

MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS

THE STATE OF TEXAS §

COUNTY OF HAYS §

HAYS COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 1 §

The Board of Directors ("Board") of Hays County Water Control and Improvement District No. 1 ("District") met in regular session, which included a monthly workshop session and regular meeting, on February 11, 2021 via Zoom video/audio conference to mitigate the spread of COVID-19 pursuant to the guidance provided by the Office of the Attorney General of the State of Texas. The roll was called of the members of the Board of Directors ("Board") to-wit:

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

WORKSHOP SESSION 4:00 P.M.:

All members of the Board participated in the meeting via Zoom video and were present at the commencement of the workshop session. Additionally participating in the Zoom videoconference were Matt Kutac of the law offices of Matthew B. Kutac, PLLC, Kristi Hester and Teresa Martin, of Inframark the District's general management and operations contractor, Lauren Barzilla with CMA Engineering ("CMA"), the District's engineers, Allen Douthitt of Bott & Douthitt PLLC ("Bott & Douthitt"), the District's bookkeeper and Chris Lane of SAMCO Capital Markets, Inc. ("SAMCO"), the District's financial advisor and Judy McAngus and Vicki Hahn, paralegals with Winstead PC. In addition, Andy Barrett with Andy Barrett & Associates, PLLC joined via telephonic conference.

Matt Kutac explained a few guidelines for the video and telephonic conference meeting regarding a request that each Board member confirm their name prior to making any motion or voting on such matters to insure that the public record of the meeting would be heard and accurately recorded. Notification to the public was given that the meeting was being recorded. The meeting was then called to order, and evidence was presented that public notice of such meeting had been given as required by law.

The purpose of the workshop session was to review details pertaining to the consent items and agenda items on the posted Agenda for said meeting, hear updates on committee reports, review of the monthly General Manager's Report (see **EXHIBIT "A"**), which report includes: (i) operations updates and a summary of activities since the last regular Board meeting and recommended action items for the regular meeting, (ii) review of the monthly CMA WWTP and 210 Reuse Irrigation Engineering Report (see **EXHIBIT "B"**) and the separate General Engineering Report (see **EXHIBIT "C"**) and (iii) review

of the current Accounting Report (see **EXHIBIT "D"**). During the workshop session, no formal action was taken, but the following matters were discussed in detail:

1. Management and Operations Report: Ms. Hester was asked to review Inframark's General Manager's Report ("GM Report"). Ms. Hester reviewed and updated the Board with respect to operational matters concerning the District's wastewater treatment plant ("WWTP") and 210 Re-Use Irrigation System. The following is a Summary of activities which Ms. Hester reviewed with the Board:

I. Wastewater Treatment Plant

- a) Overflow reports for the foam spills were sent to TCEQ during January - all other permit requirements where met.
- b) Assisted Excel Construction during bar screen valve replacement.
- c) MBR Blower #1 was replaced with spare motor. Motor is currently at Hamilton Electric for repairs.
- d) EQ Tank Rehab Status - All interior work is complete and the tank is back on line. Painting of the exterior is scheduled for next week but could be postponed due to the weather.

II. Re-Use Water System - Drip System

- a) Effluent tank at 14 feet.
- b) 20' of reuse line on 12" pipe has been repaired and replaced.
- c) Infrastructure committee met onsite at the WWTP. The committee will review mowing schedule for areas in level 3 zones and wildflower areas in 210 space.
- d) Repaired 2 areas of reported 4" 210 lines in Medicino and Splash pad area.

III. Distribution System – Billing

- a) 515 AMI meters installed, only 41 users on portal. Instructions for new users should be sent out by February 5, 2021 so they hope to have over 100 users on the portal by next month.
- b) Installed 197 AMI meters in January.

IV. Collection System

- a) Scheduling repairs to sewer line due at Palisade due to sag in the line. A proposal will be presented at March meeting.
- b) Grinder Station installed at 100 Palisade Dr. Phil Henderson inspected and signed off on the Grinder Station. The Board noted that they felt a fine should be added for Inframark discovering a grinder station was needed when not initially included in their plans and that the costs of extra inspections, if any, should also be charged to the customer.

V. Drainage/Ponds

- a) Cleaned graffiti by the splitter box at Pond 7.
- b) Removed an advertising sign from east commercial Pond 11.
- c) Repaired broken irrigation head in flower bed by the duck pond as well as blown irrigation head behind 130 Palisade Drive.
- d) Repair broken irrigation line behind Longmont properties from East Commercial pond.

VI. Parks – Trails

- a) Replaced Monument lights at Grafton Oaks and Canterbury Monuments.

VII. Construction

- a) MH Homes completed last home in the Cottages. They are requesting their deposit back. Ms. Hester will confirm they have no outstanding balances before she returns their deposit.
- b) Conducted several meetings on commercial.

VIII. Customer Care

- a) Committee has completed edits to landscaping RFP. Kristi will send a version to Matt for his review by February 16, 2021. Committee hopes to get a RFP out by early March.

IX. Infrastructure Committee

- a) Joint infrastructure committee met on site at the WWTP Friday on February 5, 2021.
- b) Need to schedule a meeting to review 210 irrigation applications and commitments
- c) Received camera security system replacement costs for \$19,000. Such costs to be reviewed by committee.

X. Facility Committee

- a) Recommendation to proceed with proposed construction bids for Belterra Centre sign.

Director Kelly noted that he is hearing the blowers on the WWTP all the time. Ms. Hester said she will look into it and get back to Director Kelly as to whether there is a problem with the blowers or whether it is just that the residents have gotten used to not hearing the blowers. Director Kelly mentioned that in the last 7-10 days, a new sound and smell has emerged. Ms. Hester said that she would check out the new sound and smell and get back to the Board.

Director Dally mentioned that the Infrastructure Committee took a tour of the WWTP and were introduced to new personnel at Inframark and that the new operator was very informative. Ms. Hester mentioned that the new Inframark operators are very qualified and have many years of experience. Director Dally observed that there is some cleanup still to be done in the Membrane Basin to get the plant back to where it was. He also noted that they didn't see the EQ Basin because it was not safe at the time. Director Kelly mentioned the SCADA System and Ms. Hester stated her opinion that this District has the most robust SCADA System in the area. Next, there was a brief discussion regarding permit requirements and compliance with respect to the use of chemicals. Ms. Hester noted certain chemicals are stored on site only for use in the event of a discharge, as permit requirements are different for disposal via discharge.

Director Robison noted he had concerns with regard to collections. He asked why the water bills do not have a penalty for late payment marked on them. Per Mr. Kutac, there is a 10% late penalty charge for delinquent water bills. Ms. Hester stated that, in her opinion, collections for the District seem to be very good and noted that the residents who are really having issues paying their water bills have been amenable to Inframark's giving them a six month payment plan. The Board questioned when they could return to the pre-COVID disconnection policy that might help in general with keeping collections more current. The Board questioned Ms. Hester as to what other districts managed by Inframark were doing – i.e., had they gone back to their policies in effect with regard to disconnections prior to COVID-19. Ms. Hester confirmed that about 80% of Inframark's districts had gone back to their previous disconnection

policy, but were still allowing the 6 month payment plans to its customers, if needed. Mr. Kutac stated that before the Board authorizes a change to the disconnection policy, he needs to review the prior Resolution Recognizing Declaration of Disaster and Establishing Procedures for Continuity of District Operations and Management. Mr. Kutac will add this matter to the Agenda for the next Board meeting. It was noted that the delinquent accounts were mostly commercial accounts (some due to bankruptcy) and Director Botts requested that Ms. Hester discuss the delinquent account issue with the Finance Committee.

Director Botts asked about MH Homes and the emergency access road near that area of homebuilding activity. He wanted to know if the District needed to install no parking signs and/or gates. Per Ms. Hester, there is a gate and people are not likely to park by the gate because they would be blocking the ingress. Ms. Barzilla also mentioned that the roads to the cottages are all private.

Director Botts inquired if there is a Standard Operating Procedures manual regarding all aspects of operations and maintenance of the WWTP (i.e., appearance, operations, maintenance issues and solutions, etc.) and if it is passed along to new personnel. The Infrastructure Committee confirmed they have recently reviewed the asset management plan, which describes the age, condition and expected service life of various components of the WWTP, but it was prepared in 2015 and needs to be updated. Ms. Hester confirmed that a current Standard Operating Procedure Manual is in place and is very self-explanatory and easy for new personnel at the WWTP to understand. Director Botts would like ensure that the Standard Operating Procedures Manual includes housekeeping items (i.e., Asset Management Plan, Preventative Maintenance Reports, cleanliness of the WWTP) in addition to Standard Operating Procedures. He would like the Asset Management Plan to be reviewed by the Board annually and the Preventative Maintenance Reports to be reviewed monthly.

Director Lucas then questioned why there are so many bursting pipes, and wondered if the bursting pipes were too old or defective? Ms. Hester stated that she would get the crew to investigate and will come back to the Board next month with a response.

2. Financial Report: The Board called on Allen Douthitt of Bott & Douthitt to present the Accounting Report dated February 11, 2021. The following is a summary based on his report.

- There are seven action items for the Board: (i) Approval of the director and vendor payments; (ii) approval of \$60,000 from BancorpSouth Operating Account (Old) to BancorpSouth Operating Account (New); (iii) \$300,000 from TexPool Operating Account to BancorpSouth Operating Account (New); (iv) \$12,500 from from BancorpSouth Operating Account (New) to BancorpSouth Manager's Account (New); (v) \$8,513.09 from TexPool Operating Account to TexPool SPA Accounts; (vi) \$698,006.40 from TexPool Tax Account to TexPool Operating Account; and (vii) approval of bond payments.
- The month of November was behind plan by \$109,000 (\$60,000 favorable revenues and \$169,000 unfavorable expenditures); Year-to-date the District is behind plan by \$65,000.
- December charges to the Joint Maintenance CAP were \$29,000. Actual charges are \$11,000 less than the monthly billings to date.
- December charges to the General Maintenance CAP were \$10,000. Actual charges are \$104,000 less than the monthly billings to date.
- Year-to-date the District has a collection rate of 54.9% on property taxes. In addition, thus far in January, the collection rate appears to be at 82.4%.

In addition, Mr. Douthitt noted that he met with the Finance Committee last night and explained to them that the month of November was down \$109,000 due to the expenses related to the Drum Screen project, which expenses had been included in the prior year's budget but not paid until the current fiscal year. He

also noted that the EQ Basin costs of \$240,000 were a joint expense with Hays County WCID No. 2 and that this amount would be split with them and that he will be working on an amended operations budget in the near future. In addition, he noted that the District is due to make its semi-annual bond payments. Director Lucas confirmed that the increase to the Base Fee and Maintenance Account, discussed in last month's Board Meeting, with respect the District's existing contracts with Inframark was correct.

3. Landscaping Report: WLE was not present during the Workshop. Their report will be given during the Board Meeting.

4. Joint Facilities Report: Lauren Barzilla of CMA presented the WWTP and 210 Reuse Irrigation Engineering as follows:

I. Potential action items for the meeting:

- A. Hays 1 – Approval of Pay Application No. 5 (\$104,471.30) for Drum Screen Replacement and Site Plan Revisions (Report Item II.B)
- B. Approval of Task Order 67 - Belterra Wastewater Treatment Plant Overflow Prevention \$60,000 (Report Item IV.A)

II. Drum Screen Replacement

- A. Construction updates
 - 1. There is a small amount of piping to complete, electrical work, and walkway installation. The project schedule can be found on the google drive.
- B. Recommend approval of Pay Application No. 5 - \$104,471.30
- C. Change Order
 - 1. CMA is waiting on pricing options for the bar screen removal as well as fencing prices, and the cost to install steps on the walkways between the two platforms.

Ms. Barzilla noted that, though not individually identified on the agenda, she wanted to bring up a proposed amendment to CMA's Task Order No. 60 for Board review and approval at the current meeting as relates to the WWTP drum screen project. The task order would be for approximately \$15,000 (to be shared with Hays County WCID No. 2). Director Botts noted that he felt the Board should go back to the old policy of having CMA bring such proposed task orders to the Infrastructure Committee first for their thorough review and vetting and following such initial review by the committee, CMA should then present and request approval of the Board at its next meeting. The Board suspended its review of the WWTP and 210 Reuse Irrigation Engineering report for the moment.

It was announced that the Workshop was adjourned and the Board moved to its regular Board meeting.

REGULAR MEETING - 5:00 P.M.:

Matt Kutac, general counsel for the District, confirmed that Directors Botts, Kelly, Robison, Dally and Lucas, along with Kristi Hester, Matt Kutac, Lauren Barzilla, Allen Douthitt, Chris Lane, Judy McAngus and Vicki Hahn remained on the Zoom videoconference for the regular portion of the Board meeting. In addition, Andy Barrett stayed for the meeting via telephonic conference. Johnny McDonnell and Josh Fort, with WLE, the District's landscape service provider, joined the meeting via telephone for a portion of the meeting and perhaps additional persons might have been present on the dial in number made available to the public. All directors were present when votes were taken and voted on all matters unless an abstention is set out in any such item. Mr. Kutac reminded the directors and consultants to state their name prior to speaking and requested that motions/seconds be noted by name. In addition, he advised those present that the meeting was being recorded.

1. Public Comment: Matt Kutac reviewed the following rules for public comment; (i) comments are limited to 3 minutes per person; (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. Matt Kutac confirmed with Ms. Hester that Inframark received a few e-mails from members of the public who wished to address the Board. It was confirmed that there were some members of the public connected with telephone. However, no person participating in the meeting spoke publicly so the Public Comment session was closed and the Board proceeded to the next item of business.

2. Engineering and Development Items: Director Botts called on Lauren Barzilla to complete her review of the WWTP and 210 Reuse Irrigation Engineering WWTP report matters as well as her additional reporting. Ms. Barzilla picked up with her summary of such report at item III.

III. EQ Tank Blower Replacement

A. Project design is ongoing

B. Future Blower Noise

1. CMA spoke to the manufacturer who confirmed that the CMU wall is the best sound barrier that could have reasonably been built, however removal of the wall is required. The door they have recommended is the heaviest steel, insulated door they can find.
2. The new blowers will have a rating of 73 dB
3. The manufacturer mentioned that with the old blowers being off for so long, once the blowers turn back on, even a quieter sound could be an issue for neighbors that are no longer used to hearing the noise.
4. A sound engineer would be needed to evaluate any additional options if the sound is an issue.

IV. Belterra Wastewater Treatment Plant Weir Overflow

A. Recommend Approval of Task Order 67 - Belterra Wastewater Treatment Plant Overflow which can be found on the google drive.

The Board noted that the Infrastructure Committee was not aware of this proposed Task Order No. 60 as discussed in the Workshop session and Director Botts recommended that all task orders, unless critical, be reviewed by the Infrastructure Committee prior to being presented to the Board. Ms. Barzilla confirmed that, in the future, she will work with the Infrastructure Committee and if the issue is critical, will at least make the Committee aware of the issue prior to the Board Meeting. Director Botts noted that this is how Task Orders were handled by the Board in the past and should be handled going forward. The Board confirmed such proposed policy.

Ms. Barzilla briefly explained the purpose of CMA's proposed Task Order No. 67 for the design and construction phase services in connection with an overflow catch basin at the WWTP, which item was sent back to the Infrastructure Committee for a full review at the committee level prior to the Board considering further action on such item.

With respect to Pay Application No. 5, Ms. Barzilla recommended approval of a payment under the Drum Screen project in the amount of \$104,471.30. She mentioned that there were additional costs due to an electrical increase of \$1,000 and a geotechnical engineer test which is approximately \$1,500 to \$3,000. These additional costs will be split with Hay County WCID No. 2. Following a discussion and motion by Director Dally, seconded by Director Botts and unanimously carried, the Board approve said pay application, a copy of which is attached hereto as **EXHIBIT "E"**.

Ms. Barzilla then moved on the General District Engineering Report as follows:

I. Potential action items:

- A. CMA Recommends Acceptance of Pad X2 Public Storm Sewer Line (Report Item V.B.)
- B. Approval of Easement Release Lot 1B-2, North Belterra Commercial (Report Item V.C.)
- C. Approval of Conveyance of Facilities for Lot 1B-2 Public Storm Sewer Line (Report Item V.D.)
- D. Approval of Public Utility Easement Lot 1B-2 – North Belterra Commercial (Report Item V.E.)

II. Commercial Tract Development

- A. The grease trap plans that have been approved to date are: Sky Cinema, Stiles Switch BBQ, Simply Pho, Backspin and Hotel.
- B. The site plans that have been approved to date are Hat Creek, Chase Bank, Chick-fil-A, Building Y, IHOP, Belterra Multifamily, Pad S, Hotel and Pad X.
- C. Plans currently under review – none.
- D. Water LUE determination review – Pad X and Lot 3G-1

III. Belterra Village Multifamily

- A. Final completion date for the entire project is currently set for June 2021.

IV. Hotel Site

- A. The hotel construction seems to be halted indefinitely and appears to be most likely replaced by a Senior Assisted Living Facility. Ms. Barzilla will put in a Task Order at the next Board Meeting with regard to proposed plan review .

V. Pad X

- A. The storm sewer is scheduled to be completed by February 11, 2021.
- B. Recommend acceptance of Pad X2 Public Storm Sewer Line.
- C. Approval of Easement Release Lot 1B-2, North Belterra Commercial, this document will be added to the google drive as soon as it is received.
- D. Approval of Conveyance of Facilities for Lot 1B-2 Public Storm Sewer Line, this document will be added to the google drive as soon as it is received.
- E. Approval of Public Utility Easement Lot 1B-2 North Belterra Commercial, this document will be added to the google drive as soon as it is received.

VI. Lot 3G-1

- A. Endeavor will soon be submitting plans to replat Lots 3G and 3H into one lot called 3G-1.
- B. A task order will be needed for review of this replat and construction plans.

Lauren Barzilla recommended approval of the following items, such items being unanimously approved following the noted motions and additional discussions below:

- (a). Upon a motion by Director Kelly, seconded by Director Lucas and unanimously carried, the Board approved the Easement Release for Lot 1B-2 of North Belterra Commercial.

(b). Upon a motion by Director Kelly, seconded by Director Lucas and unanimously carried, the Board approved the Public Utility Easement Lot 1B-2 for the North Belterra Commercial.

Director Daly asked for a confirmation that proper developer/owner deposits with respect to the remaining Belterra commercial development were being properly handled. Mr. Douhitt confirmed that he is handling letter requests and invoicing for such remaining projects.

With respect to the Engineering Reports, upon motion by Director Lucas, seconded by Director Dally and unanimously carried, the Engineering Reports for the month were approved.

3. Reports:

Landscape Report: Johnny McDonnell of WLE, the District's landscaping service, introduced Josh Fort who is replacing Chris Calvisi on the account. Josh Fort noted that in March, WLE is returning to weekly service. He also noted that during the storm, WLE turned off the irrigation remotely. He confirmed that he is aware of the Board's preference and WLE will not be mowing the wildflowers. Ms. Hester mentioned that WLE offers de-icing services and with the upcoming storm, she recommends that WLE de-ice the mail kiosks and the sidewalks.

4. Consent Items:

a) Minutes: The Board of Directors reviewed the Minutes from the January 14, 2021 Regular Meeting and the February 4, 2021 Special Meeting.

b) Accounting Report: The February 11, 2021 Accounting Report, 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. Director Lucas noted that the Finance Committee had met and reviewed the full report prior to the current workshop/meeting and was in concurrence with such reporting.

Upon a motion by Director Lucas, seconded by Director Dally and unanimously carried, the Minutes from the January 14, 2021 and February 4, 2021 Board Meetings as well as the February 11, 2021 Accounting Report and related disbursements were approved.

In addition to the above items, Director Botts suggested that due to winding up of the extensive engineering related to the Belterra Centre project, that CMA Engineering need to sit through the entire workshop and Board meeting and asked the Board's concurrence with perhaps moving the engineering report into the regular 5:00 p.m. portion of the meeting in order to save the District money on engineering fees. The Board concurred with such recommendation.

5. Financial Items: Mr. Kutac reminded the Board that Chase Bank is delinquent with respect to commercial review and inspection deposit accounts. Mr. Kutac suggested that a representative of the District meet with the Branch manager to discuss. In addition, Allen Douthitt noted that he was continuing to work with Endeavor with respect to the prior outstanding builder deposits and should have an update by next month.

6. Management and Operations Items: With regard to action items:

(a). With respect to the proposed expenditure of \$30,000 for the digital sign for the Belterra Centre, Ms. Hester noted that the City of Dripping Springs has approved the sign. Before any other discussion took place, Director Kelly recused himself. Director Lucas and Director Dally noted that some people have either e-mailed or spoken directly to them about their concerns regarding the sign. The Board

discussed whether to address this issue in a future Board meeting or continue in this meeting. During this discussion, the Board stated the purpose of the sign, which was to get important information to the public with regard to District matters. Director Botts noted that, in the past, the District has tried to use the Belterra HOA to get important information to the residents but this caused confusion and resulted in residents not understanding which issues were handled by the District and the HOA. He explained that the sign was one additional method of communication that was being considered. At this point, Mr. Botts reopened the meeting to public comment. Samantha Bethke, a Belterra resident and a Director on the Hays County WCID No. 2 Board, asked to speak and voiced her personal opposition to the sign, stating that she thinks the sign will compromise the natural beauty and integrity of the neighborhood and that she is aware of other residents that are opposed to the sign.

Upon a motion by Director Botts, seconded by Director Dally, with Director Kelly abstaining, the Board decided to table the discussion on the digital sign until the April Board meeting but with the caveat that Ms. Hester was to continue getting bids in the event the Board decides to proceed with the digital sign.

(b). With respect to the proposed expenditure of \$39,000 for cleaning the 4 MBR basins, upon a motion by Director Dally, seconded by Director Lucas and unanimously carried, the Board approved the cleaning of the 4 MBR basins to avoid potential damage to the filtration system.

(c). With respect to the proposed expenditure of \$8,000 for paving the roadway to the WWTP, it was stated that the Propane Company will split the cost to pave the road and there are no issues with the TCEQ (regarding impervious cover requirements) regarding the proposal to pave such segment of roadway. Upon a motion by Director Botts, seconded by Director Robison and unanimously carried, the Board approved such expenditure.

(d). Upon a motion by Director Botts, seconded by Director Robison and unanimously approved, the Board approved the Grinder Station at 100 Palisades taking into consideration that there were no costs to the District and that the required inspections had been made and the standard agreement with the customer will be secured.

(e). No action was taken by the Board with respect to proposals for landscaping and irrigation services.

(f). No actions was taken by the Board with respect to the possible purchase of audio equipment to enhance board meeting participation and recordings.

Upon a motion by Director Botts, seconded by Director Lucas and unanimously carried, the Board authorized Inframark to approve the de-icing of the mail kiosks by WLE upon the condition that the cost does not exceed \$1,600.00.

Also under this item, it was confirmed that the Finance Committee would review the issues relating to the lifting of disconnection notices which were suspended during under COVID-19 and work with Matt Kutac as to any needed action relating to the Board's consideration of such matter, should they choose to curtail such suspension.

Upon a motion by Director Robison, seconded by Director Lucas, the General Manager's monthly report was approved.

7. Rules, Policies, Agreements and Compliance Requirements:

(a) With respect to the status of remaining proceeds of the Series 2020 Utility Bonds,

Allen Douthitt confirmed that the remaining proceeds of the Series 2020 Utility Bond issue had been disbursed to LH Belterra, LLC and Preston Hollow Capital.

(b). Ms. Barzilla mentioned that the hotel lot was combined with the adjacent lot and sold to a senior assisted living facility which requires that the land be re-platted. It was discussed that the hotel would have potentially used 12,000 gallons per day whereas the senior assisted living facility would require less service capacity, and the remainder of the 12,000 gallons would be returned to Endeavour. It was also confirmed that the owner of the senior assisted living facility would have to pay impact fees based on the determination of the West Travis County Public Utility Agency ("WTCPUA") before they are connected to the District's system. Upon a motion by Director Botts, seconded by Director Robison, the Board approved the Partial Assignment and Assumption of Non-Standard Retail Water and Wastewater Services Agreement related to Lot 3G, Resubdivision of North Belterra Commercial, and a related assignment of the remainder back to Endeavor, subject to CMA's verification and review of the plans for the senior assisted living facility.

(c). The Board reviewed the proposed conditional release of liability in favor of Inframark, LLC with respect to an Inframark employee's misappropriation of District funds. Mr. Kutac stated that the release is limited in scope to this specific issue and effective upon receipt of the related payment from Inframark, LLC. Upon a motion by Director Botts, seconded by Director Robison, the Board authorized the conditional release of liability.

(d) It was determined that the discussion regarding the potential alternatives for management of the District operations and administration be moved to Executive Session.

8. Water Supply Agreements: Per Matt Kutac, no updates were needed.

9. District Calendar and Schedule:

(a) Upcoming Committee Meetings: It was determined that the Infrastructure Committee has a heavy load and will meet to review the Standard Operating Procedures manual for the WWTP. The Finance Committee will meet to discuss the delinquent account disconnection policy. The Facilities Committee will meet to discuss the proposed sign and matters relating to sound options for Belterra Centre. Ms. Hester confirmed that she will schedule the upcoming Committee Meetings.

(b) Upcoming Board Meetings: The next regular meeting of the Board will be held on March 11, 2021 tentatively via Zoom.

10. Executive Session: Upon a motion by Director Robison, seconded by Director Botts and unanimously carried, the Board retired, along with Matt Kutac to Executive Session at 6:25 p.m. to discuss item number 8(d) as set forth in the Agenda [(7(e) of this set of Minutes].

11. Reconvene to Open Session: At 6:51 p.m., the Board re-convened to Regular Session. It was determined that this issue would be re-directed to an Ad Hoc Committee composed of Director Lucas and Director Botts who will meet next week to discuss the issue.

12. Adjournment: There being no further business to conduct, Director Botts moved that the meeting be adjourned, which motion was seconded by Director Lucas and unanimously approved. The meeting adjourned until further call.

APPROVED AND ADOPTED the 11th day of March, 2021.




Daniel B. Robison, Secretary