

MINUTES
TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10

August 3, 2021

The Board of Directors (the "Board") of Travis County Municipal Utility District No. 10 (the "District") met on the 3rd day of August 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 Craig Rathmann of Rathmann & Associates Inc.; Terry Holland of Myrtle Cruz, Inc.; Brittany Keeswood of Assessments of the Southwest, Inc.; Cathy Mitchell and Robert Dazey of Jones & Carter, Inc. ("J&C"); Hal Lanham, Tammy Hargett and Mike Bamer 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

There were no comments from the public.

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 the July 6, 2021, regular meeting. After review and discussion, Director Reiter moved to approve the minutes of the July 6, 2021, meeting. Director Fawthrop seconded the motion, which passed by unanimous vote.

FINANCIAL AND BOOKKEEPING MATTERS

The Board reviewed the bookkeeper's report, a copy of which is attached. Director Reiter stated that funds have not been received from the District's insurance claim. After review and discussion, Director Reiter moved to approve the bookkeeper's report and the checks listed on the report. Director Tasset 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 Fawthrop moved to approve the tax assessor/collector's report. Director Tasset seconded the motion, which passed by unanimous vote.

RENEWAL OF RENTAL OF WATERFORD MARINA SLIP

Mr. Holland stated that the District's renewal of the rental of the Waterford Marina slip will cost \$425.00 a month. After review and discussion, Director Taylor moved to authorize AWR to discuss the increase in cost with Lori Clark, and authorize renewal of the rental of the Waterford Marina slip for an amount not to exceed \$425.00 a month. Director Reiter seconded the motion, which passed by unanimous vote.

DISCUSS WATER CODE TAX PROVISIONS AND 2021 TAX RATE, ADOPT RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2021 TAX YEAR, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

The Board considered the District's 2021 tax rate. Ms. Garner discussed the "truth-in-taxation" property tax calculations and tax levy process for water districts and stated that Chapter 49 of the Texas Water Code establishes three main categories for water districts, based on a district's development status and/or tax rate. She reviewed the definitions for each of the three categories and said the Board must annually determine the District's category for that tax year and follow the associated notice and levy provisions in the Texas Water Code for that category.

Discussion ensued regarding the District's development status. After fully considering relevant data, information, and statutory definitions, the Board determined that the District is a Developing District for the 2021 tax year.

Mr. Rathmann reviewed a debt service tax rate analysis reflecting the recommendation for the District to levy a 2021 water, sewer, and drainage debt service tax rate of \$0.33 per \$100 of assessed valuation, based on the District's initial 2021 certified value. A copy of the debt service tax rate analysis is attached. The Board then discussed the District's operation and maintenance tax rate. Ms. Garner discussed the two-step process for setting the District's tax rate.

Following review and discussion, Director Reiter moved to (1) adopt a Resolution Regarding Development Status for 2021 Tax Year establishing the District as a Developing District for the 2021 tax year pursuant to Section 49.23603, Texas Water Code, and direct that the Resolution be filed appropriately and retained in the District's official records; (2) set the public hearing date for September 7, 2021; and (3) authorize the tax assessor/collector to mail notice to all taxpayers of the District's meeting on September 7, 2021, to set the proposed 2021 total tax rate of \$0.75 per \$100 of assessed valuation with \$0.33 allocated for debt service on water, sewer, and drainage bonds and \$0.42 allocated for operations and maintenance. Director Eckermann seconded the motion, which passed by unanimous vote.

ANNUAL REVIEW OF PROCEDURES FOR CONTINUING DISCLOSURE COMPLIANCE

The Board reviewed the District's procedures for continuing disclosure compliance. The Board concurred that no changes are required at this time.

APPROVE ANNUAL REPORT AND AUTHORIZE FILING OF SAME IN ACCORDANCE WITH THE DISTRICT'S CONTINUING DISCLOSURE OF INFORMATION AGREEMENT AND AS REQUIRED BY SEC RULE 15C2-12

Ms. Garner reviewed the District's annual report containing updated financial and operating data to be filed in accordance with the continuing disclosure provisions contained in the District's bond resolutions and as required by SEC Rule 15c2-12. She stated that the District is required to file the annual report with the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access System ("EMMA"). Discussion ensued. Following review and discussion, Director Taylor moved to approve the annual report, authorize the attorney to submit the District's annual report in compliance with the continuing disclosure provisions contained in the bond resolutions, and direct that the report be filed appropriately and retained in the District's official records. Director Fawthrop seconded the motion, which passed by unanimous vote.

OPERATION OF DISTRICT FACILITIES

Mr. Lanham reviewed the operator's report, a copy of which is attached. He stated that 197 customers were billed during the month of June. Mr. Lanham reported on the Highland Lake Storage levels.

Mr. Lanham reviewed a list of equipment to be kept in inventory for maintenance of District facilities due to industry-wide shortages of certain equipment. He stated that the cost of the equipment is \$8,701.

Mr. Lanham stated that AWR will have all fire hydrants inspected and flow tested.

Mr. Bamer discussed a proposal for a SCADA system for the District's water system for a cost of \$31,733. After discussion, Director Reiter moved to authorize AWR to arrange for the purchase and installation of a SCADA system for a cost of \$31,733. Director Taylor seconded the motion, which passed by unanimous vote.

Mr. Lanham stated that the newsletter was mailed to customers with the water bill on July 27, 2021.

Mr. Lanham discussed the purchase and installation of two pumps, replacement of piping, cleaning, and a bypass at lift station no. 1 for a cost of approximately \$50,000. After discussion, Director Reiter moved to authorize AWR to proceed with the purchase and installation of two pumps, replacement of piping, cleaning, and a bypass at lift station no. 1 for a cost of \$50,000. Director Taylor seconded the motion, which passed by unanimous vote.

Mr. Lanham updated the Board on the preparation of an emergency plan for the District.

Director Taylor stated that a sign regarding water conservation will be posted on Lohmans Ford Road. Director Tasset stated that water conservation information will be posted on the District's website.

Mr. Lanham discussed an Amendment to the Professional Service Agreement with AWR. The Board tabled approval of the Amendment to the Professional Service Agreement.

Mr. Lanham did not report on any delinquent accounts.

After review and discussion, Director Taylor moved to (1) accept the operator's report; and (2) authorize AWR to purchase equipment for maintenance of District's facilities to keep in inventory for a cost of \$8,701. Director Reiter seconded the motion, which passed by unanimous vote.

ENGINEERING MATTERS

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

CAPITAL IMPROVEMENT PLAN ("CIP")

Ms. Mitchell stated that J&C worked with AWR on proposals for installation of two pumps, replacement of piping, cleaning, and a bypass at lift station no. 1 and a SCADA system for the water plant.

INSPECTIONS AND REPAIRS

Ms. Mitchell presented a log of action items from the annual inspection of the water plant. She stated that AWR has completed some of the items on the log.

ZEBRA MUSSEL REMOVAL AND PREVENTION

Ms. Mitchell stated that the barge will be inspected in December, 2021.

CONTINGENCY PLAN FOR DISTRICT FACILITIES

Ms. Mitchell stated that she did not have a report on this agenda item.

Ms. Mitchell presented a letter to Waterford Development Partners, LP regarding service availability for Waterford on Lake Travis, Section 2A and 4B.

Ms. Mitchell presented a new Professional Services Agreement between J&C and the District to replace the current Agreement.

After review and discussion, Director Reiter moved to approve the Professional Services Agreement between J&C and the District and direct that the Agreement be filed appropriately and retained in the District's official records. Director Tasset second the motion, which passed by unanimous vote.

Ms. Mitchell presented two J&C proposals to Waterford Development Partners LP for professional engineering services related to the expansion of the water treatment plant, phase 4 and the wastewater treatment plant.

After discussion, Director Taylor moved to approve the scope of services outlined in the J&C proposals to Waterford Development Partners LP related to the expansion of the water treatment plant, phase 4 and the wastewater treatment plant. Director Reiter second the motion, which passed by unanimous vote.

Ms. Mitchell discussed a proposal for the location of a wastewater force main in section 2. After review and discussion, Director Taylor moved to authorize J&C and AWR to proceed with coordination of the location of a wastewater force main in

section 2 for a cost of \$2,200. Director Fawthrop sectioned the motion, which passed by unanimous vote.

After review and discussion, Director Reiter (1) moved to accept the engineer's report; and (2) authorize the President of the Board to execute the letter regarding service availability to Waterford Development Partners, LP, and direct that the letter be filed appropriately and retained in the District's official records. Director Fawthrop seconded the motion, which passed by unanimous vote.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

Director Taylor reported on development in the District.

Director Taylor stated that the Property Owners Association of Waterford, Section 3 has requested the District's acknowledgement that the section will be gated. After discussion, Director Eckermann moved to authorize Director Taylor to send a letter to the Property Owners Association of Waterford Section 3 acknowledging that the section will be gated. Director Fawthrop seconded the motion, which passed by unanimous vote.

DISTRICT AND PROPERTY OWNERS ASSOCIATIONS COORDINATION AND BOARD MEMBER INPUT REGARDING ISSUES FACING THE DISTRICT

There was no discussion on this agenda item.

FREEZE EVENT LESSONS LEARNED FOLLOWUP

There was no discussion on this agenda item.

CONTINGENCY PLANNING FOLLOWUP

Director Taylor stated he is working on this matter.

MAINTENANCE AND FORMAT OF THE DISTRICT WEBSITE

Director Tasset updated the Board on the District website.

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

Director Tasset discussed the completion of the newsletter.

NEXT MEETING DATE AND LOCATION

Following discussion, the Board agreed to hold the next meeting on September 7, 2021, at 10:30 a.m. at 18001 Kingfisher Ridge Drive, Lago Vista, Texas and with access by telephone.

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

Harry R. [Signature]
Secretary, Board of Directors

(SEAL)



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