

MINUTES
TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10

December 5, 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 December 5, 2023, at 17817 Kingfisher Ridge, 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 participated by telephone but was not part of the quorum.

Also present at the meeting in person were Parker Harman, a resident 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 by telephone were Robert Dazey and Austin DeGaish of Quiddity; and George Vie of George W Vie III PC.

PUBLIC COMMENTS

Director Taylor offered any members of the public attending the meeting by telephone and in person the opportunity to make public comment. Mr. Harman, a resident of the District, stated that he is attending the meeting on behalf of Douglas Kincheloe, Lydia McHenry, and Kate McHenry, residents of the District who reside on District Lane. He requested an update on the proposals for the necessary construction work to extend the District's water service to District Lane. Ms. Hargett and Ms. Mitchell reported that one proposal was received for construction and connection of the water distribution line in the amount of \$96,875.00. Ms. Mitchell stated that Quiddity solicited additional proposals that are being reviewed. After discussion, Director Taylor recommended that, after Quiddity and AWR review the proposals, they make a recommendation to the Board and communicate with the residents on District Lane who requested the District's services.

APPROVE MINUTES

The Board considered approving the minutes of November 7, 2023, regular meeting.

After review and discussion, Director Eckermann moved to approve the minutes of November 7, 2023 regular meeting as submitted. Director Sneed seconded the motion, which passed by unanimous vote.

FINANCIAL AND BOOKKEEPING MATTERS

The Board reviewed the bookkeeper's report prepared by Myrtle Cruz, Inc. ("MCI"), a copy of which is attached. The Board discussed the upcoming budget for the fiscal year ending February 28, 2025, and requested that all consultants provided their budget numbers to MCI prior to the meeting. The Board also concurred to designate Directors Sneed and Fawthrop to service on budget committee to coordinate with MCI on the draft budget.

After review and discussion, Director Eckermann moved to approve the bookkeeper's report and the checks presented for payment, with the exception of the check for Director Fawthrop. Director Taylor 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 Taylor moved to approve the tax assessor/collector's report. Director Sneed seconded the motion, which passed by unanimous vote.

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 status of the Non-Disclosure Agreement between the District and Burns & McDonald on behalf of Magellan Midstream Partners ("Magellan") regarding the requested site visit to the District's water plant. She stated that Magellan and Burns & McDonald continue to review the revised Non-Disclosure Agreement. Ms. Mitchell stated that she would provide Magellan the correct flow rates and advise them that additional information regarding the District's water plant site would be provided when Magellan provides the District with an executed Non-Disclosure Agreement. The Board took no action.

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

The Board reviewed the proposed Emergency Water Supply Agreement between the District and Travis County Water Control and Improvement District - Point Venture ("PV - WCID") to supply potable water during emergency conditions, including revisions suggested by the attorney representing PV-WCID, and additional

revisions to be made to the Agreement regarding the supply and delivery points. After review and discussion, Director Taylor moved to approve the Emergency Water Supply Agreement between the District and PV - WCID, subject to review and finalization by ABHR, and direct that it be filed appropriately and retained in the District's official records. Director Eckermann seconded the motion, which passed unanimously.

OPERATION OF DISTRICT FACILITIES

Ms. Hargett reviewed the operator's report, a copy of which is attached.

Ms. Hargett reported that that AWR issued 10 violation letters for violation of the District's Drought Contingency Plan ("DCP"), noting that 4 were for first time violations and 6 were for third time violations.

Ms. Hargett reported on the Highland Lake storage levels and stated that the District continues to be at Stage 3 of the District's DCP. She stated AWR attended the Lower Colorado River Authority ("LCRA") meeting in mid-November when proposed amendments to the LCRA's DCP were presented. She stated that LCRA requested comments and revisions to the its DCP by January of 2024.

Ms. Hargett reported that a new booster pump for water treatment plant no. 1 was purchased at a cost below \$25,000.00, as authorized by the Board.

Ms. Hargett updated the Board on installation of the new chlorine analyzers and the turbidimeter at the water treatment plant and stated that it is scheduled for installation within the next week.

After review and discussion, Director Sneed 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.

Ms. Mitchell presented the Capital Improvement Outlay Schedule (the "CIP Outlay Schedule"), a copy of which is attached. The Board discussed revisions to be made to the capital improvement budget and requested that Quiddity revise it to reflect the accurate amounts budgeted and spent for ongoing projects.

Ms. Mitchell updated the Board on the Wastewater Treatment Plant Improvement Project.

Ms. Mitchell updated the Board on the status of the installation of the generator at the water treatment plant site, including delivery of the automatic transfer switch was delivered in November the installation of the motor control panel. The electric

motor for the control panel is expected to be delivered during the week following the December Board meeting.

Ms. Mitchell updated the Board on the Water Well Project and stated that Quiddity reviewed the additional proposals from Bee Cave Drilling, Inc. ("BCD") and provided comments from Quiddity and ABHR to BCD. Ms. Mitchell stated that Quiddity is waiting for the revised proposal from BCD and its response to the comments from Quiddity and ABHR. She stated that Quiddity recommends the District proceed with awarding the contract to BCD if BCD responds appropriately to the comment made by Quiddity and ABHR.

Ms. Mitchell reported that a request was received for water services at 1616 Watercliffe Drive and noted that the lot had not been platted. After discussion, the Board concurred to authorize Quiddity to send a letter to the requestor stating that the District has capacity to provide the requested water services and that such services are granted on first come first serve basis with priority given to platted lots.

In connection with the Emergency Water Supply Agreement, Ms. Mitchell updated the Board regarding clearing a pathway to deliver water to the District's ground storage tank no. 1 at the water treatment plant. She presented an exhibit depicting the possible path to the ground storage tank No. 1. Discussion ensued regarding the proposed pathway.

Ms. Mitchell reported that the District's received comments from the Texas Commission on Environmental Quality (the "TCEQ") to the District's updated Emergency Preparedness Plan ("EPP") that was submitted in 2022. She stated Quiddity will be providing an updated EPP to the TCEQ.

Ms. Mitchell reported to the Board on an alternative method for pumping water from Lake Travis in order to access the available capacity at the lower elevations of the lake. She recommended that to pump water from Lake Travis at a lower elevation, the District should replace the existing pump with a larger pump. Mr. DeGaish stated that a new larger pump would cost between \$30,000.00 and \$50,000.00. Discussion ensued regarding the timeline for acquiring and installing a new pump. After review and discussion, the Board concurred to table action until further information is available regarding the cost to purchase and install a larger pump.

After review and discussion, Director Taylor moved to: (1) approve the engineering report; and (2) award the contract for construction of a Water Well in an amount to not exceed \$130,000.00, subject to review of the final updated proposal by ABHR, Quiddity and Directors Eckermann and Fawthrop and subject to receipt of payment and performance bonds and the certificate of insurance and endorsements, required to be provided by the contractor. Director Tasset seconded the motion, which passed by unanimous vote.

REVIEW ESCROW AGREEMENT FOR EXTENSION OF WATER SERVICE TO DISTRICT LANE AND TAKE ACTION, IF NECESSARY

Ms. Garner updated the Board on the Escrow Agreement regarding the request for District water services from residents on District Lane. She stated that the Escrow Agreement will be finalized when a proposal is approved.

REVIEW AND UPDATE EMINENT DOMAIN REPORT TO THE TEXAS COMPTROLLER

Ms. Garner updated the Board on the filing by ABHR of the annual District's Eminent Domain Report with the Texas Comptroller. The report will state that the District did not use its eminent domain authority in 2023.

DISCUSS CONTINGENCY PLANNING

After discussion, the Board authorized AWR to place a "no trespassing" sign by the power box for the barge on Lohman Ford Road.

TRAVEL REIMBURSEMENT GUIDELINES AND DIRECTOR EXPENSES FOR THE ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") WINTER CONFERENCE

Ms. Garner reviewed the District's Travel Reimbursement Guidelines in connection with attendance at the upcoming AWBD Winter Conference in Dallas.

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 reported to the Board that Waterford on Lake Travis Property Owner Association III (the "Waterford POA III") is requesting assistance from the District to construct a stone barrier that would deter trespassing on property located along Lohman Ford Road. After discussion, the Board concurred to assist Waterford POA III with construction of a stone barrier, including sharing in the cost of such barrier, if needed.

REPORT ON DISTRICT WEBSITE

Ms. Hargett stated that she continues to work with Texas Network to add an additional page to the District's website regarding water conservation.

CONSIDER PROPOSED AMENDMENT TO THE WEBSITE DEVELOPMENT AND MANAGEMENT AGREEMENT BETWEEN THE DISTRICT AND THE TEXAS NETWORK

Ms. Garner presented the Website Development and Management Agreement, and stated that Texas Network requested that the Board approve an increase to the rates from \$62.50 to \$85.00 per month for website services. After discussion, Director Taylor moved to approve the Website Development and Management Agreement which includes an increase in Texas Network's rates to \$85.00 a month, subject to ABHR's review, and direct that it be filed appropriately and retained in the District's official records. Director Sneed seconded the motion, which passed unanimously.

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

Ms. Hargett and Director Tasset stated that a newsletter will be sent out in the near future.

NEXT MEETING DATE AND LOCATION

Following discussion, the Board agreed to hold (a) the January 2, 2023 meeting at 17805 Kingfisher Ridge Dr. Lago Vista, TX 78645 and (b) February 6, 2023 meeting at 18001 Kingfisher Ridge Dr. Lago Vista, Texas 78645, with each meeting accessible by a telephone conference line.

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 12:30 p.m.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION REGARDING MATTERS CONSIDERED IN EXECUTIVE SESSION, OR A SETTLEMENT OFFER

The Board reconvened in Open Session at 12:58 p.m. After discussion, Director Taylor moved to accept the recommendation of George Vie of George W Vie III, PC and direct him to file a petition for a rehearing regarding the lawsuit filed by Waterford Lago Vista, LLC. Director Tasset seconded the motion, which passed unanimously.

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



As. Secretary, Board of Directors

(SEAL)



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