

MINUTES  
TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10

September 1, 2020

The Board of Directors (the "Board") of Travis County Municipal Utility District No. 10 (the "District") met on the 1st day of September, 2020, in regular session by teleconference, with access by telephone available to the public, pursuant to Texas Government Code Section 551.125 and Governor Greg Abbott's emergency disaster declaration dated March 13, 2020, and the roll was called of the members of the Board being present by telephone:

Harvey Reiter	President
Dan Eckermann	Executive Vice President
Andrew L. Fawthrop	Vice President
Vance Taylor	Secretary
Andi K. Tasset	Assistant Secretary

and all of the above were present, thus constituting a quorum.

Also attending the teleconference were Brett Lanham of Lanham Consulting, LLC; Jason Baze and Cathy Mitchell of Jones & Carter, Inc. ("J&C"); David Patterson of Assessments of the Southwest, Inc. ("ASW"); Hal Lanham and Amanda Rodriguez of AWR Services, Inc. ("AWR"); and Kathryn Garner and Janet Swartz of Allen Boone Humphries Robinson LLP ("ABHR").

Ms. Garner reviewed certain recommended protocols for conducting the District's meeting via teleconference. She announced that the meeting was being recorded and that consultant reports presented at the meeting were posted online and available to the public in the form of an "agenda packet" prior to the start of the meeting at <https://www.districtdirector.org/agendapackets.tcmud10>.

PUBLIC COMMENTS

Director Reiter offered any members of the public attending the meeting by telephone the opportunity to make public comment. There were no comments from the public.

RATIFICATION OF ANY RELATED COVID-19 EPIDEMIC EMERGENCY ACTIONS, IF ANY

The Board concurred that there were no emergency actions to ratify.

## APPROVE MINUTES

The Board considered approving the minutes of the August 4, 2020, regular meeting. Director Fawthrop requested the minutes be amended to reflect that the Waterford on Lake Travis Property Owners Association II, Inc., is cleaning the storage area adjacent to the District's water treatment plant and will contact owners of boats and trailers to request that they be moved to the center of the storage area to create a natural fire break. After review and discussion, Director Fawthrop moved to approve the minutes of the August 4, 2020, regular meeting as amended. Director Taylor 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. Director Vance discussed the amount allocated in the budget for legal fees. Director Reiter discussed District projects that can be attributed to the legal fees. After review and discussion, Director Eckermann moved to approve the bookkeeper's report and the checks listed on the report. Director Reiter 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 Eckermann moved to approve the tax assessor/collector's report. Director Reiter seconded the motion, which passed by unanimous vote.

## RESOLUTION REGARDING DELEGATION OF AUTHORITY RELATED TO EMERGENCY ACTION OR URGENT ACTION

Ms. Garner reviewed a Resolution Regarding Delegation of Authority Related to Emergency Action or Urgent Action. She stated that the Resolution reflects the appointment of the President of the Board, or as an alternate, a Vice President of the Board, with the authority to approve District expenditures and authorize actions to be undertaken by District consultants that constitute emergency response efforts without obtaining prior approval of the Board. Ms. Garner added that the President and a Vice President are further authorized to approve District expenditures up to the amount specified in the Resolution and authorize actions to be undertaken by District consultants in response to other urgent, time-sensitive matters requiring immediate attention between Board meetings without obtaining prior approval of the Board. She stated that the President or a Vice President, at the immediately following Board meeting, shall present to the Board for ratification all emergency actions and urgent actions taken. The Board concurred that the President and a Vice President be authorized to approve expenditures up to \$10,000. After review and discussion, Director Reiter moved to adopt a Resolution Regarding Delegation of Authority Related to Emergency Action or Urgent Action reflecting that the President and a Vice

President are authorized to approve District expenditures up to \$10,000 and authorize actions to be undertaken by District consultants in response to other urgent, time-sensitive matters requiring immediate attention between Board meetings without obtaining prior approval of the Board, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Taylor 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

Ms. Garner stated that ASW mailed a Notice of Public Hearing to property owners regarding the public hearing to be held at today's meeting regarding adoption of the District's proposed 2020 total tax rate of \$0.79. Director Reiter opened the public hearing. There being no comments from the public, Director Reiter closed the public hearing.

Ms. Garner presented to the Board an Order Levying Taxes for 2020 reflecting a total \$0.79 tax rate, comprised of \$0.40 for debt service and \$0.39 for operations and maintenance. After review and discussion, Director Reiter moved to adopt the Order Levying Taxes reflecting a total 2020 tax rate of \$0.79 per \$100 of assessed valuation, comprised of \$0.40 to pay debt service and \$0.39 for operations and maintenance, and direct that the Order be filed appropriately and retained in the District's official records. Director Eckermann seconded the motion, which passed by unanimous vote.

Mr. Garner stated that it will not be necessary for the Board to authorize execution of an Amendment to Information form because there was no change in the tax rate.

CONDUCT ANNUAL REVIEW OF INVESTMENT POLICY AND ADOPT RESOLUTION REGARDING ANNUAL REVIEW OF INVESTMENT POLICY

The Board conducted an annual review of the District's Investment Policy. Ms. Garner stated that the District's consultants were not recommending any changes to the current Investment Policy. She reviewed a Resolution Regarding Annual Review of Investment Policy reflecting that the current policy will remain in effect. After review and discussion, Director Taylor moved to adopt a Resolution Regarding Annual Review of Investment Policy 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.

REVIEW, REVISE AND ADOPT RESOLUTION ESTABLISHING THE AUTHORIZED DEPOSITORY INSTITUTIONS AND ADOPTING LIST OF QUALIFIED BROKER/DEALERS WITH WHOM THE DISTRICT MAY ENGAGE IN INVESTMENT TRANSACTIONS

Ms. Garner reviewed a Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions. She stated that the District's bookkeeper has provided an updated list of qualified brokers/dealers with whom the District may engage in investment transactions that will be attached to the Resolution. After review and discussion, Director Reiter moved to adopt a Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions and direct that the Resolution be filed appropriately and retained in the District's official records. Director Taylor seconded the motion, which passed by unanimous vote.

OPERATION OF DISTRICT FACILITIES

Mr. Hal Lanham reviewed the operator's report, a copy of which is attached. He stated that 179 customers were billed during the month of July. Mr. Hal Lanham reported on Combined Highland Lake Storage Levels.

Mr. Hal Lanham stated that following discussions with Director Reiter and Mr. Craig Rapp on the service history for a residence at 178 Kingfisher Ridge in the District, the District will purchase and install one grinder pump for a cost of less than \$2,000 for the residence. He added that Mr. Rapp will pay for a third grinder pump to be installed at the residence.

Mr. Hal Lanham updated the Board on AWR's COVID-19 Response Plan.

Mr. Hal Lanham discussed the water treatment plant operations and reported on the installation of replacement switches on the filter. He stated that WestTech is on site today to inspect the plant.

Mr. Hal Lanham stated that the Eaton Power Quality meter to be installed at the water treatment plant has been ordered. Director Reiter inquired about how soon following the installation of the Eaton Power Quality meter will AWR have information on the cause of power losses at the plant. Mr. Hal Lanham discussed the timing for determining the cause of power losses at the plant. He stated that the District's plant is located at the end of the power system and improvements to the power system would help the District's ability to maintain power. Mr. Hal Lanham discussed the possibility of the District purchasing a generator. Director Fawthrop stated he will inform a resident who inquired about power outages that the District is adding equipment to monitor power outages.

Mr. Hal Lanham stated that the new alarm dialer for lift station no. 2 has been ordered and should arrive this week.

Mr. Hal Lanham reported that the water loss in July was 15%. He discussed locating the source of water leaks and stated that the master meter will be calibrated. Mr. Hal Lanham stated that he will discuss a leak detection program with the Board if there is no improvement in water loss in the District.

Mr. Hal Lanham reported on customer calls for service in the District and the installation of meters.

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

#### DISCUSSION REGARDING DELINQUENT ACCOUNTS AND TERMINATIONS

Mr. Hal Lanham stated he did not have a report on this agenda item.

#### ENGINEERING MATTERS

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

#### CAPITAL IMPROVEMENT PLAN ("CIP")

Ms. Mitchell stated she did not have an update on the CIP.

#### RECOATING OF WATER TREATMENT PLANT

Ms. Mitchell stated that bids were received for the recoating of the water treatment plant prior to the meeting. She stated that she recommended to the committee of Director Taylor and Director Fawthrop that the Board award the contract to Travis Industries, LLC ("Travis"), in the amount of \$69,400. Ms. Garner stated that prior to the meeting, the committee concurred that, in its judgment, Travis was a responsible bidder who would be most advantageous to the District and would result in the best and most economical completion of the project. Ms. Mitchell stated that based upon the committee's approval, J&C commenced preparation of a contract between the District and Travis. The Board concurred that, in its judgment, Travis was a responsible bidder who would be most advantageous to the District and would result in the best and most economical completion of the project. Following review and discussion, Director Taylor moved to ratify the award of the contract for recoating of the water treatment plant to Travis in the amount of \$69,400, based upon the engineer's recommendation and subject to approval of the payment and performance bonds and review of the certificate(s) of insurance and endorsements, if any, provided by the contractor. Director Fawthrop seconded the motion, which passed by unanimous vote.

Director Taylor discussed alternative water sources for the District to use in case the water treatment plant is out of service. Director Fawthrop requested the Board discuss the assessment of risks associated with the District's facilities at a future meeting.

#### INSPECTIONS AND REPAIRS

Ms. Mitchell discussed a log of action items noted on the report on the water treatment plant inspection.

#### ZEBRA MUSSEL REMOVAL AND PREVENTION

There was no discussion on this agenda item.

#### CONTINGENCY PLAN FOR DISTRICT FACILITIES

Ms. Mitchell stated she is working with Directors Taylor and Fawthrop and AWR on a contingency plan.

#### OTHER ENGINEERING MATTERS

There was no discussion on other engineering matters.

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

#### CLEANING AND MAINTENANCE OF DISTRICT GREENBELT IN WATERFORD, SECTION 3

Director Eckermann reported on the maintenance of the District-owned greenbelt in Waterford, Section 3. He stated that the Waterford, Section 3 Property Owners Association will not be acting on the Firewise program at this time due to funding.

#### FACILITIES SECURITY AND THE STORAGE AREA ADJACENT TO DISTRICT WATER TREATMENT PLANT, SECURITY OF THE DRIP FIELD AND OTHER DISTRICT FACILITIES

Director Fawthrop updated the Board on the Waterford on Lake Travis Property Owners Association II, Inc., cleanup of the storage area adjacent to the District's water treatment plant.

In response to a request from Director Reiter, Mr. Hal Lanham stated AWR will remove debris around the water treatment plant site.

PUBLIC COMMENTS CONTINUED

Mr. Brett Lanham presented a statement regarding his departure from AWR, a copy of which is attached.

Director Fawthrop inquired about whether any of the matters described in the statement affect operations in the District. The Board requested that Ms. Garner work with AWR to determine if the District's operations were affected by these matters and report to the Board at the October meeting.

DISTRICT AND PROPERTY OWNER ASSOCIATIONS COORDINATION

There was no discussion on this agenda item.

NEXT MEETING DATE AND LOCATION

Following discussion, the Board agreed to hold the next meeting on October 6, 2020, at 10:30 a.m. by teleconference, with access by telephone available to the public, pursuant to the Texas Government Code Section 551.125 and Governor Greg Abbott's emergency disaster declaration dated March 13, 2020.

Director Fawthrop reported that he and Director Tasset were going to tour the water treatment plant.

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

/s/ Vance Taylor \_\_\_\_\_  
Secretary, Board of Directors

(SEAL)



ATTACHMENTS TO THE MINUTES

	<u>Page</u>
Bookkeeper's report.....	2
Tax assessor/collector's report .....	2
Operator's report.....	4
Engineer's report.....	5
Statement regarding Brett Lanham's departure from AWR .....	7