

MINUTES
TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10

April 2, 2019

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 April 2, 2019, at 1405 Osprey Ridge Loop, 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 Taylor and Eckermann, thus constituting a quorum.

Also present at the meeting were Cathy Mitchell of Jones & Carter, Inc. ("Jones & Carter"); Brett Lanham of AWR Services; Craig Rapp, a property owner in the District by telephone; and Sharon Covan of Allen Boone Humphries Robinson LLP by telephone.

APPROVE MINUTES

The Board considered approving the minutes of the March 5, 2019, 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

Director Reiter said Waste Connections is no longer able to accommodate the District by picking up an additional six bags of yard debris per residence during the month of April. He said their trucks are unable to hold the increased volume and additional trips to the landfill are required.

PUBLIC COMMENTS

Mr. Rapp addressed the Board. He said he is being charged for two grinder pumps on his property, but there is only one. Mr. Rapp requested a refund of the overcharges. Mr. Lanham reviewed the historical grinder pump usage at Mr. Rapp's home, according to AWR records. He said there is a septic tank on the property that is overgrown with roots and debris in the tank. Mr. Lanham said the roots need to be cleared. He said notes in AWR's records from 2015 indicate the property was being serviced by two grinder pumps, one for the main house and one for the guest or

caretaker's house. Mr. Rapp said the guest house has not been used since 2011 and the plumbing is disconnected.

Mr. Lanham said AWR recently located an intake line into the guest house. He said the property is being charged \$60.00 per month for two grinder pumps. Mr. Lanham said AWR's archived records would be reviewed to determine when the \$30.00 charge for the second grinder pump began.

Director Reiter said the original owner of the house installed a septic tank rather than utilize a fiberglass tank offered by the District. He said that under the provisions of the District's Amended Rate Orders that date back to the establishment of the District, a septic tank is not permitted.

Discussion ensued regarding removing the roots and debris from the concrete tank, leaving the tank where it is and installing a grinder pump to move the effluent through to the street. Mr. Lanham said if the concrete tank breaks, cracks or otherwise fails, the District will not be responsible for replacement and failure could lead to a waste water emergency. He said the District would only be responsible for the grinder pump. Mr. Lanham recommended installing a new tank and permanent pump for which the District would be responsible for maintenance and repairs. He said whether the existing concrete tank remains or is replaced, the tree root growth and debris must be removed. Mr. Lanham said there is a sealant that can be applied to prevent the intrusion of roots into the tank in the future and to prolong the life of the tank. Mr. Lanham estimated the cost to excavate and install a new tank and pump is approximately \$3,000 to \$5,000. He said AWR does not perform excavations, but can provide the name of a contractor to Mr. Rapp and AWR will oversee and inspect the work. Mr. Rapp said he will consider whether to leave the concrete tank in place and clear the tank of roots and debris or to install a new tank.

After discussion, the Board: (1) directed AWR to discontinue billing Mr. Rapp for the second grinder pump; (2) authorized AWR to review their records and determine the amount of refund due to Mr. Rapp for charges connected to a second grinder pump and present the information to the Board at the May meeting; and (3) requested that AWR provide to Mr. Rapp the name of the contractor that previously provided a cost estimate to excavate the tank and a copy of the cost estimate.

FINANCIAL AND BOOKKEEPING MATTERS

The Board reviewed the bookkeeper's report, a copy of which is attached. Discussion ensued regarding the budget and debt service requirements. Director Archer noted that the cost of operations has increased. The Board discussed the lack of new home construction in the District needed to support water and sewer costs. The Board reviewed the financial statement and acknowledged that based on the current District valuation, the existing tax rate and the sewer and water rate, the District is not taking in enough money to cover future operations and debt costs. Director Reiter said if no meaningful new development occurs, the District will be required to

increase the tax rate along with an increase in the water and sewer rates. The Board considered having a water and sewer rate analysis performed to see what other Districts are charging for water and sewer. After discussion, the Board agreed to discuss this matter further at a future meeting. After review and discussion, Director Ernst moved to approve the bookkeeper's report and the checks listed on the report. Director Archer 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 Ernst moved to approve the tax assessor/collector's report. Director Archer 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 that the clarifier gear-drive at the wastewater treatment plant has been replaced. He said the contractor recommended installing a unit to prevent over-torque to prevent damage to the drive should an obstruction occur. Mr. Lanham reported on the lift station repairs to existing pumps and grinder pump repairs.

A discussion was had regarding the need to bury the sewer pipe located on property at 1608 Watercliff. Mr. Lanham said a discussion was had with the owner of that property and he agreed to contact his neighbor and request permission to bury the line along the joining property line. Mr. Lanham said this will correct the problem and minimize the cost to the owner. He said if the adjacent property owner at 1612 Watercliff does not agree, the pipe will have to be buried on the owner's property.

After review and discussion, Director Archer moved to accept the operator's report. Director Ernst 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 there were no delinquent accounts for termination.

CONDUCT ANNUAL REVIEW AND RECEIVE REPORT FROM OPERATOR ON IDENTITY THEFT PREVENTION PROGRAM

The Board conducted the annual review of the Identity Theft Prevention Program (the "Program") and reviewed a report prepared by AWR, a copy of which is attached. After review and discussion, Director Ernst moved to accept the report on the Program from AWR and to make no changes, and direct that the report be filed

study on the zebra mussels. She requested authorization to prepare a scope of work for the study.

After review and discussion, Director Archer moved to: (1) approve the proposal from Merrigan Electric in the amount of \$1,115 to install the controls for an over-torque; (2) authorize Jones & Carter to prepare a scope of work and determine the cost of the zebra mussel study; and (3) accept the engineer's report. Director Ernst seconded the motion, which passed by unanimous vote.

REPORT ON DEVELOPMENT

There was no report on development.

MEETING WITH THE LOWER COLORADO RIVER AUTHORITY

There was no discussion on this matter.

WEBSITE

There was no discussion on this matter.

COMMENTS FROM THE PUBLIC

There were no comments from the public.

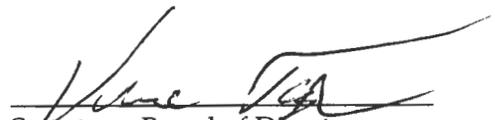
MEETING DATES

The Board agreed the next meeting will be May 7, 2019, at 1845 Kingfisher Ridge Cove.

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

(SEAL)




Secretary, Board of Directors

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