

MINUTES  
TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10

August 6, 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 August 6, 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 Director Archer, thus constituting a quorum.

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

APPROVE MINUTES

The Board considered approving the minutes of the July 2, 2019, meeting. After review and discussion, Director Ernst 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 garbage and recycling.

PUBLIC COMMENT

There were no comments from the public.

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 Ernst 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 District's preliminary

2019 taxable value. Director Taylor distributed a listing of homes under construction in the District. He said he would forward the list of homes under construction to the financial advisor. After review and discussion, Director Taylor moved to approve the tax assessor/collector's report. Director Ernst seconded the motion, which passed by unanimous vote.

#### 2019 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

The Board took no action on this matter.

#### APPROVE ANNUAL REPORT AND AUTHORIZE FILING OF SAME IN ACCORDANCE WITH THE DISTRICT'S CONTINUING DISCLOSURE OF INFORMATION AGREEMENT AND AS REQUIRED BY SEC RULE 15C2-12

Ms. Covan said the Annual Report would contain updated financial and operating data to be filed in accordance with the continuing disclosure provisions contained in the District's bond resolutions. After review and discussion, Director Reiter moved to approve the Annual Report and authorize filing of same in accordance with the District's Continuing Disclosure of Information Agreement and as required by SEC Rule 15c2-12. Director Taylor seconded the motion, which passed by unanimous vote.

#### ANNUAL REVIEW OF PROCEDURES FOR CONTINUING DISCLOSURE COMPLIANCE

The Board reviewed the District's procedures for continuing disclosure compliance. The Board concurred that no changes are required at this time.

#### INSURANCE

The Board reviewed the insurance proposal from Arthur J. Gallagher & Co., a copy of which is attached. After review and discussion, Director Eckermann moved to approve the insurance proposal for renewal of the District's insurance and direct that the proposal be filed appropriately and retained in the District's files. Director Ernst seconded the motion, which passed by unanimous vote.

#### OPERATION OF DISTRICT FACILITIES

Mr. Brett Lanham reviewed the operator's report, a copy of which is attached. He said 164 customers were billed during the month of June.

Mr. Lanham reported on water repairs. He said the raw water line between the clarifier and the water plant was inspected and it was determined that there is filter media past the second underdrain. Mr. Lanham said the 1 1/4" line was re-installed and gaskets and flanges for the valve were replaced. He said no zebra mussels were observed. Mr. Lanham said proposals to replace the wastewater treatment plant

absorption clarifier media were obtained. He recommended awarding the project to PrimeSpec Construction, LLC in the amount of \$48,686.00. Ms. Mitchell said \$50,000 is in the capital improvement plan budget for this project.

Mr. Lanham said the computer and controls for the irrigation drip system are not operating properly. He said it was determined that the computer screen failed and the hardware powering the controls is obsolete. Mr. Lanham reviewed two proposals for replacing the computer and controls. He recommended accepting the proposal from Industrial Instance, LLC in the amount of \$7,300, subject to final review by Cathy Mitchell and the Jones & Carter electrical team.

Mr. Lanham discussed repairs at the lift stations. He said grease was pumped from lift station no. 1 and AWR responded to an auto-dialer alarm at lift station no. 2 caused by a high wet well level.

Mr. Lanham discussed grinder pump repairs during the prior month. He said Mr. Carroll received a \$251.90 refund and a payment plan for AWR fees to relocate his effluent line. Mr. Lanham said AWR will continue to maintain contact with Mr. Carroll regarding his payment plan until the charges are paid and the account is returned to the auto-pay status. Mr. Lanham said AWR will place notes on the utility accounts for 1608 and 1612 Watercliffe regarding the location of and burial of the effluent lines. The Board took no action to obtain an easement from the property owners at 1608 and 1612 Watercliffe.

After review and discussion, and based on the information provided by and the recommendations of AWR, Director Taylor moved to: (1) authorize replacing the computer and controls for the drip irrigation field to Industrial Instance, LLC at a cost not to exceed \$7,500, subject to approval of the electrical scope of the project by Jones & Carter and receipt of Form 1295 from the contractor; (2) award the contract to replace the wastewater treatment plant absorption clarifier media to PrimeSpec in the amount of \$48,686.00, subject to final review of the proposal by Jones & Carter and receipt of Form 1295 from the contractor; and (3) 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.

#### REVIEW OPERATOR PRACTICES FOR HANDLING REPAIRS OUTSIDE THE SCOPE OF DISTRICT RESPONSIBILITY

Discussion ensued regarding protocol for AWR's handling of repairs outside the scope of the District's responsibility. Mr. Lanham said AWR would first advise the property owner to contact a plumber. He said if the issue is an emergency and a health and safety issue, at least one Board member will be contacted, property owners will be contacted prior to any action being taken, and contact with the property owner will be

maintained until the action is complete. Director Reiter asked that AWR contact the Board if the property owner is not on the premises or cannot be reached.

#### 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. She reviewed an updated ten-year capital improvement plan, a copy of which is attached to the engineer's report.

#### 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 a log of the action items noted in the inspections reports.

Ms. Mitchell said the annual barge inspection was performed by Excel Construction. She presented the report for the Board's review. Ms. Mitchell said the report indicates that the pump screens were 60% to 80% blocked and were last cleaned in December of 2018.

#### ZEBRA MUSSEL REMOVAL AND PREVENTION

Discussion ensued regarding zebra mussel removal and prevention. Director Eckermann said the Lake Travis shore line is heavily infested with zebra mussels. Ms. Mitchell said the mussel activity on the raw water line is being monitored.

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

#### WEBSITE

The Board reviewed a proposal from Off Cinco for management of the District's website. After review and discussion, the Board took no action.

#### REPORT ON DEVELOPMENT

There was no further report on development.

Director Taylor discussed matters concerning the Waterford Property Owner Association (the "POA"). Mr. Montieth discussed the POA's plans for road paving in the District. Discussion ensued by Director Eckermann regarding types of paving

materials. Mr. Montieth said the POA will advise the community of activities concerning road repairs and paving. Director Reiter said the District did not need any road cuts for new piping.

The Board agreed that the next meeting will be September 3, 2019, at 18001 Kingfisher Ridge Dr.

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

(SEAL)

  
Secretary, Board of Directors

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