

MINUTES
TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10

June 4, 2024

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 June 4, 2024, at 17805 Kingfisher Ridge Drive, Lago Vista, Texas 78645, inside the boundaries of the District, and the roll was called of the members of the Board:

John Sneed	President
Andrew Fawthrop	Executive Vice President
Andi Tasset	Secretary
Dan Eckermann	Vice President/ Assistant Secretary
Patrick Wines	Treasurer

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

Also present at the meeting in person were Cathy Mitchell and Meagan Norris of Quiddity Engineering, LLC ("Quiddity"); Tammy Hargett of AWR Services, Inc. ("AWR"); Ashlee Martin of McCall Gibson Swedlund Barfoot ("MGSB"); and Kathryn Garner and Megan Leissner of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

There were no comments from the members of the public attending the meeting. Director Sneed moved to the next agenda item.

APPROVE MINUTES

The Board considered the minutes of May 7, 2024, regular meeting. After review and discussion, Director Tasset moved to approve the minutes of May 7, 2024, regular meeting. Director Wines seconded the motion, which passed by unanimous vote.

FINANCIAL AND BOOKKEEPING MATTERS; REVIEW ANNUAL BUDGET IN REVISED FORMAT; AND TAX ASSESSMENT AND COLLECTIONS MATTERS, INCLUDING DELINQUENT TAX COLLECTIONS, AND PAYMENT OF TAX BILLS

The Board reviewed the bookkeeper's report prepared by Myrtle Cruz, Inc., a copy of which is attached.

Director Fawthrop presented and reviewed the District's budget in a revised format. Discussion ensued regarding the District's budget versus actual expenses. After discussion, Director Fawthrop stated that he would meet with Quiddity to discuss

engineering costs and would continue revising the budget format to present to the Board at the next meeting.

Discussion ensued regarding issues with the bookkeeper's report including late payments, payment of invoices several months old, and blank checks that were presented to the Board for approval. The Board concurred not to approve blank checks presented for approval in the future and requested that the District's Board members and consultants review the bookkeeper's report in detail in the future.

After review and discussion, Director Fawthrop moved to approve the bookkeeper's report and the checks presented for payment. 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.

The Board discussed a homeowner that is delinquent in paying property taxes and considered options for communicating with the homeowner. After discussion, Director Sneed directed ABHR to send a letter to the homeowner regarding the delinquent property taxes and to determine the difference in cost between Travis County and Assessments of the Southwest, Inc. for the collection of taxes for the District.

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

AUTHORIZE DELINQUENT TAX ATTORNEY TO PROCEED WITH COLLECTION OF DELINQUENT TAXES

Ms. Garner stated that the District has an evergreen engagement with a delinquent tax attorney, Perdue, Brandon, Fielder, Collins & Mott, LLP. ("PDFCM") and discussed having a representative from PDFCM attend the District's next Board meeting to explain their services and answer questions from the Board. Following discussion, the Board concurred to defer action on this agenda item and request that a representative from PDFCM attend the District's next Board meeting.

APPROVE AUDIT FOR FISCAL YEAR END FEBRUARY 29, 2024

Ms. Martin reviewed the District's audit for the fiscal year end, February 29, 2024. The Board discussed the audit and considered appointing a committee to review the audit prior to final approval by the Board. After review and discussion, the Board concurred to defer approval of the audit for the fiscal year end, February 29, 2024, until the District's next Board meeting on July 2, 2024.

APPROVE CONSUMER CONFIDENCE REPORT AND AUTHORIZE OPERATOR TO DELIVER THE CONSUMER CONFIDENCE REPORT AND FILE CERTIFICATE OF DELIVERY WITH THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Ms. Hargett presented and reviewed the annual report on the District's Identity Theft Prevention Program, a copy of which is included in the operator's report. She stated that the annual report indicates no significant incidents of identity theft detection and recommended no changes to the program at this time. Following review and discussion, Director Fawthrop moved to accept the annual report on the Identity Theft Prevention Program, continue the program as currently operating, and direct that the report be filed appropriately and retained in the District's official records. Director Wines seconded the motion, which passed by unanimous vote.

TAX ASSESSMENT AND COLLECTION MATTERS, CONTINUED

Director Sneed discussed a report prepared by Travis Central Appraisal District regarding the District's certified and preliminary taxable values.

OPERATION OF DISTRICT FACILITIES; AND REVIEW DROUGHT CONTINGENCY PLAN, ADOPT ORDER ADOPTING AMENDED AND RESTATED DROUGHT CONTINGENCY PLAN, AND APPROVE SUBMISSION OF PLAN TO LOWER COLORADO RIVER AUTHORITY

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

Ms. Hargett stated that the combined water levels of Lakes Travis and Buchanan are 1.1 million acre-feet and that the LCRA has moved to Stage I of the Drought Contingency Stages. The Board considered suspending moving to Stage 1 of the Drought Contingency Stages. After discussion, Director Wines moved to suspend moving to Stage I of the Drought Contingency Plan stages until storage levels in Lakes Travis and Buchanan are above 1.1 million acre-feet for 90 consecutive days. Director Tasset seconded the motion, which passed by unanimous vote.

Ms. Hargett updated the Board on the District's Pro Rata Curtailment Plan.

Ms. Hargett stated that the Lead and Copper project is in progress.

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

REVIEW DROUGHT CONTINGENCY PLAN, CONSIDER ADDITIONAL AMENDMENTS, AND TAKE NECESSARY ACTION

The Board considered amending the District's Drought Contingency Plan. After discussion, the Board concurred to defer action on this agenda item.

DISCUSS RECOMMENDATIONS FROM DIRECTORS AND CONSULTANTS REGARDING WATER USAGE IN THE DISTRICT

The Board discussed recommendations from Directors and consultants regarding reducing water usage in the District. After discussion, Ms. Hargett stated that she would compile information related to reducing water usage in the District and send it to Directors Sneed and Tasset for review, as requested by the Board.

DISCUSS FACILITIES SECURITY AND THE STORAGE AREA

Director Wines discussed coordinating with Ms. Hargett to schedule a tour of the District's facilities to review the facilities' security and fire safety measures. Ms. Mitchell stated that the inspection of barge will occur on June 19, 2024, and that Director Wines can attend the inspection and tour the District's facilities. Director Wines concurred that he would attend the inspection of barge.

ENGINEERING MATTERS AND SERVICE REQUEST

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

Ms. Norris updated the Board on the Wastewater Treatment Plan Improvements project. She stated that the Contractor has replaced the clarifier drive, poured the eyewitness concrete pad, and installed the chemical tubing at Train No. 1. She stated that the contractor plans to move forward with applying the protective coatings once the surface preparation is completed. She reviewed and recommended approval of Pay Application No. 3 in the amount of \$25,567.77, payable to G. Creek Construction, Inc. Discussion ensued regarding the amount of Pay Application No. 3, potential substantial completion date of the project, and Quiddity's project management agreement with the District. Following discussion, Ms. Norris stated that she will review Pay Application No. 3 in detail and report back to the Board at a future meeting.

Ms. Norris updated the Board on the generator at the water plant site. She stated W-Industries worked on site the week of May 27, 2024, and communicated their intent to finish the electrical wiring on May 30, 2024. She stated that the completion inspection is scheduled for June 6, 2024, and that the punch list will be prepared if there is any additional necessary work to the water plant that were identified during the inspection.

Ms. Norris updated the Board on the Emergency Water Well project. She stated that Bee Cave Drilling ("Bee Cave") performed the 36-hour pump test and that Quiddity is awaiting the water quality results. Discussion ensued regarding the formation of the drilling and invoices to be paid to Bee Cave. Ms. Norris stated that Bee Cave has not submitted any invoices for payment related to this project and that Quiddity will continue to communicate with Bee Cave and monitor the progress of the project.

Ms. Norris updated the Board on the piping of the Emergency Water Well. She stated that Quiddity has proceeded with design. She stated that Quiddity has not received the final test results from Bee Cave and that completion of the piping design is dependent on well flow. Discussion ensued regarding sending a letter to Bee Cave requesting that they send the results of the 36-hour pump test to the Board and Quiddity. Following discussion, Ms. Norris stated that she would send the emails between Quiddity and Bee Cave Drilling regarding the pump test results issue to Director Sneed so Director Sneed can review the prior communication regarding the pump test results and can communicate directly with Bee Cave.

Ms. Norris reviewed the annual Water Plant inspection log, a copy of which is attached to the engineer's report and stated that there is nothing new to report this month related to the water plant. She stated that Quiddity is coordinating with the Operator to schedule the inspection of the water plant for mid-June.

Ms. Norris stated that there were no issues with Zebra mussels this month.

Ms. Norris stated that Quiddity is coordinating with Merrigan Electric to schedule an assessment of the electrical lines on the District's barge.

Ms. Mitchell stated that Quiddity received a request for an updated service availability letter and stated that the original service availability letter was provided to the property owner in December 2023. She stated that the property owner has requested that the letter be updated to reflect two single-family residences on the same tract. Following review and discussion, the Board concurred to (1) defer approval of the service availability request; (2) request that the property owner include the location of the District's barge, including a range of movement of the barge and the location of the waterline easement in the plat of the property provided to the Board; and (3) request that the property owner reimburse the District for engineering fees related to the service availability request.

Ms. Norris stated that the Lead and Copper project is in progress.

Ms. Norris stated that the LCRA reported that the water levels in Lake Travis were 633.00-ft mean sea level on May 21, 2024, which is 2.35-ft higher than 30 days ago. She stated that when Merrigan Electric completes their assessment of the electrical cables of the barge, Quiddity will determine how many additional feet of depth is available for the barge to pull water from Lake Travis.

Ms. Norris discussed the used generator that is for sale by Cypress Ranch Water Control and Improvement District No. 1 ("Cypress") and additional options for backup power including a quick connect and the purchase of a new generator. Following discussion, the Board concurred to inspect the used generator that is for sale by Cypress

and authorize Ms. Hargett to engage an inspector to inspect the used generator for a cost not to exceed \$2,500.00.

Following further review and discussion, Director Fawthrop moved to (1) approve the engineer's report; (2) approve Pay Application No. 3 in the amount of 25,567.77, payable to G. Creek Construction, Inc, based on Quiddity's recommendation; and (3) authorize AWR to engage an inspector to inspect the used generator for sale by Cypress in an amount not to exceed \$2,500.00. Director Tasset seconded the motion, which passed by unanimous vote.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

Ms. Garner stated that she would contact the developer to determine the current status of future development and to notify them of the current Board of Directors following the May, 2024 Directors Election.

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

The Board discussed property owner's associations ("POA") in the District, the POAs' water usage, and a trail in the District that needs to be mowed and is outside the scope of what Waterford on Lake Travis Section III POA ("W3POA") currently mows. After discussion, Ms. Garner stated that she would prepare a maintenance agreement between the District and W3POA for the maintenance of the trail in the District and present it to the Board at the next meeting.

REPORT ON DISTRICT WEBSITE

Director Tasset reported on the District website.

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

Director Tasset and Ms. Hargett updated the Board on communications with residents on the District's website.

RESOLUTION ESTABLISHING IN-DISTRICT MEETING PLACE

The Board considered establishing additional in-district meeting places of the District. Ms. Garner presented a Resolution Establishing Additional In-District Meeting Places, effective June 4, 2024, reflecting (1) the establishment of a meeting place at 1100 Watercliffe Drive; (2) confirmation of the meeting places previously established at 1316 Watercliffe Drive, 1845 Kingfisher Ridge Cove, 17805 Kingfisher Ridge Drive, and 17817 Kingfisher Ridge Cove; and (3) the removal of 18001 Kingfisher Ridge Drive as a

meeting place. After review and discussion, Director Fawthrop moved to adopt the Resolution Establishing Additional In- District Meeting Places, effective as of June 4, 2024, and direct that it be filed appropriately and retained in the District's official records. Director Tasset seconded the motion, which passed by unanimous vote.

RESOLUTION COMMENDING VANCE TAYLOR FOR SERVICE TO TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10

The Board considered adopting a Resolution Commending Vance Taylor, for Service to Travis County Municipal Utility District No. 10. After review and discussion, Director Fawthrop moved to (1) adopt the Resolution Commending Vance Taylor, for Service to Travis County Municipal Utility District No. 10, subject to final review and approval by Director Sneed, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Tasset seconded the motion, which passed by unanimous vote.

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, OR A SETTLEMENT OFFER

The Board did not convene in executive session.

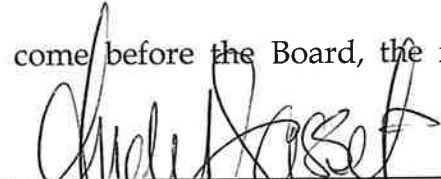
FINANCIAL AND BOOKKEEPING MATTERS, CONTINUED

The Board discussed a Project Assumptions list prepared by Director Fawthrop and considered the District's priorities, upcoming projects, and ways to improve the District's financials. The Board then reviewed potential future projects and their associated costs. The Board concurred to continue to discuss the District's assumptions, priorities, and financials at future meetings.

NEXT MEETING DATE AND LOCATION

After discussion, the Board agreed to hold (a) the July 2, 2024 meeting at 1845 Kingfisher Ridge Cove, and (b) the August 6, 2024 meeting at 17817 Kingfisher Ridge Drive; (c) September meeting at 1100 Watercliffe Drive, with each meeting accessible by a 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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