

MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS

THE STATE OF TEXAS §

COUNTY OF HAYS §

HAYS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 §

The Board of Directors (the “Board”) of Hays County Water Control and Improvement District No. 1 (sometimes referred to herein as the “District”) met in regular session, open to the public, at Belterra Centre, 151 Trinity Hills Drive, Austin, Texas, the District’s office within the District, for the purposes stated herein, on January 11, 2024 at 4:00 p.m. The roll was called of the members of the Board of Directors, (herein referred to as the “Board”) to-wit:

Douglas L. Botts	President
Paul Kelly	Vice President
Daniel B. Robison	Secretary
Bill Dally	Treasurer/Asst. Secretary
Rick Lucas	Assistant Secretary

All members of the Board participated in the meeting and were present at the commencement of the meeting. Also present at the meeting were Matt Kutac of the Law Offices of Matthew B. Kutac, PLLC, Vicki Hahn, paralegal with Winstead PC, Lonnie Wright, Beth Wright, John Taylor and Chris Sanchez of Municipal Operations and Consulting, LLC (“MOC”), the operations and management contractor for the District, Lauren Barzilla of Burgess & Niple, the District’s engineers and Nick Seger and Jesse Trevino of Sunscape Landscaping, the District’s landscapers. In addition, Allen Douthitt of Bott & Douthitt, the District’s bookkeeper attended the meeting by telephone. In addition, members of the public included Marsha Hove from the Home Owner’s Association.

1. Public Comment: Mr. Kutac reviewed the following rules for public comment; (i) comments are limited to 3 minutes per person; and (ii) the Board cannot dialog or take any actions during public comment and is limited to statements of fact, recitation of current policy, clarifying questions and requesting that items be added to a future Agenda. Mr. Kutac called for public comment.

Ms. Hove from the Belterra Community Association (“HOA”) informed the Board that plans for the previously proposed pickle ball court are again proceeding because the HOA does not want to lose their pricing. She discussed that they will avoid any water, wastewater and gas lines in the nearby open space. She also mentioned that they may repurpose the existing basketball court. The HOA is working with Sport Court of Austin. Mr. Kutac asked if the

matter was being presented to the Board for informational purposes or for action. Ms. Hove mentioned that if there is any action needed, she would like the Board to take action now so that the HOA can move forward. It was noted that there were impervious cover concerns, and Ms. Barzilla would need to look into drainage issues and impacts to a detention pond. The next HOA meeting is January 25th and then April 25th. Mr. Kutac and Ms. Barzilla will get together to define Ms. Barzilla's scope of work then the Board can take action in February. After discussion, it was noted that the typical review deposit requirement could be waived for the HOA because they are a non-profit.

2. Consent Item: The Board reviewed the Minutes of the January 11, 2023 Regular Meeting. Upon motion by Director Robison, seconded by Director Botts, and unanimously carried, the Board approved such Board Minutes.

3. Landscaping Report:

Director Botts does not think the irrigation report needs to be reviewed by the entire Board. It should be reviewed by the Infrastructure Committee and Ms. Wright. He would prefer that the Board just receive a summary of the irrigation report. In addition, with respect to landscaping, he would like for all proposals, invoices, etc. to go to Ms. Wright for review before sending to Ms. Hahn. Mr. Douthitt stated that he will not pay any landscaping invoices until Ms. Wright approves them.

Mr. Seger announced that there is a new Irrigation Manager at Sunscape. He will be making the introductions next week.

- a) Landscaping Report: Mr. Trevino reviewed the landscaping report with the Board. He noted that the beds, weeds and trails need maintenance and Sunscape will begin working on those soon.

The Board discussed Sunscape's Proposal Number 28294 to install additional bubblers and relocate the existing ones around the 7 Bald Cypress trees, Proposal Number 28234 for lifting all the tree canopies in the drip fields, Proposal Number 28233 to re-sod areas disturbed due to tree removal or irrigation mainline excavation, Proposal Number 28302 to remove undergrowth/scrub brush behind 161 Palisade Drive and vines next to 261 Aspen Drive and Proposal No. 27049 to "spruce" up the mail kiosk area and redirect water flow from the pavilion at Trinity Hills Park

- b) Action Items/Landscaping: Upon motion by Director Botts, seconded by Director Robison and unanimously carried, the Board approved Sunscape Proposal Numbers 28294, 28234, 28233, 28302 and 27049 for a total of \$16,851.

4. Management and Operations Items: Ms. Wright reviewed MOC's Management Report.

Ms. Wright mentioned that there are still limbs down from the ice storm behind Belterra Springs Apartments and discussed their basic rate to remove them.

Ms. Wright mentioned that she spoke to the Sheriff's Office regarding their proposal for no parking signs near the school. She reviewed the drawing sent to her by the Sheriff's Office showing the proposed areas for the no parking signs. The Sheriff plans to talk to the County

Judge since the proposal has to be approved by the County Commissioner's Court. She also informed the Board that the Off-Duty Vehicle fees are increasing as of February 1st and provided those updated fees to the Board.

Ms. Wright then noted that Directors Bethke and McGillicuddy with HCWCID No. 2 received a request from the resident at 140 Palisades. At her expense, the resident is requesting authorization to put a Purple Martin bird house in the greenbelt area behind her house. Matt Kutac informed the Board that if they are going to approve the request, he would suggest a written variance. Director Botts would like a sign installed, at the homeowner's expense, stating that the project was approved by the District.

- a) FEMA/TDEM: No update was given.
- b) Belterra Center: No update was given.
- c) Relocation Project: No update was given.

Standing Items:

- d) Customer Service: No action was taken by the Board.
- e) Non-Compliance with Rules and Service Requirements: On Wellington Drive, a contractor drove through the greenbelt area. Director Botts discussed a possible fine with the resident. The issue was also discussed with the wildflower landscaper due to potential damage caused to the cultivated wildflower area. The wildflower landscaper believes that the flowers in that section of the greenbelt will still grow but they will probably be stunted and smaller. There were no damages to the irrigation lines. Director Botts would like to request that the HOA have HOA approved contractors sign a document that acknowledges the District rules and the District must be provided with the name and information for the contractor. He would like to discuss a fine for the resident. Mr. Kutac noted that the adopted penalty for the contractor entering the greenbelt area without authorization is \$5,000, and the penalty for use of heavy equipment on District property without authorization is \$500.
- f) Customer Communications: Freeze notices were sent to the residents.
- g) District Facilities: See below.
- h) Action Items/Management and Operations:
 - a. Upon motion by Director Lucas, seconded by Director Botts, with Director Kelly and Director Dally opposed, the Board authorized the issuance of a civil penalty to the Wellington Drive homeowner in the amount of \$2,500 for unapproved use of the greenbelt.
 - b. Upon motion by Director Dally, seconded by Director Kelly and unanimously carried, the Board approved the limb clean up behind the Belterra Apartments at the agreed upon daily rate for MOC.

- c. Upon motion by Director Dally, seconded by Director Botts and unanimously carried, the Board authorized installation, at the homeowner's expense, of the Purple Martin Birdhouse subject to the following conditions: (1) issuance of a written variance; (2) the resident's agreement to pay for installation to be performed by MOC; (3) a height limitation of 12 feet; and (4) inclusion of a placard stating the project was approved by the District.
 - d. Though no action was taken, it was noted that the Board requested that Ms. Barzilla review the HOA pickle ball court materials and report back to them at the next meeting, including presentation of a task order for such review.
 - e. It was also noted the Board would like Mr. Kutac and Ms. Wright to prepare a letter to the HOA requesting that HOA-approved contractors be apprised of the District's rules and regulations.
- 5. Engineering and Development Items: Ms. Barzilla of Burgess & Niple reviewed the General Engineering Report and the WWTP and 210 Reuse Irrigation Engineering Report. She did not present any items for action at the meeting.
 - a) Drip Irrigation Facilities: No action was taken by the Board.
 - b) Well Permit: No action was taken by the Board.
 - c) Reclaimed Water Fire Hydrant: No action was taken by the Board.
 - d) Potential Water System Improvement Project: No action was taken by the Board.
 - e) District Facilities: No action was taken by the Board
 - f) Action items/Engineering:
 - a. Upon motion by Director Lucas, seconded by Director Kelly and unanimously carried, the Board accepted the Engineering Report.
- 6. Financial Report: Mr. Douthitt reviewed the January 11, 2024 Accounting Report and related disbursements, including the Monthly Financials, Cash Activity Report, Cash/Investment Activity Report, Monthly Tax Collection Report, Budget Comparison, Check Register and wires, Bond Reporting and Budgets and other financial reporting.
 - a) Administrative: No action was taken by the Board.
 - b) Audit for FYE 2023: It was noted that the audit is expected to be presented at the February regular meeting.
 - c) Approval of Accounting Report: Upon a motion by Director Lucas, seconded by Director Dally, the Board approved the Accounting Report and the related disbursements and transfers, excluding the Sunscape invoice for \$334.89.

- d) Action Items/Financial: No additional items required approval.
7. Administrative, Legal and New Business:
- a) Director Election: After a brief discussion, upon motion by Director Lucas, seconded by Director Dally and unanimously carried, the Board ratified the Order Calling the Director Election.
- b) Membrane Claim: An update was provided in executive session.
- c) Agenda Format: No update given.
- d) Belterra Centre/Polling Location: No update given.
8. Water Supply Agreements: Mr. Kutac stated that he has heard suggestions that the LCRA may be making changes to their Drought Contingency Plan in March or April, and if so, such changes will flow down to the WTCPUA and then to the District.
9. District Calendar and Schedule: The Board's next meeting is tentatively scheduled for February 8, 2024.
10. Executive Session: Upon motion by Director Botts seconded by Director Lucas and unanimously carried, the Board adjourned to executive session at 6:12 PM to consult with legal counsel regarding Item 7(b) on the posted meeting notice. The Board reconvened at 6:39 PM and it was noted that no action was taken during executive session..
11. Adjournment. Upon motion by Director Lucas seconded by Director Kelly and unanimously carried, the Board adjourned until further call.

APPROVED AND ADOPTED on the 8th day of February 2024.




Daniel Robison, Secretary