

MINUTES  
TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10

August 2, 2022

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 August 2<sup>nd</sup>, 2022, at 1316 Water Cliffe, Lago Vista, Texas 78645, 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
John Sneed	Secretary
Andi K. Tasset	Assistant Secretary

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

Also present at the meeting in person were Odalys Johnson of Quiddity Engineering, LLC ("Quiddity"); Tammy Hargett of AWR Services, Inc. ("AWR"); and Kathryn Garner and Nancy Phan of Allen Boone Humphries Robinson LLP ("ABHR").

Also present via telephone were Hal Lanham of AWR; Brittany Keeswood of Assessments of the Southwest, Inc. ("ASW"); Craig Rathmann of Rathmann & Associates, L.P.; and Janet Swartz of ABHR.

PUBLIC COMMENTS

There were no comments from the public.

APPROVE MINUTES

The Board considered approving the minutes of the June 29, 2022, special meeting and the minutes of July 5, 2022, regular meeting. After review and discussion, Director Eckermann moved to approve the minutes of the June 29, 2022, and July 5, 2022, meetings. Director Tasset 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 Eckermann discussed the line item for the effluent field water quality monitoring in the budget in the amount of \$82,496. Mr. Lanham stated that the line item is related to repairs to the District's system. Mr. Lanham stated that he will review the budget and make recommendations for the recoding of certain line items. Director Taylor stated that he will coordinate with AWR on their recommendations for recoding

certain line items in the budget and request the bookkeeper revise the budget. Director Taylor requested that the bookkeeper add a line item to the budget for the legal fees related to election expenses. After review and discussion, Director Eckermann moved to approve the bookkeeper's report and checks listed on the report. Director Taylor seconded the motion, which passed by unanimous vote.

DISCUSS 2022 TAX RATE, SET PUBLIC HEARING DATE AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

The Board considered the District's 2022 tax rate. Mr. Rathmann reviewed a debt service tax rate analysis reflecting the recommendation for the District to levy a 2022 water, sewer, and drainage debt service tax rate of \$0.22 per \$100 of assessed valuation, based on the District's initial 2022 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 Taylor moved to set the proposed 2022 total tax rate of \$0.67 per \$100 of assessed valuation, with \$0.22 allocated for debt service on water, sewer, and drainage bonds, and \$0.45 allocated for operations and maintenance. Director Sneed seconded the motion. The Board did not vote on the motion and concurred to table the agenda item.

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 Eckermann seconded the motion, which passed by unanimous vote.

AUTHORIZE RENEWAL OF DISTRICT'S INSURANCE POLICIES

Ms. Garner reviewed a proposal from Arthur J. Gallagher & Co. ("Gallagher") for renewal of the District's insurance policies. She discussed the significant increase in the District's insurance premium and stated that it was due to the increased property values and claims that were filed in the previous year. After review and discussion, Director Sneed moved to accept the proposal from Gallagher for renewal of the District's insurance policies and direct that the proposal be filed appropriately and retained in the District's official records. Director Fawthrop seconded the motion, which passed by unanimous vote.

APPROVE ANNUAL REPORT AND AUTHORIZE FILING OF SAME IN ACCORDANCE WITH CONTINUING DISCLOSURE OF INFORMATION AGREEMENT

Ms. Garner reviewed an Annual Report containing updated financial and operating data to be filed in accordance with the continuing disclosure provisions contained in the

bond resolutions. She stated that the District is required to file certain financial and operating data with the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access ("EMMA") system in compliance with SEC Rule 15c12-12. Following review and discussion, Director Taylor moved to approve the Annual Report, authorize the attorney to submit the District's updated financial and operating data to EMMA 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 Eckermann seconded the motion, which passed by unanimous vote.

#### ANNUAL REVIEW OF PROCEDURES FOR CONTINUING DISCLOSURE COMPLIANCE

Ms. Garner reviewed the District's procedures for continuing disclosure compliance and stated that no changes are required at this time. After discussion, Director Taylor moved to approve the annual review of the District's procedures for continuing disclosure compliance. Director Fawthrop seconded the motion, which passed by unanimous vote.

#### REQUEST TO LOWER COLORADO AUTHORITY FOR APPROVAL OF NO WAKE ZONES IN LAKE TRAVIS

Director Sneed recommended that the District request approval from the Lower Colorado River Authority ("LCRA") to establish no wake zones in Lake Travis adjacent to the District. He added that the Waterford On Lake Travis Section III Property Owners Association will be responsible for the cost of the installation of buoys to create the no wake zones. Ms. Garner reviewed a Resolution Requesting Lower Colorado River Authority To Establish No Wake Zones In Lake Travis Adjacent to Travis County Municipal Utility District No. 10 (the "Resolution"). After review and discussion, Director Eckermann moved to adopt the Resolution and direct that the Resolution as long as the District would not be responsible for providing, maintaining or replacing the no wake zone buoys and would not be liable for any damages resulting to any party related to the no wake zone or the no wake zone buoys, and that the Resolution be filed appropriately and retained in the District's official records. Director Sneed seconded the motion, which passed by unanimous vote.

#### OPERATION OF DISTRICT FACILITIES

Ms. Hargett reviewed the operator's report, a copy of which is attached. She stated that 199 customers were billed during the month of June.

Ms. Hargett reported on Highland Lake storage levels and stated that the lake is still at Stage 1 of the Drought Contingency Plan.

Ms. Hargett reported on the inspection of the raw water line by JBS Underground, LLC and stated that a copy of the report is attached to the operator's report.

Ms. Hargett reported that AWR received a proposal for tree trimming services at the water plant and wastewater treatment plant in the amount of \$1,200. The Board tabled action on the proposal. The Board requested that the engineer and operator coordinate on obtaining a revised proposal for tree trimming services along the fence lines at the water plant and wastewater treatment plant at the same time that the tree trimming occurred at the area where the generator will be installed at the water plant.

Ms. Hargett reported on the installation of the secondary containment lip inside the chemical rooms of the water plant and wastewater treatment plant.

Ms. Hargett stated that the District's boat is stored at a marina owned by Waterford Marina. She added that the District has received a Vessel Storage License Agreement (the "Vessel Agreement") from Waterford Marina containing a fee of \$3,610 for boat storage through on March 31, 2023. Discussion ensued. The Board concurred to take no action on the Vessel Agreement. The Board asked that ABHR request that Arthur J. Gallagher, the District's insurance agent, review the insurance outlined in the Vessel Agreement. After review and discussion, Director Taylor moved to approve a check in the amount of \$3,610 to Waterford Marina for boat storage through March 31, 2023, and authorize AWR to deliver the check to Waterford Marina. Director Sneed seconded the motion, which passed by unanimous vote. Director Fawthrop requested that the District's consultants investigate other options for storage of the boat for consideration in March 2023.

The operator's report did not reflect any delinquent accounts.

Ms. Hargett reported that water loss in the District was 5%.

Director Fawthrop requested AWR inspect the ground around the fire hydrant on Kingfisher Ridge Drive and Osprey Ridge Loop.

Ms. Garner discussed the garbage services provided by Waste Connections of Texas ("WCT") and missed collection of garbage. Ms. Hargett stated that she will contact WCT on the missed collection of garbage in the District. The Board concurred to review the collection of garbage by WCT at a future meeting. Director Fawthrop stated that the District should provide positive reinforcement to WCT when garbage collection services are provided as scheduled.

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

## REVIEW AND DISCUSS DROUGHT CONTINGENCY PLAN

Ms. Garner reviewed the District's Drought Contingency Plan (the "Plan"). She discussed that the Association of Water Board Directors has a presentation on water conservation titled "Denmarkable," (<https://awbd.org/denmarkable/>) that was recommended for review by the Directors. The Board concurred to make no changes to the Plan and review the Plan at the October meeting.

## ENGINEERING MATTERS

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

### CAPITAL IMPROVEMENT PLAN

Ms. Johnson stated that the 18-month projection contained in the Capital Improvement Plan has been updated.

Ms. Johnson updated the Board on the installation of the SCADA system and stated that the auto-dialer has been installed.

### GENERATOR AT WATER PLANT SITE

Ms. Johnson stated that the plans for the generator at the Water Plant Site are still under review with Travis County.

### BACKWASH BASIN LINER

Ms. Johnson stated that the installation of the liner at the backwash basin is scheduled to occur the first week of November.

### INSPECTIONS AND REPAIRS

Ms. Johnson stated that Quiddity is reviewing the groundwater storage tank video and is preparing a report on the inspection of the plant.

### ZEBRA MUSSEL REMOVAL AND PREVENTION

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

### CONTINGENCY PLAN FOR DISTRICT FACILITIES

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

### REQUESTS FOR SERVICE OR UTILITY COMMITMENT LETTERS

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

### HYDROLOGY STUDY

Ms. Johnson reviewed a map of the potential locations for five water wells. Director Taylor requested that Quiddity evaluate the number of wells needed to supply water to the District.

### OTHER ENGINEERING MATTERS

Ms. Johnson stated that she is coordinating with AWR for the installation of an odologger at Lift Station No. 1. She added that odor sampling will be done at Lift Station No. 1 to assess odor control options.

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

### REPORT REGARDING DEVELOPMENT IN THE DISTRICT

Ms. Garner and Director Taylor reported on development in the District.

Director Eckermann requested to review the status of the Development Financing Agreement with Waterford Development Partners, LP, at the next meeting.

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

Director Fawthrop discussed water usage in the District. The Board requested AWR to report on the water usage at the next meeting.

### REPORT ON DISTRICT WEBSITE

Ms. Hargett reported on the website.

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

There was no discussion on this agenda item.

### DISCUSS 2022 TAX RATE, SET PUBLIC HEARING DATE AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE CONTINUED

The Board discussed the 2022 tax rate. Following review and discussion, Director Taylor moved to: (1) set the public hearing date for September 6, 2022; and (2) authorize ASW to mail notice to all District taxpayers of the District's meeting on September 6, 2022, to set the proposed 2022 total tax rate of \$0.67 per \$100 of assessed valuation. Director Sneed seconded the motion, which passed by unanimous vote.

ENGINEERING MATTERS CONTINUED

Director Eckermann discussed the possibility of constructing additional wells in the District. He discussed phase one that includes obtaining the cost of a well, phase two that includes assessing the number of wells to construct, and phase three that includes actual construction of the well(s). Director Eckermann requested that Quiddity prepare a summary of costs that includes phase one, phase two, and phase three for the addition of water wells in the District and an analysis that provides the costs of drilling the wells at separate times versus drilling all of the wells at one time.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE, TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY, AND DISCUSS PENDING OR CONTEMPLATED LITIGATION

The Board convened in executive session at 1:15 p.m.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION REGARDING MATTERS CONSIDERED IN EXECUTIVE SESSION

The Board reconvened in open session at 1:22 p.m. The Board took no action.

NEXT MEETING DATE AND LOCATION

Following discussion, the Board agreed to hold the September 6, 2022, meeting at 17817 King Fisher Ridge Drive, Lago Vista, Texas 78645, with access by telephone.

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

(SEAL)



  
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Secretary, Board of Directors  
Vice President  
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