

MINUTES
TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10

October 3, 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 October 3, 2023, at 1845 Kingfisher Ridge Cove, 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.

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

Also present by telephone was Hal Lanham of AWR.

PUBLIC COMMENTS

Director Taylor introduced Lydia McHenry, Kate McHenry, and Douglas Kincheloe to the Board and stated they are District residents who are requesting the District provide water services to their properties. He stated the residents have regularly paid their taxes and own property in the District. Mr. Kincheloe discussed the request with the Board, stating that the water well on his property does not provide enough water for essential use and needs. The Board discussed the cost to construct and connect a water distribution line, the associated tap fees, and having a contractor provide an estimate of the overall cost of the project. Following discussion and pursuant to agenda item No. 9.f., Director Taylor moved to: (1) authorize providing water services to the McHenry and Kincheloe properties, subject to AWR soliciting proposals for the cost of construction of the water distribution line and related costs and the residents placing the necessary funds in an escrow fund for use by the District to pay such costs; and (2) authorize ABHR to draft such escrow agreement. Director Sneed seconded the motion, which passed unanimously.

APPROVE MINUTES

The Board considered approving the minutes of September 5, 2023, regular meeting. Ms. Garner stated that September minutes provided to the Directors prior to the October meeting should be corrected so that the reference to a grinder pump "letter" in the September 5, 2023 minutes is changed to a grinder pump "agreement." After review and discussion, Director Eckermann moved to approve the minutes of September 5, 2023 regular meeting as corrected. Director Sneed 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 Sneed stated that he did not attend the September 5, 2023 meeting and the check in the amount of \$132.52 will need to be voided. After review and discussion, Director Taylor moved to approve the bookkeeper's report and the checks presented for payment, with the exception of the check for Director Sneed. 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 Sneed moved to approve the tax assessor/collector's report. Director Taylor seconded the motion, which passed by unanimous vote.

AUTHORIZE DELINQUENT TAX ATTORNEY TO PROCEED WITH COLLECTION OF DELINQUENT TAXES

At the September 5, 2023 meeting, the Board asked Ms. Garner to contact the District's tax advisor to determine if action was required by the District's delinquent tax attorney in order for a property tax lien to be placed on a property in the District. Ms. Garner stated that such action by the delinquent tax attorney was not required for a property tax lien to be placed on a property for delinquent taxes. The Board took no action.

RECEIVE REPORT REGARDING PROPOSED SITE VISIT BY BURNS & MCDONALD ON BEHALF OF MAGELLAN MIDSTREAM PARTNERS AND NON-DISCLOSURE AGREEMENT, AND TAKE ANY NECESSARY ACTION

Ms. Garner updated the Board on the Non-Disclosure Agreement between the District and Burns & McDonald on behalf of Magellan Midstream Partners ("Magellan") regarding a site visit to the District's water plant. She stated the District received comments from a representative of Magellan requesting a revision to the Non-Disclosure Agreement to reflect that the results of the site visit could be provided to the

appropriate governmental entities. She reviewed the revised agreement with the Board and stated that if the revised agreement is not acceptable to Burns & McDonald and Magellan, they will provide feedback regarding the revised agreement to ABHR. After review and discussion, Director Taylor moved to accept the Non-Disclosure Agreement between the District and Burns & McDonald on behalf of Magellan, as revised and subject to final review by ABHR, and direct that it be filed appropriately and retained in the District's records. Director Eckermann seconded the motion, which passed unanimously.

CONSIDER EMERGENCY BULK WATER SUPPLY BETWEEN THE DISTRICT AND TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT - POINT VENTURE, AND TAKE ANY NECESSARY ACTION

Ms. Garner discussed the emergency water supply agreement between the District and Travis County Water Control and Improvement District - Point Venture ("PV - WCID") to supply potable water to each other under emergency conditions. After review and discussion, the Board requested that ABHR revise the agreement between the District and PV - WCID regarding the terms discussed by the Board and provide the revised agreement to Director Taylor for review prior to Thursday, October 5, 2023, if possible.

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 3 of the Drought Contingency Plan.

Ms. Hargett reported that the Lower Colorado River Authority ("LCRA") is requiring the District to adopt a watering schedule of two times per week during normal conditions when the District is not experiencing a drought. Discussion ensued regarding the LCRA's new watering schedule requirement and the necessary revisions to the District's Drought Contingency Plan ("DCP").

Ms. Hargett reported that the raw water line was repaired.

Ms. Hargett reported that the 2023 lead and copper sampling kits were distributed to five (5) residents, and the samples were returned and sent for testing. She stated that the results of one sample exceeded the maximum contaminant level set by Texas Commission on Environmental Quality ("TCEQ"). She then reviewed the new requirement that the District create a Lead Service Line Inventory of the District's distribution system due by October 16, 2024. Mr. Dazey stated that Quiddity will assist AWR in preparing this inventory and submitting it by the deadline.

Ms. Hargett stated that there are no delinquent utility accounts for the month of August.

After review and discussion, Director Taylor moved to: (1) accept the operator's report; (2) adopt a watering schedule of no more than two times per week as required by the LCRA; and (3) authorize ABHR to revise the District's DCP to reflect the new watering schedule during normal conditions as required by the LCRA. Director Sneed 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 reported that the bonds and certificate of insurance were approved by ABHR and a Notice to Proceed was issued for the Wastewater Treatment Plant Improvement Project.

Ms. Mitchell reported that the installation of the generator at the water plant site was delayed. The Board discussed the delay in the project schedule and the new timeline for installation of the generator.

Ms. Mitchell reported that Quiddity solicited bids from five contractors for the Water Well Project and received one bid from Hydro Resources ("Hydro") that was significantly over the District's budgeted amount for the Project and thus, was not viable. She next discussed possible solutions to proceed with the Water Well Project. After discussion, Director Taylor moved to: (1) approve the Engineer's report, (2) direct Quiddity to coordinate with Directors Eckermann and Fawthrop on soliciting additional bids for the Water Well Project utilizing a form of contract provided by one or more of the drilling contractors; and (3) authorize ABHR to review the form contract(s) provided by the contractors. Director Sneed seconded the motion, which passed by unanimous vote. The Board next discussed an alternative plan for accessing water to be pumped from Lake Travis and the available capacity of the Lake Travis.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

There was no discussion on this agenda item.

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

Director Sneed updated the Board on the security gate that was installed at the entrance to Watercliffe Drive, and stated that it may be operational by the November meeting and if so, the gate will be open for the November Board meeting.

Director Eckermann proposed that the Board request that the Property Owner Association place chains across the road at the water treatment plant. Following discussion, the Board took no action.

REPORT ON DISTRICT WEBSITE

Director Tasset stated that the District's website will be updated to reflect the new watering schedule requirements from the LCRA.

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 next newsletter will be ready before the holidays and will include the timeline and procedures for the 2024 Director Election.

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 November 7, 2023 meeting at 1316 Watercliffe Drive, Lago Vista, TX 78645 and (b) the December 5, 2023 meeting at 17817 Kingfisher Ridge Drive, Lago Vista, TX 78645 and that each meeting will be accessible by telephone conference line.

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


Secretary, Board of Directors

(SEAL)



ATTACHMENTS TO THE MINUTES

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