

MINUTES
TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10

September 3, 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 September 3, 2024, at 1100 Watercliff Drive, Lago Vista, TX 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 Tasset, thus constituting a quorum.

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

Also attending the meeting by telephone was member of the public, Zachary Stone.

PUBLIC COMMENTS

Director Sneed offered members of the public the opportunity to make public comment.

Mr. Stone addressed the Board regarding the service availability request for two single-family residences on the same tract and the requirements of the Texas Commission on Environmental Quality ("TCEQ") related to the minimum distance required between a recreation dock on Mr. Stone's property and the District's raw water line barge (the "Barge"). Mr. Stone stated that he is working with a hydrographic surveyor to locate the cable anchors of the Barge and requested that the Board clarify how many of the four total cable anchors need to be located in order to determine the range of movement of the Barge. Following discussion, the Board concurred that two out of the four cable anchors need to be located for this purpose.

Discussion ensued regarding a waterline on Osprey Ridge that needs to be relocated. Ms. Hargett discussed the options for relocating the waterline and the associated cost estimates. Following review and discussion, Director Fawthrop moved to (1) authorize AWR to get cost estimates for the waterline relocation for an amount

not to exceed \$75,000; and (2) authorize the construction committee to give final approval of a bid. Director Sneed seconded the motion, which passed by unanimous vote.

There being no other members of the public wishing to make public comment, Director Sneed moved to next agenda item.

APPROVE MINUTES

The Board considered the minutes of August 6, 2024, regular meeting and discussed necessary revisions. After review and discussion, Director Eckermann moved to approve the minutes of August 6, 2024, regular meeting, as revised. 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

Director Fawthrop reviewed District data related to income, expenses, and capital. Discussion ensued regarding the Wastewater Treatment Plant ("WWTP") Improvements Project being completed by G. Creek Construction

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

After review and discussion, Director Fawthrop moved to approve the bookkeeper's report and the checks presented for payment. Director Wines 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. Discussion ensued regarding the collection of delinquent taxes in the District.

After review and discussion, Director Eckermann moved to approve the tax assessor/collector's report. Director Sneed 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. Garner stated that notice was published of the public hearing to be held at today's meeting regarding adoption of the District's proposed 2024 total tax rate of \$0.679 per \$100 of assessed valuation.

The Board opened the public hearing. There being no comments from the public, The Board closed the public hearing.

The Board reviewed options for the District's total tax rate, the tax rate for operation and maintenance expenses, and the related budget comparisons.

Ms. Garner presented an Order Levying Taxes reflecting the proposed 2024 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.

Following review and discussion, Director Sneed moved to adopt the Order Levying Taxes reflecting a total 2024 tax rate of \$0.679 per \$100 of assessed valuation, comprised of \$0.110 to pay debt service on the District's outstanding utility bonds and \$0.569 for operation and maintenance, and direct that the Order be filed appropriately and retained in the District's official records. Director Wines seconded the motion, which passed with Director Eckermann voting in favor and Director Fawthrop abstaining from voting.

After further review and discussion, Director Eckermann moved to authorize execution of the Amendment to Information Form and direct that such document be filed appropriately and retained in the District's official records. Director Fawthrop seconded the motion, which passed by unanimous vote.

CONDUCT ANNUAL REVIEW OF INVESTMENT POLICY AND ADOPT RESOLUTION REGARDING ANNUAL REVIEW OF INVESTMENT POLICY

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

REVIEW, REVISE, AND ADOPT RESOLUTION ESTABLISHING THE AUTHORIZE 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. She noted that the list of qualified broker/dealers provided by the District's bookkeeper is attached as an exhibit to the Resolution. After review and discussion, Director Eckermann 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 Wines seconded the motion, which passed unanimously.

CONSIDER ASSIGNMENT OF AGREEMENT FOR OPERATING SERVICES FROM AWR SERVICES, INC. TO SI ENVIRONMENTAL, LLC

Ms. Hargett reported that AWR has been acquired by Si Environmental, LLC. The Board reviewed an Assignment of Agreement for Operating Services from AWR to Si Environmental, LLC. After review and discussion, Director Eckermann moved to approve the Assignment of Agreement for Operating Services from AWR to Si Environmental, LLC. Director Fawthrop seconded the motion, which passed by unanimous vote.

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 level of Lakes Buchanan and Travis ("the Lakes") has exceeded 1.1 million acre-feet for 90 consecutive days. The Board considered returning to Stage I twice per week watering restrictions pursuant to the Board's decision at its June meeting to return to Stage I watering restrictions when the combined level of the Lakes has exceeded 1.1 million acre-feet for 90 consecutive days. After discussion, Director Wines made a motion to move to Stage 1 of the District's Drought Contingency Plan. Director Fawthrop seconded the motion, which passed by unanimous vote. Ms. Hargett stated that AWR will notify the District's residents of the return to Stage 1 watering restrictions.

Ms. Hargett updated the Board on maintenance to the District's Barge, including plans to repair the warning lights and improve the buoy and signage system.

Mr. Hargett stated that that lead exceedance plan is in progress.

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

ENGINEERING MATTERS

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

Ms. Norris updated the Board on the WWTP Improvement Project. She reviewed and recommended approval of Pay Application No. 6 in the amount of

\$17,667.81, payable to G. Creek Construction Inc. ("G. Creek"). She then reviewed Change Order No. 4 to increase the contract with G. Creek in the total amount of \$16,088.68 and 21 additional contract days. The Board determined that Change Order No. 4 is beneficial to the District.

Ms. Norris updated the Board on the Generator at the Water Plant site. Ms. Garner stated that ABHR will send the letter to the contractor regarding economic disincentives when the necessary documentation is received from the contractor.

Ms. Norris updated the Board on the Emergency Water Well project ("Well Project") and stated that Quiddity received the bacterial samples from Bee Cave Drilling and are waiting for the results of the water quality test conducted by Bee Cave Drilling. Discussion ensued regarding notifying the TCEQ regarding suspension of the Well Project. Mr. Norris stated that she will research the TCEQ requirements for suspension of work on the Well Project and report her findings to the Board at a future meeting.

Ms. Norris stated that Quiddity paused the design of the piping for the Well Project per the Board's instructions.

After discussion, Director Fawthrop moved to: (1) approve Pay Application No. 6 in the amount of \$17,667.81, payable to G. Creek Construction Inc; (2) ratify approval Change Order No. 4 to increase the contract with G. Creek in the total amount of \$16,088.68 and 21 additional contract days, based on the finding that the Change Order is beneficial to the District; and (3) accept the engineer's report. Director Wines seconded the motion, which passed by unanimous vote.

CONSIDER ACQUISITION OF PRE-OWNED OR NEW GENERATOR AND TAKE ANY ACTION NECESSARY

The Board discussed purchasing a backup generator for the WWTP and the requirement of the TCEQ to have a plan to provide a secondary source of power to the WWTP by the completion of the construction project. After discussion, Director Wines moved to authorize Quiddity (a) to continue to pursue the procurement of a generator for the WWTP and (b) to notify the TCEQ of the Board's intention to obtain a generator for the WWTP. Director Sneed seconded the motion, which passed by unanimous vote.

DISCUSS FACILITIES SECURITY, STORAGE AREA ADJACENT TO DISTRICT WATER PLANT AND FIRE PROTECTION

The Board concurred to defer action on this agenda item.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

Director Sneed discussed development in the District.

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

The Board discussed the property owners' associations ("POA") in the District and the POAs' allotted water usage included in the District's Drought Contingency Plan.

REPORT ON DISTRICT WEBSITE

Ms. Hargett updated the Board on the District's website.

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

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

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 convened in executive session at 1:12 p.m. pursuant to Section 551.071 Texas Government Code to conduct a private consultation with its attorney to discuss pending or contemplated litigation or to seek and receive legal advice by the District's attorney.

RECONVENE IN OPEN SESSION

The Board reconvened in open session at 1:30 pm. The Board took no action.

NEXT MEETING DATE AND LOCATION

After discussion, the Board agreed to hold the (a) October 1, 2024 meeting at 17805 Kingfisher Ridge Drive; (b) the November 5, 2024 meeting at 1316 Watercliff Drive; and (c) the December 3, 2024 meeting at 1845 Kingfisher Ridge Cove, with the meeting accessible by a telephone conference line.

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

Alfred [Signature]
Secretary, Board of Directors

(SEAL)



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