

MINUTES
TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10

September 6, 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 September 6th, 2022, at 18001 Kingfisher Ridge Drive, Lago Vista, TX 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 except Director Sneed and Director Tasset, thus constituting a quorum.

Also present at the meeting in person were Greg Zoller and Wayne Vaclavik, residents of the District; Cathy Mitchell 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.; Craig Rathmann of Rathmann & Associates, L.P.; and John Sneed, a member of the Board.

PUBLIC COMMENTS

There were no comments from the public.

APPROVE MINUTES

Ms. Garner stated that the minutes of the May 18, 2022 meeting have been amended to correct typographical errors. The Board considered approving the amended minutes of the May 18, 2022, regular meeting. After review and discussion, Director Eckermann moved to approve the minutes of the May 18, 2022, regular meeting as amended. Director Taylor seconded the motion, which passed by unanimous vote.

The Board next considered approving the minutes of the August 2, 2022, regular meeting. After review and discussion, Director Fawthrop moved to approve the minutes of the August 2, 2022, regular meeting. Director Taylor seconded the motion, which passed by unanimous vote.

FINANCIAL AND BOOKKEEPING MATTERS AND ADOPT AMENDED BUDGET FOR FISCAL YEAR END FEBRUARY 28, 2023

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

ANNUAL REVIEW OF INVESTMENT POLICY

The Board conducted its annual review of the District's Investment Policy. Ms. Garner stated that neither ABHR nor the bookkeeper have any recommended changes to the Investment Policy. After review and discussion, Director Taylor moved to adopt a Resolution Regarding Annual Review of Investment Policy and direct the Resolution be filed appropriately and retained in the District's official records. Director Eckermann seconded the motion, which passed unanimous vote.

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 Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions (the "Resolution"). She stated that the District's bookkeeper, Myrtle Cruz, Inc., has provided an updated list of qualified brokers/dealers with whom the District may engage in investment transactions as an exhibit to the Resolution. After review and discussion, Director Fawthrop 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 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 Eckermann moved to 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. Keeswood stated that notice of the public hearing to be held at today's meeting regarding adoption of the District's proposed 2022 total tax rate of \$0.67 was mailed to all District taxpayers.

Director Taylor opened the public hearing. Mr. Zoller commented on the proposed tax levy and inquired about the bonds that have been issued by the District. Mr. Vaclavik commented on the proposed tax rate and inquired about the current tax rate. The Board responded to Mr. Zoller's and Mr. Vaclavik's comments. The Board noted that information on the District can be located on the District's website. There being no further comments from the public, the Board closed the public hearing.

The Board discussed the District's operating expenses and debt service payments to be funded by the 2022 total tax rate of \$0.67 per \$100 of assessed valuation. Director Sneed recommended that the 2022 total tax rate of \$0.67 per \$100 of assessed valuation be allocated with \$0.21 for debt service on water, sewer, and drainage bonds and \$0.46 for operation and maintenance. Mr. Rathmann discussed the debt service tax rate analysis.

Ms. Garner presented an Order Levying Taxes reflecting the proposed 2022 tax rate. She then presented an Amendment to Information Form reflecting the tax rate and stated that the Amendment will be filed with the Texas Commission on Environmental Quality ("TCEQ") and recorded in the Official Public Records of Travis County.

After review and discussion, Director Taylor moved to: (1) adopt the Order Levying Taxes reflecting a total 2022 tax rate of \$0.67 per \$100 of assessed valuation, comprised of \$0.21 to pay debt service on water, sewer, and drainage bonds and \$0.46 for operation and maintenance; (2) authorize execution of the Amendment to Information Form; and (3) direct that the Order and Amendment be filed appropriately and retained in the District's official records. Director Fawthrop seconded the motion, which passed by unanimous vote.

REPORT ON THE REQUEST TO LOWER COLORADO RIVER AUTHORITY FOR APPROVAL OF NO WAKE ZONES IN LAKE TRAVIS ADJACENT TO THE DISTRICT

The Board concurred to defer discussion on this agenda item until the October 2022 Board meeting.

OPERATION OF DISTRICT FACILITIES

Ms. Hargett reviewed the operator's report, a copy of which is attached, and discussed repairs and maintenance in the District.

Ms. Hargett discussed AWR's notification to customers of the drought contingency stages through the IRIS email system, the newsletter, and the District website.

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

No accounts were presented for termination.

REVIEW AND DISCUSS DROUGHT CONTINGENCY PLAN AND TAKE ACTION RELATED TO SAME, IF NECESSARY

Director Taylor stated that the District's current Amended and Restated Drought Plan (the "Plan") has four supply trigger stages. Director Taylor recommended that a Stage 5 trigger be added to the Plan. He provided some proposed amendments to the Plan and requested ABHR and AWR to present an amended Plan at the next meeting.

TERMINATE THE PROFESSIONAL SERVICES AGREEMENT WITH JONES CARTER AND APPROVE PROFESSIONAL SERVICES AGREEMENT WITH QUIDDITY

Ms. Garner stated that Jones Carter changed its name to Quiddity. She discussed a Professional Services Agreement with Quiddity (the "Agreement") that had been reviewed and approved by ABHR.

Ms. Garner discussed letters to the TCEQ and the Environmental Protection Agency ("EPA") designating Quiddity to be the District's agent in dealing with these agencies.

Ms. Garner reviewed a Resolution Changing District Offices reflecting 3100 Alvin Devane Boulevard, Suite 150, Austin, TX 78741, as the establishment of a District office at Quiddity.

The Board considered authorizing execution of a District Registration Form. Ms. Garner stated that the District Registration Form has been revised to reflect Quiddity as the District's engineer.

Ms. Garner stated that the District's critical load spreadsheet has been updated to reflect the current District's engineer as Quiddity.

The Board considered authorizing The Texas Network to update the District's website to reflect Quiddity as the District's engineer.

After review and discussion, Director Eckermann moved to: (1) terminate the Professional Services Agreement with Jones Carter subject to completion of any outstanding work under the Professional Services Agreement, if any; (2) approve the Professional Services Agreement with Quiddity and direct that the Agreement be filed appropriately and retained in the District's official records; (3) authorize execution of

letters to the TCEQ and the EPA designating Quiddity to be the District's agent in dealing with the TCEQ and EPA and direct that the letters be filed appropriately and retained in the District's official records; (4) authorize filing of District Registration Form with the TCEQ and direct that the form be filed appropriately and retained in the District's official records; (5) adopt a Resolution Changing District Office and direct the Resolution be filed appropriately and retained in the District's official records; (6) authorize update of the Critical Load Spreadsheet and direct that the spreadsheet be filed appropriately and retained in the District's official records; and (7) authorize update of the District's website. Director Fawthrop seconded the motion, which passed unanimously.

ENGINEERING MATTERS

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

Ms. Mitchell presented a Scope Memo reflecting a proposal for Quiddity's design of the Wastewater Treatment Plant Train No. 1 and Train No. 2 improvements. The Board tabled action on the proposal.

Ms. Mitchell presented a Scope Memo reflecting a proposal for Quiddity's preparation of a Water Wells Feasibility 2022 study. Director Taylor next discussed the potential locations of the water wells and requested that one of the potential water wells be located near lift station no. 1.

Ms. Mitchell then stated that Quiddity will be updating their rates and the updated rates will be presented for approval at the next meeting.

Following review and discussion, Director Taylor moved to: (1) accept the engineer's report; and (2) approve Quiddity's Scope Memo containing a proposal for a Water Wells Feasibility 2022 study 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.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

Ms. Garner updated the Board on the request for reimbursement from Waterford Development Partners, LP based on the Development Financing Agreement between the District and Waterford Development Partners, LP dated January 14, 2013.

Ms. Garner then updated the Board on the status of the current Developer Financing Agreement between the District and Water Development Partners, LP.

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

Director Sneed updated the Board regarding the approval of the security gate by the Waterford On Lake Travis Section III Property Owners Association.

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

Director Taylor reported that the District's newsletter was sent out to the residents.

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 did not convene in executive session.

NEXT MEETING DATE AND LOCATION

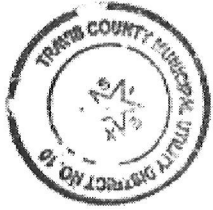
Following discussion, the Board agreed to hold the October 4, 2022 meeting at 17805 Kingfisher Ridge Drive, Lago Vista, TX 78645, the November 1, 2022 meeting at 1316 Water Cliffe, Lago Vista, TX 78645, and the December 6, 2022 meeting at 1845 Kingfisher Ridge Cove, Lago Vista, TX 78645, with access by telephone.

FINANCIAL AND BOOKKEEPING MATTERS AND CONSIDERATION OF AMENDED AND RESTATED BOOKKEEPING SERVICES, CONTINUED

Ms. Garner stated that Myrtle Cruz, Inc. has requested that the Board approve an Amendment to Restated Agreement for Bookkeeping Services. The Board concurred to table approval of the Amended and Restated Agreement for Bookkeeping Services.

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

(SEAL)




Secretary, Board of Directors

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