

MINUTES
TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10

September 7, 2021

The Board of Directors (the "Board") of Travis County Municipal Utility District No. 10 (the "District") met in regular session, open to the public, on September 7, 2021, at 18001 Kingfisher Ridge Drive, Lago Vista, Texas, inside the boundaries of the District, and the roll was called of the members of the Board:

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 present at the meeting were Michelle Dewine, a resident of the District; Hal Lanham and Tammy Hargett of AWR Services, Inc. ("AWR"); and Kathryn Garner of Allen Boone Humphries Robinson LLP ("ABHR").

Also present by telephone were Terry Holland of Myrtle Cruz, Inc.; Brittany Keeswood of Assessments of the Southwest, Inc. ("ASW"); Cathy Mitchell of Jones & Carter, Inc. ("J&C"); Kevin Monteith, a resident of the District; John Sneed, a property owner; and Janet Swartz of ABHR.

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 August 3, 2021, regular meeting. After review and discussion, Director Reiter moved to approve the minutes of the August 3, 2021, meeting. Director Eckermann seconded the motion, which passed by unanimous vote.

FINANCIAL AND BOOKKEEPING MATTERS AND TAX ASSESSMENT AND COLLECTION MATTERS

The Board reviewed the bookkeeper's report, a copy of which is attached. Directors Fawthrop and Taylor discussed the budget and possible amendments. Mr. Holland stated that he will add the insurance claim from the winter storm to the budget. 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 (1) approve the bookkeeper's report and the checks listed on the report; and (2) approve the tax assessor/collector's report. Director Fawthrop seconded the motion, which passed by unanimous vote.

CONDUCT PUBLIC HEARING REGARDING DISTRICT'S TAX RATE, ADOPT ORDER LEVYING TAXES, AND AUTHORIZE EXECUTION OF AMENDMENT TO INFORMATION FORM

Ms. Garner stated that ASW mailed a Notice of Public Hearing to property owners regarding the public hearing to be held at today's meeting regarding adoption of the District's proposed 2021 total tax rate of \$0.75. The Board opened the public hearing. Ms. Dewine commented on the proposed tax levy. Directors Taylor and Reiter responded to Ms. Dewine's concerns and discussed the District operating costs, replacement of facilities, and debt service payments to be funded by the tax levy. Director Reiter noted that the information can be located on the District's website. Mr. Sneed addressed the Board regarding the tax levy and future taxes. Directors Taylor and Reiter addressed Mr. Sneed's questions. Ms. Mitchell discussed the Capital Improvement Plan. There being no further comments from the public, the Board closed the public hearing.

Ms. Garner presented to the Board an Order Levying Taxes for 2021 reflecting a total \$0.75 tax rate, comprised of \$0.33 for debt service and \$0.42 for operations and maintenance. Ms. Garner then presented an Amendment to Information Form reflecting the 2021 tax rate. She noted that the Amendment to Information Form will be filed with the Travis County Clerk and the Texas Commission on Environmental Quality ("TCEQ"). After review and discussion, Director Taylor moved to (1) adopt the Order Levying Taxes reflecting a total 2021 tax rate of \$0.75 per \$100 of assessed valuation, comprised of \$0.33 to pay debt service and \$0.42 for operations and maintenance and direct that the Order be filed appropriately and retained in the District's official records; and (2) authorize execution of the Amendment to Information Form and direct that the Amendment be filed appropriately and retained in the District's official records. Director Reiter seconded the motion, which passed by unanimous vote.

APPROVE DEPOSITORY PLEDGE AGREEMENT WITH CENTRAL BANK

Ms. Garner discussed the transfer of the District's bank accounts to Central Bank. She added that the District will need to enter into a Depository Pledge Agreement with Central Bank due to the opening of the District's bank account. After review and discussion, Director Taylor moved to approve a Depository Pledge Agreement between the District and Central Bank and direct that the Agreement be filed appropriately and retained in the District's official records. Director Fawthrop seconded the motion, which passed by unanimous vote.

REVIEW, REVISE AND ADOPT RESOLUTION ESTABLISHING THE AUTHORIZED DEPOSITORY INSTITUTIONS AND ADOPTING LIST OF QUALIFIED BROKER/DEALERS WITH WHOM THE DISTRICT MAY ENGAGE IN INVESTMENT TRANSACTIONS

Ms. Garner reviewed a Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions. She stated that the District's bookkeeper has provided an updated list of qualified brokers/dealers with whom the District may engage in investment transactions that will be attached to the Resolution. After review and discussion, Director Reiter moved to adopt a Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions and direct that the Resolution be filed appropriately and retained in the District's official records. Director Eckermann seconded the motion, which passed by unanimous vote.

CONDUCT ANNUAL REVIEW OF INVESTMENT POLICY AND ADOPT RESOLUTION REGARDING ANNUAL REVIEW OF INVESTMENT POLICY

The Board conducted an annual review of the District's Investment Policy. Ms. Garner stated that the District's consultants were not recommending any changes to the current Investment Policy. She reviewed a Resolution Regarding Annual Review of Investment Policy reflecting that the current policy will remain in effect. After review and discussion, Director Taylor moved to adopt a Resolution Regarding Annual Review of Investment Policy and direct that the Resolution be filed appropriately and retained in the District's official records. Director Tasset seconded the motion, which passed by unanimous vote.

REVIEW ARBITRAGE REBATE REPORT FOR THE SERIES 2016 TAX AND REVENUE REFUNDING BONDS

Ms. Garner stated that OmniCap Group LLC has completed the Interim Excess Earnings Report on the District's Series 2016 Tax and Revenue Refunding Bonds (the "Report"). She added that the Report reflects that no yield reduction payment is due to the Internal Revenue Service. After review and discussion, Director Eckermann moved to

accept the Report and direct that the Report be filed appropriately and retained in the District's official records. Director Tasset seconded the motion, which passed by unanimous vote.

TRANSPARENCY REQUIREMENTS PURSUANT TO SECTION 2051.202, TEXAS GOVERNMENT CODE

Ms. Garner discussed recent legislation enacting Section 2051.202, Texas Government Code, which requires certain special purpose districts to post or cause to be posted additional information on a website maintained by or accessible to the District. She said the new requirements apply to districts that levy a property tax, are required to prepare an annual audit, and have a population of 500 or more as of the beginning of the most recent fiscal year. Ms. Garner reviewed a summary of the new requirements, a copy of which is attached.

The Board discussed the applicability of the new posting requirements to the District and the possibility of expanding the website used by the District for compliance with previously enacted transparency requirements. Ms. Garner discussed the services currently provided by ASW to implement existing transparency requirements, including ensuring that information posted on the website is accurate and current. She discussed a proposed amendment to the District's contract with ASW to incorporate the new posting requirements on the existing website.

After review and discussion, Director Reiter moved to approve the amendment to the contract between the District and ASW as presented and direct that the amendment be filed appropriately and retained in the District's official records. Director Tasset 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 191 customers were billed during the month of July.

Mr. Lanham reported on the Highland Lake Storage levels.

Mr. Lanham discussed a tap made on Kingfisher Drive and the isolation of the entire street due to the lack of an isolation valve.

Mr. Lanham stated that ground storage tank no. 2 was inspected and is back on-line.

Mr. Lanham stated that new pumps were ordered for lift station no. 1.

Mr. Lanham discussed grinder pump repairs.

Ms. Hargett stated she is working with Central Bank to establish a remote deposit check scanning system for water bill payments.

Director Fawthrop requested that AWR communicate to residents more information on "boil water" notices.

Mr. Lanham discussed an Amendment to the Professional Service Agreement with AWR. He stated he will provide additional information to Director Fawthrop. 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 accept the operator's report. Director Tasset 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 recommended that the backwash basin cleaning and liner repair project be conducted in the winter.

INSPECTIONS AND REPAIRS

Ms. Mitchell presented a log of action items from the annual inspection of the water plant.

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 stated J&C will update the District map with information on the existing wastewater force main serving Waterford, Section 2.

Director Fawthrop discussed the preparation of the Emergency Preparedness Plan. Ms. Garner stated that the plan is due to the TCEQ by March 1, 2022.

After review and discussion, Director Fawthrop moved to accept the engineer's report. Director Eckermann seconded the motion, which passed by unanimous vote.

Director Taylor stated he is arranging for a sign regarding water conservation to be posted on Lohmans Ford Road. The Board concurred to authorize the purchase of the sign for a cost up to \$1,000.

APPROVE AND AUTHORIZE PREPARATION AND FILING OF EMERGENCY PREPAREDNESS PLAN.

The Board tabled discussion on this agenda item.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

Director Taylor reported on development in the District.

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

Director Fawthrop updated the Board on property owners associations matters.

FREEZE EVENT LESSONS LEARNED FOLLOWUP

There was no discussion on this agenda item.

CONTINGENCY PLANNING FOLLOWUP

There was no discussion on this agenda item.

MAINTENANCE AND FORMAT OF THE DISTRICT WEBSITE

There was no discussion on this agenda item.

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

Director Tasset discussed the names submitted for the newsletter. After discussion, the Board concurred to name the newsletter "Water Wise."


NEXT MEETING DATE AND LOCATION

Following discussion, the Board agreed to hold the next meeting on October 5, 2021, at 10:30 a.m. at 1845 Kingfisher Ridge Cove, Lago Vista, Texas and with access by telephone.

PUBLIC COMMENTS CONTINUED

Mr. Monteith requested that the District issue a letter regarding his inquiry into whether the District plans to install a drainage pipe on lot 48 in Waterford, Section One. Ms. Mitchell stated that the District has no need for a drainage pipe on lot 48 in Waterford, Section One and would prepare a letter to that effect.

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


Secretary, Board of Directors

(SEAL)



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