

MINUTES
TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10

April 6, 2021

The Board of Directors (the "Board") of Travis County Municipal Utility District No. 10 (the "District") met on the 6th day of April, 2021, in regular session by teleconference, with access by telephone available to the public, pursuant to Texas Government Code Section 551.125 and Governor Greg Abbott's emergency disaster declaration dated March 13, 2020, and the roll was called of the members of the Board being present by telephone:

| | |
|--------------------|--------------------------|
| Vance Taylor | President |
| Dan Eckermann | Executive Vice President |
| Andrew L. Fawthrop | Vice President |
| Harvey Reiter | Secretary |
| Andi K. Tasset | Assistant Secretary |

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

Also attending the teleconference were Kevin Monteith, resident of the District; Terrie Sechrist of Sechrist Duckers, LLP; Jason Grim of Silverton Homes; Beth Bruce and Rob Witte of BWB Holdings, Ltd.; Craig Rathmann of Rathmann & Associates, L.P.; Brittany Keeswood of Assessments of the Southwest, Inc.; Brett Lanham of Lanham Consulting; Cathy Mitchell and Jason Baze of Jones & Carter, Inc. ("J&C"); Hal Lanham and Tammy Hargett of AWR Services, Inc. ("AWR"); and Kathryn Garner and Janet Swartz of Allen Boone Humphries Robinson LLP ("ABHR").

Ms. Garner reviewed certain recommended protocols for conducting the District's meeting via teleconference. She announced that the meeting was being recorded and that consultant reports presented at the meeting were posted online and available to the public in the form of an "agenda packet" prior to the start of the meeting at <https://www.districtdirectory.org/agendapackets/tcmud10>.

PUBLIC COMMENTS

Director Taylor offered any members of the public attending the meeting by telephone the opportunity to make public comment. Mr. Monteith thanked the Board for repairs made by the District at Osprey Ridge and Kingfisher.

RATIFICATION OF EMERGENCY OR URGENT ACTIONS, IF ANY, AND
RATIFICATION OF COVID-19 EPIDEMIC RELATED EMERGENCY ACTIONS, IF
ANY

The Board concurred that there were no emergency actions to ratify.

APPROVE MINUTES

The Board considered approving the minutes of March 2, 2021, regular meeting. After review and discussion, Director Reiter moved to approve the minutes of the March 2, 2021, regular meeting. Director Fawthrop seconded the motion, which passed by unanimous vote.

FEBRUARY 2021 WINTER STORM STATUS REPORT ON FACILITIES AND RECEIVE REPORTS FROM CONSULTANTS ON REPAIRS

Ms. Mitchell stated that J&C worked with Directors Eckermann and Fawthrop on options for emergency repairs to the District's raw waterline. She stated that J&C prepared a preliminary design to repair/replace the existing ductile iron raw waterline including the permanent installation of a HDPE pipe bypass line. Ms. Mitchell discussed negotiated bids from JBS Underground ("JBS") to (1) repair/replace the existing line with ductile iron pipe in the amount of \$76,878; or (2) replace the existing line with HDPE pipe in the amount of \$81,385. She added that both options include permanent installation of a HDPE pipe bypass line. Ms. Mitchell recommended that the Board approve the negotiated bid from JBS for replacement of the existing line with HDPE pipe in the amount of \$81,385.

Mr. Baze discussed the repair to the raw water line with the HPDE pipe. Director Taylor requested that J&C and AWR prepare the system for the repair of the raw water line to prevent service interruptions. Mr. Baze stated that other repairs to the District's facilities caused by the freeze will be made by AWR. Director Fawthrop stated that there may be other improvements forthcoming to the District's raw waterline and noted that the bypass line is a system improvement to the system. Director Eckermann noted that the new HPDE pipe is an improvement to the District's system.

Mr. Baze stated that other cost estimates were prepared and boring the cliff where the raw waterline is located was not a feasible alternative. Ms. Garner stated that because this repair has been deemed an emergency by the engineer and Board, the Texas Commission on Environmental Quality will be notified by J&C, and pursuant to Section 49.274 of the Texas Water Code, the repair to the raw waterline could be completed on the basis of negotiated bids.

The Board concluded that the repair to the raw waterline was an emergency and pursuant to Section 49.274 of the Texas Water Code the repairs would be completed on the basis of negotiated bids. The Board also concurred that, in its judgment, the JBS bid would be most advantageous to the District and would result in the best and most economical completion of the project. Following review and discussion, Director Taylor moved to approve the bid from JBS in the amount of \$81,385 for replacement of the existing raw waterline with HDPE pipe, based upon the engineer's recommendation and subject to approval of the payment and performance bonds and review of the

certificate(s) of insurance and endorsements, if any, provided by the contractor. Director Reiter seconded the motion, which passed by unanimous vote. Ms. Garner stated that AWR and J&C will provide information on the repair to the District's insurance agent.

ENGINEERING MATTERS

Ms. Mitchell reviewed the engineer's report, a copy of which is attached.

CAPITAL IMPROVEMENT PLAN ("CIP")

Ms. Mitchell stated she received input from AWR on the CIP projects to be prioritized for 2021. She discussed an updated CIP Plan. Director Taylor discussed onsite power generation that may coincide with plant expansions. Director Reiter stated he is in favor of considering an auxiliary power source. Ms. Mitchell stated J&C will obtain proposals for some items on the CIP Plan and AWR will handle some of the items. Mr. Baze stated he is also considering an emergency interconnection with another district and security updates to the system.

INSPECTIONS AND REPAIRS

Ms. Mitchell stated that she is planning the annual inspection of the water plant for May.

ZEBRA MUSSEL REMOVAL AND PREVENTION

Ms. Mitchell stated that Chapman Marine, Inc., is working with the screen fabricator on the drawings for the new raw water pump screens. She added that an inspection was conducted of the dismantled raw water line and no zebra mussels were found.

CONTINGENCY PLAN FOR DISTRICT FACILITIES

Ms. Mitchell stated that she circulated an updated plan to AWR for input. She added she will work with Director Fawthrop to update the plan.

After review and discussion, Director Fawthrop moved to accept the engineer's report. Director Reiter seconded the motion, which passed by unanimous vote. Director Reiter thanked J&C for their work on repairs to the District's facilities.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

Ms. Bruce introduced herself and Mr. Witte of BWB Holdings, Ltd. to the Board and reviewed plans for the possible development of land in the District. Ms. Bruce and Mr. Witte discussed their experience in land development with the Board. Ms. Bruce discussed design standards for the development and the proposed number of lots that would be developed for home sites.

Mr. Grim reviewed lot sales in the District by Silverton Homes.

Ms. Bruce stated that she plans to discuss walking trails and security gates for the proposed development with the homeowner associations. Ms. Bruce discussed the estimated \$2,500,000 expansion of the District's water treatment and wastewater treatment plants needed in order to serve the proposed development. She requested the Board consider allowing the use of available capacity on a first come first serve basis to builders in the District. Director Reiter stated that he is in favor of the District requiring a developer to escrow \$2,500,000 in cash for the plant expansions. Discussion ensued on developer reimbursement matters. The Board concurred to appoint a committee of Directors Taylor and Reiter to review and recommend the District's requirements for a financing agreement with BWB Holdings, Ltd.

FINANCIAL AND BOOKKEEPING MATTERS

The Board reviewed the bookkeeper's report, a copy of which is attached. After review and discussion, Director Eckermann moved to approve the bookkeeper's report and the checks listed on the report. Director Taylor seconded the motion, which passed by unanimous vote.

TAX ASSESSMENT AND COLLECTION MATTERS

The Board reviewed the tax assessor/collector's report, including the delinquent tax roll, a copy of which is attached. After review and discussion, Director Reiter moved to approve the tax assessor/collector's report. Director Taylor seconded the motion, which passed by unanimous vote.

CYBERSECURITY TRAINING REMINDER

Ms. Garner discussed a memorandum with the Board regarding Chapter 2054, Texas Government Code annual cybersecurity training requirements for certain local government employees and elected officials, a copy of which is attached. She reminded the Board members that they must select a training program that is certified by the Texas Department of Information Resources. Ms. Garner added that according to the Texas Department of Information Resources, the training should be completed by June 14th of each year.

ADOPT RESOLUTION IN SUPPORT OF HOUSE BILL NO. 1410 AND SENATE BILL NO. 1959

Ms. Garner stated that the Texas State Legislature is considering House Bill No. 1410 and Senate Bill No. 1959 which relate to the provision of parks and recreational facilities by water districts and would allow qualifying districts to develop and finance additional recreational facilities to serve their communities. After review and discussion, Director Eckermann moved to adopt a Resolution in Support of House Bill No. 1410 and Senate Bill No. 1959 and direct that the Resolution be filed appropriately

and retained in the District's official records. Director Fawthrop seconded the motion, which passed by unanimous vote.

RESOLUTION ADOPTING POLICY AND PROCEDURES FOR FEBRUARY 2021 FREEZE EVENT LEAK ADJUSTMENT CREDITS

Mr. Hal Lanham stated the District has not received any requests for leak adjustments due to the February 2021 freeze event. The Board tabled adoption of the Resolution Adopting Policy and Procedures for February 2021 Freeze Event Leak Adjustment Credits.

OPERATION OF DISTRICT FACILITIES

Mr. Hal Lanham reviewed the operator's report, a copy of which is attached. He stated that 183 customers were billed during the month of February.

Mr. Hal Lanham stated there was a power outage which resulted in a "Boil Water Notice" to the customers. He added this reinforces the need for a generator.

Mr. Hal Lanham did not have a report on delinquent accounts and terminations.

Ms. Hargett discussed information on AWR's retention of records. She stated that AWR has identified 45-50 retention boxes to shred that are either duplicate files or files saved digitally. Ms. Hargett stated that the cost to shred the records is \$750.

Mr. Hal Lanham discussed information to be submitted by AWR to the District's insurance agent. Mr. Baze stated that he has attempted to contact the agent on the District's claim.

After review and discussion, Director Taylor moved to (1) accept the operator's report; and (2) approve the shredding of the 45-50 boxes of records as discussed by Ms. Hargett for a cost of \$750. Director Eckermann seconded the motion, which passed by unanimous vote.

CONDUCT ANNUAL REVIEW AND RECEIVE REPORT FROM OPERATOR ON IDENTITY THEFT PREVENTION PROGRAM AND ADOPT IDENTITY THEFT PREVENTION PROGRAM AMENDMENT

The Board tabled discussion on this agenda item.

APPROVE AND AUTHORIZE OPERATOR TO FILE WATER LOSS AUDIT

Ms. Garner stated that all retail public water suppliers are required to submit to the Texas Water Development Board a water loss audit once every five years. She added that the next scheduled audit is for the year 2020 and is due by May 1, 2021. Ms.

Hargett stated that the water loss audit will be filed by May 1, 2021. The Board tabled action on the water loss audit.

APPROVE ANNUAL REPORT ON IMPLEMENTATION OF WATER CONSERVATION PLAN

Ms. Hargett stated AWR is preparing the report to file with the LCRA. She added that AWR will present the Water Conservation Plan Annual Report at the next Board meeting. The Board deferred action on the Annual Report.

REPORT REGARDING DISTRICT WATER QUALITY AND FINANCIAL CONCERNS

There was no discussion on this agenda item.

FREEZE EVENT LESSONS LEARNED

Director Taylor reviewed lessons learned by the Board and consultants from the freeze event. The Board concurred to appoint Directors Fawthrop and Eckermann to a committee to review actions taken due to the freeze event for presentation at a future meeting.

FACILITIES SECURITY AND THE STORAGE AREA ADJACENT TO DISTRICT WATER TREATMENT PLANT, SECURITY OF THE DRIP FIELD AND OTHER DISTRICT FACILITIES

Director Fawthrop updated the Board of the cleanup of the storage area adjacent to the District's water treatment plant. He stated this item can be removed from the agenda.

DISTRICT AND PROPERTY OWNERS ASSOCIATIONS COORDINATION

In response to a comment from Director Fawthrop on future construction traffic, Director Reiter stated that this matter should be discussed with the homeowners associations.

BOARD MEMBER INPUT REGARDING ISSUES FACING THE DISTRICT

There was no discussion on this agenda item.

MAINTENANCE AND FORMAT OF THE DISTRICT WEBSITE

Ms. Garner stated that The Texas Network has recommended reformatting the District's website. The Board concurred to appoint Director Tasset to coordinate with The Texas Network on changes to the website.

COMMUNICATIONS WITH RESIDENTS AND/OR PROPERTY OWNERS REGARDING UPDATES TO IRIS DISTRICT COMMUNICATION SYSTEM AND OTHER DISTRICT COMMUNICATIONS

Director Tasset discussed the IRIS communication system and the enrollment of customers and updating of customer information for the IRIS system. She stated that if an announcement only affects a certain section of the District, the announcement will only be sent to those affected customers.

The Board discussed a semi-annual newsletter to send with the water bill. Director Tasset stated she would prepare the newsletter with the assistance of Director Reiter.

Director Tasset recommended that AWR install stickers on all grinder pumps in the District with AWR contact information.

Director Tasset discussed the boxes in the District used to post notices of board meetings. Director Taylor recommended that Director Tasset coordinate with the homeowners associations on adding additional boxes in the District.

Director Tasset discussed the time deadline for non-emergency alerts to be sent to customers on the IRIS system. The Board concurred that 7:00 p.m. is the deadline for non-emergency alerts to be sent on the IRIS system.

After discussion, Director Taylor moved to (1) approve the automatic enrollment of all customers on the IRIS system; (2) approve the preparation of a semi-annual newsletter to be sent with the water bill as approved by the Board; (3) authorize AWR to install stickers on all grinder pumps in the District; and (4) authorize Director Tasset to coordinate with the homeowners associations on adding additional boxes for posting notices of Board meetings. Director Eckermann seconded the motion, which passed by unanimous vote.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE, TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY

The Board did not convene in executive session.

NEXT MEETING DATE AND LOCATION

Following discussion, the Board agreed to hold the next meeting on May 4, 2021, at 10:30 a.m. by teleconference, with access by telephone available to the public, pursuant to the Texas Government Code Section 551.125 and Governor Greg Abbott's emergency disaster declaration dated March 13, 2020.

There being no further business to come before the Board, the meeting was adjourned.



/s/ Harvey Reiter
Secretary, Board of Directors

ATTACHMENTS TO THE MINUTES

| | <u>Page</u> |
|--|-------------|
| Engineer's report..... | 3 |
| Bookkeeper's report..... | 4 |
| Tax assessor/collector's report | 4 |
| Memorandum to the Board regarding annual cybersecurity training requirements | 4 |
| Operator's report..... | 5 |