

MINUTES
TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10

July 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 July 2, 2019, at 1325 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, thus constituting a quorum.

Also present at the meeting were Cathy Mitchell and Jason Baze of Jones & Carter, Inc. ("Jones & Carter"); Brett Lanham of AWR Services; Jim Carroll, a resident of the District; and Sharon Covan of Allen Boone Humphries Robinson LLP by telephone.

APPROVE MINUTES

The Board considered approving the minutes of the June 4, 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

There was no report on garbage and recycling.

PUBLIC COMMENT

Director Reiter reviewed the matter regarding a grinder pump discharge line at 1612 Watercliffe that was improperly routed from 1612 Watercliffe to 1608 Watercliffe. Mr. Lanham said a chronology of events was prepared by AWR. A copy was provided to Mr. Carroll. Director Reiter reviewed the responsibilities of the District's consultants, including the operator, AWR. Director Reiter said AWR charged the District \$1,372.93 for relocating the discharge line, which should not have been a District expense, and Mr. Carroll was subsequently billed \$813.14 by AWR for relocating the line and \$509.79 for additional administrative costs. Mr. Lanham said the discharge line was full of effluent and had to be moved with care and expeditiously, because the contractor for 1608 Watercliffe was preparing to have the concrete slab poured where the discharge line was.

Mr. Carroll said he was informed of the discharge line relocation by the builder at 1608 Watercliffe, but said the costs billed to him were too high and out-of-line. He said an itemization of the costs was requested from AWR, but not received. Mr. Carroll said he was not advised of the cost before the work was done, and was billed for administrative costs incurred by AWR. He said the temporary relocation of the discharge line costs should have been discussed with him and that other less expensive options were available to him. Mr. Carroll said at the January 2019 meeting, AWR was directed by the Board to contact him. Mr. Carroll said he contacted Mr. Lanham, but his call was not returned. Mr. Lanham said it was the Board's decision to bill Mr. Carroll for relocating the discharge line. He said a meeting with Mr. Carroll was scheduled on April 2, 2019, but AWR did not have all of the cost information at that time.

Director Taylor said there are two areas for discussion on the costs to arrive at a final resolution: 1) what will the property owner pay for the costs incurred to relocate the discharge line and what are the itemized costs; and (2) the administrative costs incurred after the line was relocated. Mr. Carroll said he is willing to pay \$400.00 due to the emergency nature of the work.

Mr. Lanham apologized to Mr. Carroll for the lack of communication and said that AWR follows the rules and regulations as stated in the District's Amended Rate Order. He said that because the administrative time was not discussed with Mr. Carroll, AWR would waive the \$509.79. Mr. Lanham said more than two men were involved in relocating the discharge line, and the \$813.14 is a reasonable charge. Mr. Lanham said AWR will issue a credit to Mr. Carroll for the \$509.79. He said that AWR strives to do a good job and maintain good relations with the District's customers. Mr. Carroll said he is unhappy with this resolution, but agreed to accept a payment plan. Mr. Lanham said that Mr. Carroll uses auto-pay, and the charges will be reversed, but the next bill will include two months of water and sewer usage plus a portion of the \$863.14. Mr. Lanham said AWR is required to inspect the discharge line and the cost is \$57.00, which will be billed to Mr. Carroll.

After discussion, Director Taylor moved to: (1) waive the \$509.79 charged to Mr. Carroll, if Mr. Carroll pays the \$863.14 charge for moving the discharge line; (2) approve a six-month payment plan for Mr. Carroll, without interest, for the \$863.14. Director Archer seconded the motion, which passed by unanimous vote. Mr. Carroll asked that the Board review his last letter to the Board and discuss his other conditions and recommendations at the next Board meeting. Mr. Carroll left the meeting.

FINANCIAL AND BOOKKEEPING MATTERS

The Board reviewed the bookkeeper's report, a copy of which is attached. Discussion ensued regarding the current and historical revenues and expenses and the budget. Director Taylor discussed his review of the budget, water and sewer rates, and the tax rate. The Board discussed preparation of a letter to property owners regarding the status of the District's revenues and expenses and enlisting the assistance of the financial advisor to write the letter.

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.

OPERATION OF DISTRICT FACILITIES

Mr. Lanham reviewed the operator's report, a copy of which is attached. He said 163 customers were billed during the month of May.

Mr. Lanham reported on water repairs. He said the water treatment plant booster pump alarm activated due to a booster pump lockout. He said AWR reset the pumps that were then placed back in service. Mr. Lanham said AWR is working with Jones & Carter on options to treat the zebra mussels. He said the zebra mussel trap was inspected and showed no significant change in zebra mussel activity.

Mr. Lanham said AWR completed ten repairs to areas in the wastewater drip irrigation fields where leaks were most likely caused by wild life. Mr. Lanham said AWR coordinated the removal of grease from lift station no. 1 and responded to an alarm from lift station no. 2 due to a seal failure.

Mr. Lanham said a letter to Mr. Craig Rapp regarding a \$1,350.00 refund to Mr. Rapp of grinder pump fees was prepared and reviewed by ABHR. He said Mr. Rapp has not signed the letter accepting his refund. Director Reiter said Mr. Rapp contacted him and said he was not happy with the amount of the check. The Board authorized ABHR to mail the refund check to Mr. Rapp with an explanation that the \$1,350.00 is the District's final settlement regarding the grinder pump fee refund matter and stating that the District would not be responsible for maintenance or repairs to the concrete septic tank or to any damage to the grinder pump caused by the septic tank or by weeds, roots or other overgrowth encroaching from the septic tank area, in which case repairs will be the responsibility of Mr. Rapp or the current property owner.

Discussion ensued regarding the grinder pump discharge line for 1612 Watercliffe that was improperly laid under the area where slab was being poured at 1608 Watercliffe. The Board discussed the District's need for access to the discharge line in the event of a problem or damage to the line. Ms. Covan said she would discuss an easement with the ABHR real estate department. The Board discussed the remaining charge of \$503.79 billed to Mr. Carroll that AWR agreed to waive for Mr. Carroll. Director Taylor suggested that AWR and the District split the \$503.79.

After review and discussion, and based on the information provided by and the recommendations of AWR, Director Eckermann moved to: (1) authorize ABHR to send the refund check to Mr. Rapp; (2) approve splitting the \$503.79 charge to Mr. Carroll with AWR; and (3) accept the operator's report. Director Archer 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.

CONSUMER CONFIDENCE REPORT

The Board reviewed the 2018 Consumer Confidence Report (the "CCR"), a copy of which is attached. Mr. Lanham confirmed that prior to July 1, 2019, a notice will be placed in the utility bills informing the District's customers of the website address where the CCR can be viewed. After review and discussion, Director Reiter moved to approve the CCR, subject to final review by ABHR, authorize the operator to notify the District's customers of the website address where the CCR can be viewed, and file the certificate of mailing with the Texas Commission on Environmental Quality ("TCEQ"). Director Taylor seconded the motion, which passed by unanimous vote.

WATER AND SEWER RATES; AMENDED RATE ORDER

The Board took no action on this matter.

ENGINEERING MATTERS

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

CAPITAL IMPROVEMENTS

Ms. Mitchell said Jones & Carter is providing assistance with improvements to the District's facilities to AWR, as needed.

WATER PLANT INSPECTIONS AND REPAIRS

Ms. Mitchell said inspections of the water plant and wastewater treatment plant were conducted on April 26, 2019. She distributed and reviewed the inspection reports, copies of which are attached.

Ms. Mitchell said a proposal in the amount of \$3,100 was received from Excel Construction for the annual barge inspection. She said the proposal includes removal and pressure washing of the pump screens and wire brushing the pumps to remove any mussels. Ms. Mitchell recommended approval of the proposal.

ZEBRA MUSSEL REMOVAL AND PREVENTION

Ms. Mitchell said the coating that was planned for application to the raw water pump screens to deter mussels is not compatible with the galvanized screens. She recommended continuing with the barge monitoring and inspections.

Ms. Mitchell said the wastewater treatment plant renewal application is being reviewed by the TCEQ. She said a copy of the application is available at the Lago Vista public library.

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

WEBSITE

The Board considered obtaining proposals from other website companies. After discussion, the Board authorized Ms. Covan to obtain a proposal from Off Cinco.

REPORT ON DEVELOPMENT

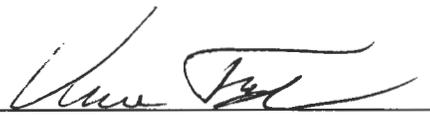
The Board discussed development in the District. The Board agreed that the next meeting will be August 6, 2019, at 1405 Osprey Ridge Loop. Director Archer said he will be unable to attend the August meeting.

Mr. Taylor reported on the Waterford Property Owners ("POA") meeting. He said maintaining a project list was discussed as well as cooperation between the POA and the District.

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

(SEAL)




Secretary, Board of Directors

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