

MINUTES
TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10

February 7, 2017

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 the 7th day of February, 2017, at 18001 Kingfisher Ridge Dr., Lago Vista, Texas, inside the boundaries of the District, and the roll was called of the members of the Board:

Harvey Reiter	President
Bob Woolsey	Vice President
Vance Taylor	Secretary
Raymond Archer	Assistant Vice President
Robert Ernst	Assistant Secretary

and all of the above were present.

Also present at the meeting were Brett Lanham of AWR Services, Inc. ("AWR"); Cathy Mitchell and Kirstin Dreiss of Jones & Carter, Inc. ("Jones & Carter"); and Sharon Covan of Allen Boone Humphries Robinson LLP ("ABHR") by conference call.

APPROVE MINUTES

The Board considered approving the minutes of the January 5, 2017, meeting. After review and discussion, Director Ernst moved to approve the minutes of the meeting. Director Archer seconded the motion, which passed by unanimous vote.

GARBAGE AND RECYCLING

Discussion ensued regarding garbage and recycling services. Board members reported complaints from residents regarding garbage and recycling services and asked Ms. Covan to report the complaints to the garbage company. The Board asked that WC of Texas pick up additional bags of lawn clippings in March and April. Ms. Covan said she contacted WC of Texas regarding this matter, but received no response. She said she will follow up with Steve Shannon at WC of Texas.

FINANCIAL AND BOOKKEEPING

The Board reviewed the bookkeeper's report, a copy of which is attached and the bills presented for payment. After review and discussion, Director Woolsey moved to approve the bookkeeper's report and the checks presented for payment. Director Taylor seconded the motion, which passed by unanimous vote.

BUDGET FOR THE FISCAL YEAR END FEBRUARY 28, 2018

The Board reviewed the budget for the fiscal year end February 28, 2018, and discussed the proposed 2017 capital improvement projects. After review and discussion, Director Woolsey moved to adopt the budget for the fiscal year end February 28, 2018, including a line item for 2017 capital improvement projects in the amount of \$50,000. Director Taylor seconded the motion, which passed by unanimous vote.

ACCEPT ANNUAL DISCLOSURE STATEMENTS FOR INVESTMENT OFFICER AND BOOKKEEPER

Ms. Covan explained that the annual disclosure statement discloses relationships of the bookkeeper and investment officer with entities or individuals who are offering, have offered, or may offer to engage in an investment transaction with the District. Ms. Covan said the investment officer and bookkeeper provided ABHR with the annual disclosure statements. After review and discussion, Director Woolsey moved to accept the disclosure statements of the District's bookkeeper, Terry Holland, and investment officer, Mary Jarmon, and authorize filing the disclosure statements with the Texas Ethics Commission. Director Ernst seconded the motion, which passed unanimously.

ENGAGE AUDITOR

The Board considered engaging McCall, Gibson, Swedlund, Barfoot, PLLC ("McCall Gibson") to conduct the District's audit for the fiscal year end February 28, 2017. Director Reiter said the fee is \$8,000. After review and discussion, Director Taylor moved to engage McCall Gibson to prepare the audit. Director Woolsey seconded the motion, which passed by unanimous vote.

TAX ASSESSMENT AND COLLECTION

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 Archer seconded the motion, which passed unanimously.

RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

The Board considered adopting a Resolution Concerning Exemptions from Taxation that provides that the District exempts \$10,000 of the appraised value of residence homesteads of individuals who are disabled or are sixty-five years of age or older, provides for a 15% general homestead exemption and rejects the exemption for travel trailers from ad valorem taxation. After review and discussion, Director Woolsey moved to adopt the Resolution Concerning Exemptions from Taxation and direct that the Resolution be filed appropriately and retained in the District's official records. Director Ernst seconded the motion, which passed by unanimous vote.

OPERATION OF DISTRICT FACILITIES

Mr. Lanham reviewed the operator's report, a copy of which is attached.

Mr. Lanham reported on the water treatment plant. He said that during the prior month, the CL2 analyzer was replaced, the SCADA controls computer firmware was repaired, and an additional air release line was installed. He said the new Lower Colorado River Authority designated raw water meter was received and will be installed.

Mr. Lanham said that below freezing temperatures were experienced in December. He said the raw water line was drained and returned to service when the weather conditions improved.

Mr. Lanham reported on the wastewater treatment plant. He said repairs were made to the drip field lines damaged by wildlife and the CL2 gauge was recalibrated. Mr. Lanham reported on grinder pump repairs.

Mr. Lanham said that the 2017 garbage and recycling calendar will be inserted into the next utility bill. Following review and discussion, Director Ernst moved to accept the operator's report. Director Taylor seconded the motion, which carried unanimously.

CONDUCT HEARING REGARDING WATER AND SEWER SERVICE TERMINATIONS TO DELINQUENT ACCOUNTS AND AUTHORIZE TERMINATION, IF APPROPRIATE

There were no delinquent accounts for termination.

ENGINEERING MATTERS

Ms. Mitchell reviewed the engineering report, a copy of which is attached.

CAPITAL IMPROVEMENTS

Ms. Mitchell said Jones & Carter is working with TEI Controls and AWR to schedule the SCADA improvements. Ms. Mitchell distributed and reviewed a summary of proposed 2017 capital improvements, a copy of which is attached.

WATERFORD ON LAKE TRAVIS, SECTION 1 DRAINAGE

Ms. Mitchell said that the pre-construction meeting for the new drainage facilities for Craig Rapp, the owner of property located at 17800 Kingfisher Ridge Drive, was held and the project should be completed by the end of the month.

WATER PLANT INSPECTION AND REPAIRS

There was no report on the water plant.

WATER QUALITY SAMPLING

Ms. Mitchell reported on water quality sampling. She said that Horizon conducted quarterly sampling on January 18, 2017.

OTHER ENGINEERING MATTERS

There were no further engineering matters presented. Director Woolsey moved to approve the engineer's report. Director Archer seconded the motion, which passed by unanimous vote.

REPORT ON DEVELOPMENT

Discussion ensued regarding development in the District.

WEBSITE

There was no discussion on the District's website.

COMMENTS FROM THE PUBLIC

There were no comments from the public.

The Board considered future meeting locations. After discussion, the Board agreed to hold the March meeting at Director Ernst's home, the April meeting at Director Reiter's home, the May meeting at Director Woolsey's home and the June meeting at Director Archer's home.

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

(SEAL)




Secretary, Board of Directors

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