment pool operates an Internet website, the information in a disclosure instrument or report described in Subsections 2, 3b, and 6 must be posted on the website.
 10. (j) To maintain eligibility to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must make available to the entity an annual audited financial statement of the investment pool in which the entity has funds invested.
 11. (k) If an investment pool offers fee breakpoints based on fund balances invested, the investment pool in advertising investment rates must include either all levels of return based on the breakpoints provided or state the lowest possible level of return based on the smallest level of funds invested.

XV. EXISTING INVESTMENTS (Section 2256.017)

Except as provided by Chapter 2270, an entity is not required to liquidate investments that were authorized investments at the time of purchase.

XVI. EFFECT OF LOSS OF REQUIRED RATING (Section 2256.021)

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An investment that requires a minimum rating under this subchapter does not qualify as an authorized investment during the period the investment does not have the minimum rating. An entity shall take all prudent measures that are consistent with its investment policy to liquidate an investment that does not have the minimum rating.

XVII. INTERNAL MANAGEMENT REPORTS (Section 2256.023)

1. Not less than quarterly, the investment officer shall prepare and submit to the Authority of the entity a written report of investment transactions for all funds covered by this chapter for the preceding reporting period.
2. The report must:
 - a. describe in detail the investment position of the entity on the date of the report;
 - b. be prepared and signed by the General Manager of the Authority;
 - c. contain a summary statement, prepared in compliance with generally accepted accounting principles, of each pooled fund group that states the:
 - A. beginning market value for the reporting period;
 - B. additions and changes to the market value during the period;
 - C. ending market value for the period; and
 - D. fully accrued interest for the reporting period;
 - d. state the book value and market value of each separately invested asset at the beginning and end of the reporting period by the type of asset and fund type invested;
 - e. state the maturity date of each separately invested asset that has a maturity date;
 - f. state the account or fund or pooled group fund in the state agency or local government for which each individual investment was acquired; and
 - g. state the compliance of the investment portfolio of the state agency or local government as it related to:
 - A. the investment strategy expressed in the agency's or local government's investment policy; and
 - B. relevant provisions of this chapter.
3. The report shall be presented not less than quarterly to the governing body and the chief executive officer of the entity within a reasonable time after the end of the period.
4. If an entity invests in other than money market mutual funds, investment pools or accounts offered by its depository bank in the form of certificates of deposit, or money market accounts or similar accounts, the reports prepared by the investment officer under this section shall be formally reviewed at least annually by an independent auditor, and the result of the review shall be reported to the governing body by that auditor.

XVIII. SUBCHAPTER CUMULATIVE (Section 2256.024)

1. The authority granted by this subchapter is in addition to that granted by other law. Except as provided by Subsection (b) and Section 2256.017, this subchapter does not:
 - a. prohibit an investment specifically authorized by other law; or
 - b. authorize an investment specifically prohibited by other law.

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Joyce Hudman
County Clerk
Brazoria County, Texas

- 2. Except with respect to those investing entities described in subsection (3), a security described in section 2256.009 (2) is not an authorized investment for a state agency, a local government, or another investing entity, notwithstanding any other provision of this chapter or other law to the contrary.
- 3. Mortgage pass-through certificates and individual mortgage loans that may constitute an investment described in section 2256.009 (2) are authorized investments with respect to the housing bond programs operated by:
 - a. the Texas Department of Housing and Community Affairs or a nonprofit corporation created to act on its behalf;
 - b. an entity created under Chapter 392, Local Government Code; or
 - c. an entity created under Chapter 394, Local Government Code.

XIX. SELECTION OF AUTHORIZED BROKERS (Section 2256.025)

The governing body of an entity subject to this subchapter or the designated investment committee of the entity shall, at least annually, review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with the entity.

XX. STATUTORY COMPLIANCE (Section 2256.026)

All investments made by entities must comply with this subchapter and all federal, state and local statutes, rules or regulations.

XXI. PRIVATE AUDITOR (Section 2256.052)

Notwithstanding any other law, a state agency shall employ a private auditor if authorized by the legislature audit committee either on the committee's initiative or on request of the governing body of the agency. The Authority will be in compliance with other audits.

BRAZOSPORT WATER AUTHORITY INVESTMENT POLICY

BOARD APPROVED MAY 26, 2020

BWA, Board President

Date

BWA, General Manager

Date

**BRAZOSPORT WATER AUTHORITY
2020/2021 EXPENSE BUDGET**

DRAFT REV. 5/19/20 #8b

	ACTUAL REVENUES/ EXPENSES 2015-2016	BUDGET 2016-2017	ACTUAL REVENUES/ EXPENSES 2016-2017	BUDGET 2017-2018	ACTUAL REVENUES/ EXPENSES 2017-2018	BUDGET 2018-2019	ACTUAL REVENUES/ EXPENSES 2018-2019	BUDGET 2019-2020	ESTIMATED REVENUES/ EXPENSES 2019-2020	PROPOSED BUDGET 2020-2021
VENUES RATE Customers	\$2.63	\$2.94	\$2.94	\$3.05	\$3.05	\$3.12	\$3.12	\$3.30	\$3.30	\$3.28
700,000	1,739,728	1,931,580	1,931,580	2,003,850	2,003,850	2,049,840	2,049,840	2,174,040	2,174,040	2,154,960
VENUES RATE	288,774	321,930	336,191	333,975	347,883	358,722	358,722	380,457	380,457	377,118
000	962,580	1,073,100	1,073,100	1,113,250	1,113,250	1,138,800	1,138,800	1,207,800	1,207,800	1,197,200
2,000,000	1,925,160	2,146,200	2,146,200	2,226,500	2,226,500	2,277,600	2,277,600	2,415,600	2,415,600	2,394,400
164,000	1,925,160	2,146,200	2,146,200	2,226,500	2,226,500	2,277,600	2,277,600	2,415,600	2,415,600	2,394,400
5,000	107,458	101,945	136,537	138,043	145,461	150,322	179,207	181,170	181,170	196,341
S RATE	226,206	252,179	252,179	261,614	261,614	267,618	267,618	283,833	283,833	281,342
ing Customers	\$0.87	\$1.15	\$1.15	\$1.20	\$1.20	\$1.25	\$1.25	\$1.30	\$1.30	\$1.30
700,000	1,814,994	2,392,575	2,392,575	2,496,600	2,496,600	2,600,625	2,600,625	2,712,060	2,712,060	2,704,650
VENUES RATE		\$3.12	\$3.12	\$3.23	\$3.23	\$3.30	\$3.30	\$3.48	\$3.48	\$3.46
ing Customers		1,138,800	1,166,023	1,178,950	1,183,620	1,204,500	1,204,973	1,273,680	1,273,680	1,262,900
VENUES RATE	\$2.98	\$3.29	\$3.29	\$3.40	\$3.40	\$3.47	\$3.47	\$3.65	\$3.65	\$3.63
ing Customers	981,612	1,080,765	1,080,765	1,116,900	1,183,913	1,139,895	1,139,895	1,202,310	1,202,310	1,192,455
and Wayne Scott	1,095,639									
es	12,313		1,120		5,380				12,769	
VENUES RATE				\$2.03	\$2.03	\$2.05	\$2.05	\$2.23	\$2.18	\$2.16
ing Customers				742,980	105,328	2,244,750	2,116,691	2,448,540	2,393,640	2,365,200
000,000										
8 calculated at 4 mths)	11,079,624	12,585,274	12,662,470	13,839,164	13,299,899	15,710,274	15,624,342	16,695,092	16,640,192	16,520,968
JE										
on Transfer	332,429	35,000	708,672	100,000	896,249	100,000	100,000	100,000	75,000	75,000
										725,000
	332,429	35,000	708,672	100,000	896,249	100,000	100,000	100,000	75,000	800,000
ES	11,412,053	12,620,274	13,371,142	13,939,164	14,196,148	15,810,274	15,724,342	16,795,092	16,715,192	17,320,968

**BRAZOSPORT WATER AUTHORITY
2020/2021 EXPENSE BUDGET**

DRAFT REV. 5/19/20 #8b

	ACTUAL REVENUES/ EXPENSES 2015-2016	BUDGET 2016-2017	ACTUAL REVENUES/ EXPENSES 2016-2017	BUDGET 2017-2018	ACTUAL REVENUES/ EXPENSES 2017-2018	BUDGET 2018-2019	ACTUAL REVENUES/ EXPENSES 2018-2019	BUDGET 2019-2020	ESTIMATED REVENUES/ EXPENSES 2019-2020	PROPO BUDG 2020-2
BENEFITS										
	1,293,429	1,559,620	1,435,522	1,800,000	1,445,512	1,900,000	1,572,869	2,014,000	1,954,013	1.9
	96,752	124,770	102,945	144,000	107,636	152,000	113,902	162,000	156,321	1
	70,181	77,981	84,791	90,000	87,011	114,000	85,440	141,000	136,781	1
	279,318	360,000	356,748	410,000	359,110	450,000	442,517	520,000	525,200	5
Insurance	11,795	32,000	25,506	32,000	27,418	35,000	25,403	35,000	27,500	
	1,751,475	2,154,371	2,005,512	2,476,000	2,026,687	2,651,000	2,240,131	2,872,000	2,799,815	2.8
ACTION EXPENSES										
Age & Transfer	535,713	640,000	564,108	640,000	645,953	815,000	743,776	1,222,020	1,222,020	1.2
	257,596	326,600	275,630	375,000	311,269	515,000	510,832	530,000	530,000	6
	496,796	570,000	445,204	570,000	486,407	770,000	677,919	800,000	800,000	8
Site	24,641	26,200	23,306	30,000	28,391	35,000	35,912	35,000	45,000	
	40,859	55,800	31,607	66,000	50,786	100,000	70,107	100,000	90,000	
	159,712	168,600	137,438	190,000	163,020	190,000	211,811	275,000	275,000	2
	175,334	184,400	142,208	235,000	153,497	322,000	190,296	250,000	250,000	2
	122,201	126,500	100,239	167,000	79,658	230,000	134,800	200,000	160,000	1
	67,620	88,500	46,059	80,000	55,190	120,000	84,496	140,000	110,000	1
	62,565	73,750	44,029	84,000	110,359	125,000	173,564	240,000	225,000	2
	8,025	14,750	0	8,000	0	8,000	1,279	0	0	
	7,185	10,500	7,125	10,500	0	15,000	13,581	15,000	46,632	
(Asphalt)	109,206	95,000	66,912	110,000	99,190	150,000	121,889	150,000	150,000	1
Chloride	58,561	105,400	33,748	108,000	57,500	150,000	62,968	125,000	100,000	1
	0	7,400	0	0	0	200,000	0	100,000	0	
	1,302	7,000	0	7,000	0	7,000	0	7,000	0	
ly Charges	0	0	0	0	0	0	0	0	0	1
ment	905	1,500	2,571	2,000	575	2,500	0	2,500	0	
	2,128,221	2,501,900	1,920,183	2,682,500	2,241,797	3,754,500	3,033,230	4,191,520	4,003,652	4.4

**BRAZOSPORT WATER AUTHORITY
2020/2021 EXPENSE BUDGET**

DRAFT REV. 5/19/20 #

	ACTUAL REVENUES/ EXPENSES 2015-2016	BUDGET 2016-2017	ACTUAL REVENUES/ EXPENSES 2016-2017	BUDGET 2017-2018	ACTUAL REVENUES/ EXPENSES 2017-2018	BUDGET 2018-2019	ACTUAL REVENUES/ EXPENSES 2018-2019	BUDGET 2019-2020	ESTIMATED REVENUES/ EXPENSES 2019-2020	PRELIMINARY
CONTROL EXPENSES										
Lab	26,748	35,000	20,512	39,000	45,282	40,000	40,315	50,000	50,000	
	5,082	25,000	8,617	40,000	10,050	40,000	45,805	40,000	50,000	
	31,830	60,000	29,129	79,000	55,332	80,000	86,120	90,000	100,000	
EXPENSES										
Amount	33,024	100,000	43,313	100,000	49,797	100,000	101,681	100,000	110,000	
Grants	27,855	60,000	38,770	60,000	43,123	60,000	55,280	80,000	92,000	
	1,842	2,000	1,884	2,000	1,900	2,000	1,937	2,500	2,500	
	8,395	15,000	8,379	15,000	11,680	25,000	18,264	25,000	25,000	
Other Equipment	9,495	20,000	23,855	40,000	18,949	40,000	34,304	40,000	40,000	
	13,851	17,500	18,388	17,500	8,755	35,000	11,164	35,000	35,000	
System	17,483	75,000	26,328	75,000	47,729	75,000	69,304	100,000	100,000	
	15,545	56,000	13,797	56,000	22,616	60,000	22,636	60,000	60,000	
	5,292	6,000	12,571	10,000	9,580	10,000	6,117	10,000	6,000	
	50,641	85,000	47,437	85,000	55,816	85,000	53,783	90,000	90,000	
Expense	0	7,000	7,881	10,000	7,977	10,000	9,516	12,500	10,923	
	26,730	100,000	12,392	100,000	51,658	100,000	107,703	150,000	150,000	
	210,153	543,500	254,994	570,500	329,578	602,000	491,689	705,000	721,423	

**BRAZOSPORT WATER AUTHORITY
2020/2021 EXPENSE BUDGET**

DRAFT REV. 5/19/20

	ACTUAL REVENUES/ EXPENSES 2015-2016	BUDGET 2016-2017	ACTUAL REVENUES/ EXPENSES 2016-2017	BUDGET 2017-2018	ACTUAL REVENUES/ EXPENSES 2017-2018	BUDGET 2018-2019	ACTUAL REVENUES/ EXPENSES 2018-2019	BUDGET 2019-2020	ESTIMATED REVENUES/ EXPENSES 2019-2020
IVE EXPENSES									
	6,640	10,000	7,697	20,000	6,282	20,000	10,205	20,000	20,000
	13,079	20,000	9,287	25,000	11,442	25,000	14,238	30,000	20,000
licenses	37,027	52,000	35,438	52,000	36,952	52,000	67,397	52,000	45,000
	23,140	36,000	19,983	40,000	18,261	40,000	23,553	50,000	20,000
	3,526	15,000	3,590	20,000	9,584	30,000	18,122	30,000	25,000
	42,496	55,000	36,882	55,000	39,299	55,000	19,867	55,000	55,000
	1,186	10,000	4,535	10,000	474	15,000	7,730	15,000	7,500
Materials	936	2,800	1,526	3,500	1,911	3,500	1,567	3,500	3,500
	10,506	15,000	9,213	25,000	11,034	25,000	10,649	30,000	20,000
Utilities	37,244	65,000	6,994	65,000	560	65,000	26,202	100,000	100,000
	17,742	20,000	18,925	32,000	27,406	35,000	32,399	38,000	35,000
Capital	33,018	31,000	37,100	35,000	34,010	42,000	43,989	45,000	64,000
	38,503	42,000	39,199	50,000	46,425	50,000	49,812	75,000	61,779
Administrative Expenses	7,465	23,000	8,032	35,000	7,630	35,000	11,922	35,000	20,000
Insurance	0	0	0	0	0	0	2,068	0	0
	272,508	396,800	238,401	467,500	251,270	492,500	339,720	578,500	496,779
TOTALS	4,394,187	5,656,571	4,448,220	6,275,500	4,904,664	7,580,000	6,190,890	8,437,020	8,121,669

**BRAZOSPORT WATER AUTHORITY
2020/2021 EXPENSE BUDGET**

DRAFT REV. 5/19/2

	ACTUAL REVENUES/ EXPENSES 2015-2016	BUDGET 2016-2017	ACTUAL REVENUES/ EXPENSES 2016-2017	BUDGET 2017-2018	ACTUAL REVENUES/ EXPENSES 2017-2018	BUDGET 2018-2019	ACTUAL REVENUES/ EXPENSES 2018-2019	BUDGET 2019-2020	ESTIMATED REVENUES/ EXPENSES 2019-2020
SES EXPENDITURES	7,017,866	6,963,703	8,922,922	7,663,664	9,291,485	8,230,274	9,533,452	8,358,072	8,593,522
Professional Service	2,809,965	3,929,103	3,929,103	3,818,829	3,818,829	4,280,537	4,280,537	4,264,922	4,479,181
Coverage from Rosenberg	1,814,994	2,400,897	2,400,897	2,496,600	2,496,600	2,600,625	2,600,625	2,712,060	2,712,060
Coverage (5% of bond payment)	0	325,000	325,000	325,000	325,000	345,000	345,000	345,000	345,000
Fought Relief	0	0	0	0	0	0	0	0	0
General Support Fund	752,000	117,700	1,050,000	480,000	1,400,000	600,000	920,000	600,000	600,000
Renewal & Replacement	624,000	170,000	624,000	500,000	700,000	400,000	888,000	425,000	400,000
Construction			150,000	0	500,000	0			
Overhead									
Contribution									
Other	6,000,959	6,942,700	8,479,000	7,620,429	9,240,429	8,226,162	9,034,162	8,346,982	8,536,241
SES REVENUES	11,412,053	12,620,274	13,371,142	13,939,164	14,196,148	15,810,274	15,724,342	16,795,092	16,715,191
SES EXPENDITURES	10,395,146	12,599,271	12,927,220	13,895,929	14,145,093	15,806,162	15,225,052	16,784,002	16,657,911
SES EXPENDITURES	1,016,907	21,003	443,922	43,235	51,056	4,112	499,290	11,090	57,281