

MINUTES
TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10

August 1, 2023

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 1, 2023, at 18001 Kingfisher Ridge Drive, 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 except Director Fawthrop, thus constituting a quorum. Director Fawthrop attended the meeting by telephone but was not part of the quorum.

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

Also present by telephone was Brittany Keeswood of Assessments of the Southwest, Inc.

PUBLIC COMMENTS

Director Taylor offered any members of the public attending the meeting by telephone and in person the opportunity to make public comment. There being no members of the public attending the meeting in person or by telephone. Director Taylor moved to the next agenda item.

APPROVE MINUTES

The Board considered approving the minutes of July 6, 2023, regular meeting. Director Sneed requested to revise the July 6, 2023 minutes to include additional information regarding the Board's discussion about adoption of the upcoming tax rate. After review and discussion, Director Eckermann moved to approve the minutes of July 6, 2023, regular meeting with Director Sneed's requested amendments. 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. After review and discussion, Director Eckermann moved to approve the bookkeeper's report and the checks listed on the report. Director Sneed 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. The Board next discussed a resident's request to waive the additional charges to their tax bill. After review and discussion, the Board concurred to not waive the additional charges to the resident's tax bill.

After review and discussion, Director Tasset moved to approve the tax assessor/collector's report. Director Sneed seconded the motion, which passed by unanimous vote.

AUTHORIZE DELINQUENT TAX ATTORNEY TO PROCEED WITH COLLECTION OF DELINQUENT TAXES

The Board considered authorizing Perdue, Brandon, Fielder, Collins & Mott, LLP ("Perdue") to proceed with the collection of 2022 real property taxes that are delinquent on July 1, 2023. After review and discussion, the Board concurred to table this agenda item.

DISCUSS 2023 TAX RATE, SET PUBLIC HEARING DATE AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

The Board considered the District's 2023 tax rate. Director Taylor reviewed a debt service tax rate analysis provided by the District's financial advisor reflecting the recommendation for the District to levy a 2023 water, sewer, and drainage debt service tax rate of \$0.19 per \$100 of assessed valuation, based on the District's initial 2023 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 2023 total tax rate of \$0.67 per \$100 of assessed valuation, with \$0.19 allocated for debt service on the District's water, sewer, and drainage bonds, and \$0.48 allocated for operations and maintenance. Director Eckermann seconded the motion, which passed by unanimous vote.

APPROVE ANNUAL REPORT AND AUTHORIZE FILING OF SAME IN ACCORDANCE WITH CONTINUING DISCLOSURE OF INFORMATION AGREEMENT; AND ANNUAL REVIEW OF PROCEDURES FOR CONTINUING DISCLOSURE COMPLIANCE

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.

Ms. Garner next reviewed the District’s procedures for continuing disclosure compliance and stated that no changes are required at this time.

After review and discussion, Director Eckermann moved to: (1) 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; and (2) approve the annual review of the District’s procedures for continuing disclosure compliance. 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.

Ms. Hargett reported on the Highland Lake storage levels and stated that the District continues to be at Stage 2 of the Drought Contingency Plan and will head into Stage 3 soon. She stated violation letters were issued to residents that violated their allotted amount of water usage. Director Taylor reported that some residents expressed concern about the tone of the violation letter and asked that the consultants review and revise the tone of the letter to soften the tone. Board discussion ensued regarding revising the violation letter.

Ms. Hargett updated the Board regarding removal of the tree limbs in the drip fields of the District and stated that it is completed. She stated that she will look into requesting reimbursement of funds from the Federal Emergency Management Agency as this is due to inclement weather in March of 2023.

Ms. Hargett reported that the tap and service application is being revised.

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

ENGINEERING MATTERS

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

Ms. Mitchell stated that a bid was received for construction of the Wastewater Treatment Plant Improvements (the "WWTP Improvement Project"). She recommended the Board award the contract to G-Creek Construction ("G-Creek") in the amount of \$566,886.00. The Board concurred that, in its judgement, G-Creek was a responsible bidder who would be most advantage to the District and would result in the best and most economical completion of the project.

Ms. Mitchell updated the Board regarding construction of the generator at the water treatment plant. She reviewed and recommended approval of Pay Application No. 1 in the amount of \$81,998.10, payable to CSE W-Industries, Inc ("CSE").

Ms. Mitchell reported on a request for a utility commitment letter from Lago Homes for installation of 50 taps to the requested homes. After discussion, the Board concurred to deny the request.

Ms. Mitchell updated the Board on the Water Well project and stated that responses were submitted to Travis County on their comments to the project.

Ms. Mitchell next reported on a request to visit the District's water treatment plant from the company Burns & McDonald on behalf of Magellan Midstream Partners, L.P ("Magellan"). She stated that Magellan needed to review and inspect the District's water treatment plant as part of their Basic Contingency Plan. The Board discussed the request and of having Burns & McDonald executing a non-disclosure agreement prior to visiting the District's water treatment plant site.

After review and discussion, Director Taylor moved to: (1) accept the engineer's report; (2) award the contract for construction of WWTP Improvement Project to G-Greek in the amount of \$566,886.00, based upon the engineer's recommendation and receipt of the payment and performance bonds and the certificate(s) of insurance and endorsements, if any, provided by G-Greek; (3) approve Pay Application No. 1 in the amount \$81,998.10 for the construction and installation of the generator at the water treatment plant; (4) approve the request for Burns & McDonald, on behalf of Magellan, to visit the water treatment plant site contingent upon their execution of the non-disclosure agreement between the District and Burns & McDonald, and direct that such document is filed appropriately and retained in the District's records; and (5) authorize ABHR to draft a non-disclosure agreement between the District, Burns & McDonald. Director Sneed seconded the motion, which passed unanimously.

DISCUSS CONTINGENCY PLANNING

The Board discussed contingency planning in the District and of precautionary measures such as providing water to the District in emergency situations, the timeline of installing the generator at the water treatment plant, and of the timeline of drilling a water well. Director Taylor stated he will contact Travis County Water Control and Improvement District - Point Venture for access to their water resource for any emergency situation.

The Board next discussed the intake line from the District's barge and whether the District will need a larger booster pump and a longer hose. No Board action was taken.

DISCUSS COORDINATION BETWEEN THE LOWER COLORADO RIVER AUTHORITY ("LCRA") AND THE DISTRICT REGARDING LAKE TRAVIS WATER LEVEL

The Board discussed Director Eckermann's request to the LCRA to change their policy and requirements regarding certain lake levels for Lake Travis. The Directors each expressed their concerns and opinions on the matter. Director Eckermann reviewed a report he prepared and expressed his concerns on the lake levels, water conservation and usage, and possible solutions. A copy of his report is attached. Following discussion, the Board took no action.

2023 LEGISLATIVE UPDATE ON PROPERTY TAXES AND RELATED MATTERS

Ms. Garner updated the Board on property tax cuts bill of the 88th legislative session. She discussed the effects on school districts and homeowners.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

Director Taylor reported on development in the District.

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

Director Taylor updated the Board with the timeline of when the cedar trees will be planted in the District.

2023 LEGISLATIVE UPDATE ON PROPERTY TAXES AND RELATED MATTERS (CONT'D)

The Board considered authorizing execution of a revised Amendment to Information Form reflecting the District's new form of Notice to Purchasers attached thereto. After review and discussion, Director Taylor moved to: (1) authorize execution

of the Amendment to Information Form and to authorize filing it with Travis County and the Texas Commission on Environmental Quality; and (2) direct that such document be retained in the District's official records. Director Tasset seconded the motion, which passed unanimous vote.

REPORT ON DISTRICT WEBSITE

Director Tasset reported on the District's website. The Board requested that information posted on the District's website be properly saved and stored.

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

Director Tasset 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 (a) the September 5, 2023 meeting at 17805 Kingfisher Ridge Cove, Lago Vista, TX 78645, (b) the October 3, 2023 meeting at 1845 Kingfisher Ridge Cove, Lago Vista, TX 78645, (c) the November 7, 2023 meeting at 1316 Water Cliffe, Lago Vista, TX 78645, and (d) the December 5, 2023 meeting at 17817 Kingfisher Ridge Drive, Lago Vista, TX 78645 with each meeting with access by telephone conference line.

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


Secretary, Board of Directors

(SEAL)



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