

MINUTES
TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10

October 2, 2018

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 2nd day of October, 2018, at 1845 Kingfisher Ridge Cove, Lago Vista, Texas, inside the boundaries of the District, and the roll was called of the members of the Board:

Harvey Reiter	President
Ray Archer	Vice President
Vance Taylor	Secretary
Robert Ernst	Assistant Vice President
Dan Eckermann	Assistant Secretary

and all of the above were present except Directors Archer and Ernst, thus constituting a quorum.

Also present at the meeting were Cathy Mitchell and Ryan Casey of Jones & Carter, Inc. ("Jones & Carter"); Hal Lanham and Brett Lanham of AWR Services; Dave DeGreeff, Wendy Berger, and Tony Gonzales, residents of the District; and Sharon Covan of Allen Boone Humphries Robinson LLP ("ABHR") by telephone.

APPROVE MINUTES

The Board considered approving the minutes of the September 4, 2018, meeting. After review and discussion, Director Taylor moved to approve the minutes of the meeting. Director Eckermann seconded the motion, which passed by unanimous vote.

GARBAGE AND RECYCLING

There was no report on this matter.

FINANCIAL AND BOOKKEEPING MATTERS

The Board reviewed the bookkeeper's report, a copy of which is attached. After review and discussion, Director Taylor moved to approve the bookkeeper's report and the checks listed on the report. Director Eckermann 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 Eckermann 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

Director Reiter opened the public hearing regarding the District's tax rate. The Board responded to questions from the public. Upon no further comments from the public, the Board concurred to close the public hearing.

The Board confirmed its intention that the 2018 tax levy include a debt service component for the calendar year ending December 31, 2019, and a maintenance tax component for the fiscal year ending February 28, 2019. After discussion, Director Eckermann moved to adopt the Order Levying Taxes containing a total tax rate of \$0.76 per \$100 of assessed valuation consisting of \$0.42 for debt service and \$0.34 for operations and maintenance, and direct that the Order be filed appropriately and retained in the District's official records. The motion was seconded by Director Taylor and carried unanimously.

The Board considering authorizing execution of the Amendment to Information Form incorporating the 2018 tax rate. Director Eckermann moved to approve the Amendment to Information Form, authorize filing the Information Form with the Texas Commission on Environmental Quality (the "TCEQ") and with Travis County, and direct that the Information Form be filed appropriately and retained in the District's official records. Director Taylor seconded the motion, which passed by unanimous vote.

RESOLUTION ESTABLISHING IN-DISTRICT MEETING PLACES

The Board considered adopting a Resolution Establishing In-District Meeting Places, including 1405 Osprey Ridge Loop, 1845 Kingfisher Ridge Cove, 18001 Kingfisher Ridge Dr., 1325 Osprey Ridge Loop, and 1300 Osprey Ridge Loop. After discussion, Director Taylor moved to adopt the Resolution and direct that the Resolution be filed appropriately and retained in the District's official records. Director Eckermann 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. He discussed water plant repairs and maintenance. Mr. Lanham discussed issues with partial backwashing the filters at the water treatment plant. He said fabrication of a new filter underdrain is underway by the contractor, PrimeSpec.

Mr. Lanham said AWR personnel made repairs to thirteen locations in the District's drip fields that had been damaged by wildlife or inclement weather. He said a proposal is being obtained to move mulch into the drip fields to cover the drip lines.

Mr. Lanham said boulders were placed along the drip fields to prevent unauthorized access to the area by off-road vehicles.

Discussion ensued regarding the District's Drought Contingency Plan ("DCP"). Mr. Lanham said the District is in Stage I voluntary water restrictions. He said the District's trigger conditions are slightly different than those of the Lower Colorado River Authority (the "LCRA") and occur earlier. Mr. Lanham suggesting modifying the District's DCP to align with the LCRA's DCP. Discussion ensued. Director Taylor said the District's DCP has achieved the District's goals. He recommended additional written communications to the District's residents if Stage 2 water restrictions are reached. Mr. Lanham said he will include a summary in the monthly operator's report tracking lake levels and trigger conditions. He said the District's Immediate Response Information System ("IRIS") can also be used for notifications to customers.

Discussion ensued regarding the Waterford Property Owner's Association (the "POA") irrigation water usage and billing rate. Mr. Lanham said AWR will research the POA's historical water usage to determine whether the billings have been correct.

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

HEARING ON TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS AND AUTHORIZE TERMINATION OF SERVICE

Mr. Lanham stated that 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 providing assistance to AWR for the SCADA improvements and the filter rehabilitation project, as needed.

WATER PLANT INSPECTION AND REPAIRS

Ms. Mitchell presented a log of recommended repairs to the water plant after the annual inspection was held. A copy of the log is attached to the engineer's report. After review and discussion, Director Taylor moved to accept the engineer's report. Director Reiter seconded the motion, which passed by unanimous vote.

REPORT ON DEVELOPMENT

Director Reiter reported on development in the district. He said he was contacted by a realtor regarding the sale of a lot. Director Reiter said debris has been dumped on the lot and the realtor will be responsible for cleaning it up.

WEBSITE

There was no discussion on this matter.

LAKE LEVELS AND COMMUNICATIONS TO THE LOWER COLORADO RIVER AUTHORITY

Director Eckermann discussed Lake Travis water levels and discussed a draft letter to the LCRA suggesting that the lake level be increased. Discussion ensued, including how to avoid flooding during a rain event if the lake level is raised. Director Taylor suggested revisions to the letter that would propose questions to the LCRA about protecting the District's water supply. Director Eckermann agreed to revise the letter and provide a draft to Board members for review.

COMMENTS FROM THE PUBLIC

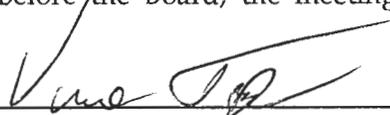
Mr. DeGreef requested that a representative from the District attend the January POA meeting to discuss the District and respond to questions from property owners.

MEETING DATES

The Board agreed that the next meeting will be November 6, 2018, at 1405 Osprey Ridge Loop and that the January meeting will be held on January 3, 2019, instead of January 1.

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

(SEAL)



Secretary, Board of Directors

ATTACHMENTS TO THE MINUTES

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