

MINUTES
TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10

January 7, 2020

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 January 7, 2020, at 18001 Kingfisher Ridge Drive, 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 Ernst, thus constituting a quorum.

Also present at the meeting were Kevin Monteith and Andrew Fawthrop, residents of the District; Cathy Mitchell and Jason Boze of Jones & Carter, Inc. ("J&C"); Brett Lanham of AWR Services; and Kathryn Garner and Janet Swartz of Allen Boone Humphries Robinson LLP by telephone.

APPROVE MINUTES

The Board considered approving the minutes of the December 3, 2019, meeting. Director Reiter requested the minutes be amended to reflect that Waterford Lago Vista LLC has contacted him regarding the development of approximately 80 acres (rather than 70 acres) in the District. After review and discussion, Director Eckermann moved to approve the minutes of the December 3, 2019, meeting as amended. Director Archer seconded the motion, which passed by unanimous vote.

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.

BUDGET FOR FISCAL YEAR ENDING FEBRUARY 28, 2021

The Board reviewed a proposed budget for the fiscal year ending February 28, 2021. Mr. Lanham stated that he has given information to the District's bookkeeper for the budget. Ms. Mitchell stated she has also has given information to the District's bookkeeper for the budget. Director Reiter stated the proposed budget will be presented for approval at the February meeting.

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 stated that 166 customers were billed during the month of November.

Mr. Lanham reported on operation of the water treatment plant, including AWR responses to multiple alarms during the month. He stated AWR made necessary adjustments to accommodate the incoming increased turbidity.

Mr. Lanham updated the Board on the water plant clarifier repair and media replacement program. He stated AWR sent a notification through IRIS to all customers via text, email, and phone regarding the commencement of the project as of today and an estimated completion timeframe of five to seven days.

Mr. Lanham stated that a backwash line gasket was replaced at the water treatment plant.

Mr. Lanham reported that he has continued to solicit proposals for cleanup of the landscaping surrounding the raw water line leading to Lake Travis and anticipates responses from contractors within 30 days.

Mr. Lanham stated AWR will communicate with the District's engineer on the Capital Improvement Plan and maintenance items for District facilities this month.

Mr. Lanham reported on the operation of the wastewater treatment plant ("WWTP").

Mr. Lanham discussed the assessment of communication inconsistencies during the weekly auto-dialer testing at Lift Stations No. 1 and No. 3. He added AWR has requested a site visit from AT&T and an assessment from a contractor.

Mr. Lanham reported on the installation of the control hardware for the WWTP drip irrigation system. He added that he has been working with the contractor to determine what adjustments need to be made to the District's existing AT&T service in order to provide remote service to the system. Mr. Lanham stated he has again requested a proposal from AT&T for U-Verse service.

Mr. Lanham discussed AWR's response to a call for installation of a grinder pump.

After review and discussion, Director Eckermann moved to accept the operator's report. Director Taylor 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.

WATER AND SEWER RATES; AMENDED RATE ORDER

There was no discussion regarding water and sewer rates, or an amended Rate Order.

ENGINEERING MATTERS

Ms. Mitchell reviewed the engineer's report, a copy of which is attached.

CAPITAL IMPROVEMENT PLAN ("CIP")

Ms. Mitchell stated she had no changes to the CIP.

WATER PLANT CLARIFIER REPAIR AND MEDIA REPLACEMENT PROGRAM

Ms. Mitchell stated that the contractor is mobilizing today for the Water Plant Clarifier Repair and Media Replacement Program.

INSPECTIONS AND REPAIRS, INCLUDING THE BARGE

Ms. Mitchell reviewed a report from Chapman Marina on inspection and removal of zebra mussels from the barge. She stated the issues identified regarding the screens and bolts can be addressed at the inspection that will occur next summer.

ZEBRA MUSSEL REMOVAL AND PREVENTION

Ms. Mitchell had no additional report on zebra mussel removal and prevention.

OTHER ENGINEERING MATTERS

Ms. Mitchell updated the Board on renewal of the WWTP permit.

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

REPORT REGARDING DEVELOPMENT

Ms. Mitchell stated that J&C is preparing land plans for Waterford Lago Vista LLC for the development of approximately 80 acres in the District. She added that

representatives of Silverton Homes are working with Waterford Lago Vista LLC on the development. Ms. Mitchell discussed the current capacity at the WWTP. She discussed the possibility of the District applying to the Texas Commission on Environmental Quality ("TCEQ") to have the WWTP re-rated in connection with the upcoming development. Ms. Mitchell stated that J&C will need to perform a capacity study prior to an application to the TCEQ. Director Reiter stated that the Board will want to meet with representatives of Waterford Lago Vista LLC at a future Board meeting to discuss development plans.

Director Taylor updated the Board on the District's taxable value.

MOWING AND MAINTENANCE OF GREENBELT IN WATERFORD, SECTION 3

Director Reiter stated that the Waterford Property Owners Association ("Waterford POA") has requested the District to maintain a greenbelt on property owned by the District located in Waterford Section 3, Lot 1, Block B. Ms. Mitchell stated that the approximate cost to maintain the greenbelt will be \$500.00 a month. She added that the greenbelt will ultimately be used as an effluent disposal field in approximately 15-20 years based on the current pace of development. The Board requested Ms. Mitchell contact a representative of the Waterford POA to relay that the Board is agreeable to entering into a Maintenance Agreement with the POA for the greenbelt reflecting that the District will contribute \$500.00 a month for maintenance to be performed by the POA. The Board authorized AWR to remove equipment and valves currently on the greenbelt. Ms. Mitchell stated she will contact a representative of the Waterford POA and report on this matter at the next meeting.

GARBAGE COLLECTION AND RECYCLING

There was no report on garbage and recycling.

PUBLIC COMMENT

Director Reiter discussed the upcoming Waterford POA meeting in February 2020.

ANNUAL REPORT REGARDING POST-ISSUANCE COMPLIANCE

Ms. Garner reported on the District's compliance activities during the prior calendar year related to bond financings. She stated that no corrective action is required at this time. After discussion, Director Taylor moved to approve the annual report. Director Archer seconded the motion, which passed by unanimous vote.

2020 DIRECTORS ELECTION

Ms. Garner discussed procedures related to the 2020 Directors Election. She reviewed a Resolution Designating an Agent of the Secretary of the Board of Directors During the 2020 Directors Election Period. Following review and discussion, Director

Reiter moved to adopt a Resolution Designating an Agent of the Secretary of the Board of Directors During the 2020 Directors Election Period appointing Janet Swartz as the agent of the Secretary of the Board of Directors to perform the duties of the District's Directors Election, authorize the agent to post the related notice as required, 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.

Ms. Garner reported on requirements to post a Notice of Deadline to File Applications for Place on the Ballot for the 2020 Directors Election. Discussion ensued. Following discussion, Director Reiter moved to authorize the Secretary's agent to post the notice as required. Director Eckermann seconded the motion, which passed by unanimous vote. Additional discussion ensued regarding providing notice regarding the director election to residents of the District. After discussion, Director Reiter moved to post on the District's website information regarding the 2020 Directors Election, including the timeframe for submitting a candidate application. Director Eckermann seconded the motion, which passed by unanimous vote.

Mr. Garner stated that the District may contract with Travis County (the "County") to conduct the District's 2020 Directors Election. After discussion, Director Reiter moved to contract with the County to administer the District's election. Director Taylor seconded the motion, which passed by unanimous vote.

ANNUAL DISCLOSURE STATEMENTS

Ms. Garner stated that in accordance with the District's Investment Policy, Ms. Jarmon and Mr. Holland, as the District's Investment Officer and Bookkeeper, are required to execute disclosure statements that disclose any relationships with banks and brokers who seek to sell investments to the District. She added that the Disclosure Statements will be filed with the Texas Ethics Commission. After review and discussion, Director Reiter moved to accept the Disclosure Statements pursuant to the District's Investment Policy and the Public Funds Investment Act and direct that the statements be filed appropriately and retained in the District's official records. Director Eckermann seconded the motion, which passed by unanimous vote.

NEXT MEETING DATE AND LOCATION

The Board agreed on the following meeting date and location:

February 4, 2020 Dan Eckermann's home

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

(SEAL)


Secretary, Board of Directors

