

MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS
March 10, 2022

THE STATE OF TEXAS §
COUNTY OF HAYS §
HAYS COUNTY WATER CONTROL & 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, which included a monthly workshop session and regular meeting, all open to the public, at Belterra Centre, 151 Trinity Hills Drive, Austin, Texas, the District's office within the District, on March 10, 2022 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

WORKSHOP SESSION 4:00 P.M.:

All members of the Board participated in the meeting and were present at the commencement of the workshop session. Also present at the workshop were Matt Kutac of the law offices of Matthew B. Kutac, PLLC, Mark Steelman, Kay Olsen, Ceejay Jackson and Zach Willeford of Inframark, LLC, the District's general management and operations contractor and Vicki Hahn, paralegal with Winstead PC. In addition, Allen Douthitt of Bott & Douthitt, the District's bookkeeper and Andy Barrett with Andy Barrett & Associates attended the meeting by telephone.

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, which report includes operations updates and a summary of activities since the last regular Board meeting and recommended action items for the regular meeting, and review of the current Accounting Report. During the workshop session, no formal action was taken, but the following matters were discussed in detail:

1. Management and Operations Reports: Mr. Steelman introduced himself and noted that he is the Director of Operations at Inframark. He also mentioned that he is familiar with the District and did the walk through for the final inspection of the WWTP years ago. Ms. Olsen noted that Todd Burrer wanted to be at the meeting but he had a previous appointment that he could not reschedule. Ms. Olsen then presented Inframark's General Manager's Report ("GM Report"). Ms. Olsen 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 Ms. Olsen reviewed with the Board:

- 1) **Wastewater Treatment Plant:**
 - a) All the facilities were compliant for February. Total Flows of 7.6M gallons; daily average flows of 272,000 gpd at 54% capacity;
 - b) Pre-Anoxic Mixer - \$5k estimate authorized in January; hard quote attached.
- 2) **Distribution System and Billing:**
 - a) Water accountability for February at 101.2%. We are still working with the PUA on master meter concerns;
 - b) AMI integration/Atlas Meters order – confirming exact number and sizes of meters and lids before ordering;
 - c) Old final accounts – list provided to Bott & Douthitt for write-offs;
 - d) 21 Delinquent Letters mailed; 12 Tags Hung but 0 Disconnects.
- 3) **Collection System:**
 - a) LS1 generator repairs for cracked block, radiator, belts, hoses and clamps (authorized last month) – issuing purchase order.
- 4) **Reuse and Drip System:**
 - a) SCADA system – will connect with Stan Nelke regarding prepaid \$8K and Trac-N-Trol regarding transition plan; and
 - b) Rainbird software subscriptions have been renewed for another year @975.
- 5) **Drainage/Ponds:**
 - a) Installation of drain at Nutty Brown & Trinity and intersection clean-up – Sunscape will start after finishing trail work.
- 6) **Parks – Trails:**
 - a) Trails – Sunscape finishing up this week.
- 7) **Customer Care Committee:**
 - a) Security contractors – Kay will connect with committee, Constable Hood and Flock;
 - b) Ceejay & Cody went above and beyond to finish a cell phone out of a storm inlet at Rooster Springs after seeing a post on Facebook for suggestions;
 - c) Cody spent an hour after Election Day cleaning up from the kitchen flood; and
 - d) Ceejay comforted a customer came in for a payment and is struggling to take care of her ill mother. Ceejay texted the customer to remind her of a due date after hearing her story a couple of months ago. She has the money to pay, just needed a reminder because she is so busy.
- 8) **Infrastructure Committee:**
 - a) Nothing to report.

- 9) **Facility Committee:**
- a) Welcome Centre Updates;
 - i) Window treatments are installed;
 - ii) Parking lot and pond cameras installed;
 - iii) Freedom and Terrain working together to install brick pedestals and lights – Terrain quoted \$2,175;
 - iv) Carpet squares can be chosen after window treatments are in place; and
 - v) Sign can be installed when Freedom is finished with the lights.
- 10) **Other:**
- a) Contract amendment updates – Inframark’s legal counsel is reviewing; and
 - b) District 2 is matching funds raised by Boy Scout Zach Johnson for his Eagle Project.

During her report, Ms. Olsen mentioned that Inframark will take inventory and confirm how many AMI meters are needed before placing the order and will order all the components that are still needed to complete the project.

With respect to the Lift Station (“LS”) generator repair, Mr. Willeford noted that when a repair is requested, Inframark always gets a price for replacement as well as the price for repair, in the event replacement is more cost effective than repair. Mr. Willeford recommends having an extra LS generator in the event the District needs it. It can be kept on a trailer and switched out in the event it is needed. Obtaining bids for the LS generator were discussed.

With respect to winterizing the plant, Pat Usner with Texas Community Propane put the 1,000 gallon tank at Holly and Catalina. Before he fills it, he would like to District to inspect it and confirm that it is in the correct location. Director Robison noted that the tank is right next to the fence. Phil Henderson told him it needs to be 5 feet from the fence. Ms. Olsen stated that she would check with Mr. Henderson and see if the tank needs to be moved.

With respect to the SCADA system, Ms. Olsen stated that Mr. Noelke hasn’t provided the requested service so Inframark so she is looking at Trac-N-Trol. She has used them in another District and they have provided good work.

With respect to the 7(a) above, the Board noted that they tabled the discussion with respect to Flock last month.

Ms. Olsen noted that Terrain is working to install the lights in the parking lot for extra security because it is so dark out there. She mentioned that the pedestals will match but there are different light fixtures. It was hard to find the exact light fixtures because they are so old. She will make sure that all of the light fixtures in the parking lot match. Director Botts gave a little history on why the light fixtures don’t match. He noted that when the District moved to LED lighting to conserve energy and be more cost effective, they were unable to match the exact light fixtures. Ms. Olsen also noted that after Terrain installs the lights she will have them install the sign.

The security of the SCADA system was discussed and Director Botts requested that the policy with respect to security (i.e., passwords changed when an employee leaves) be put in writing. Ms. Olsen stated that she has the policy in writing and will provide it to the Board. With respect to the resignation of Ms. Hester, Mr. Willeford stated that he reached out to Stan Nelke, who is the only one who can change the password but he hasn’t heard back from him.

Mr. Kutac then requested the status of the Inframark amendments. He noted that Ms. Hester sent and re-sent them to the attorney at Inframark but the District never gets any feedback or a signed copy. He

does not understand why he can't at least get the Fee Statements back because they are very simple. Ms. Olsen stated that she will follow-up.

The discussion turned again to the Belterra Centre and the updates. Director Lucas noted that he did not recall that the Board voted on carpet squares and he is not sure how he feels about carpet squares. Director Botts stated that it was discussed in a prior meeting that the acoustics in the Belterra Center were not good. It is too loud and you can't hear.

Ms. Jackson then noted that the District has 21 addresses left that need to be changed to AMI meters.

2. Financial Report: The Board called on Allen Douthitt of Bott & Douthitt to present the Accounting Report dated March 10, 2022. The following is a summary based on his report.

- a) Action items for the Board:
 - Approval of director and vendor payments.
 - Approval of fund transfers:
 - From BancorpSouth Operating Account to Bancorp South Manager's Account: \$18,000.00
 - From TexPool Operating Account to TexPool SPA Account: \$7,322.28
 - From TexPool Debt Service Account to TexPool Operating Account: \$376,723.59
- b) The month of January 2022 came in ahead of plan by \$93,000. Favorable revenues made up \$35,000, favorable expenditures made up \$58,000;
- c) Year-to-date the District is ahead of plan by \$426,000.
- d) January 2022 charges to the Joint Maintenance CAP came in at \$-0-. Year-to-date actual charges are \$55,000 less than the monthly billings to date.
- e) January 2022 charges to the General Maintenance CAP came in at \$3,000. Year-to-date actual charges are \$46,000 less than the monthly billings to date.
- f) Fiscal year 2022 tax collection rate of 90.62%.

Mr. Douthitt noted that Ms. Jackson had sent him a list of delinquent accounts to pursue enforcement. Sky Cinema owes approximately \$7,400 and Golds Gym owes approximately \$883.00. He is going to try to enforce but the District may have to write off those amounts. Director Botts questioned whether the meters were individual to a customer or were they per building. Ms. Jackson stated that the meters are per building and the building bills the individual tenant. Ms. Jackson stated that the building had new management and the new billing representative for the building will check into the matter to see why the tenants were not disconnected.

Let the record reflect that Ms. Lynn Lee from HCWCID No. 2's Board of Directors entered the meeting at this time.

3. Committee Reports, Recommendations and Assignments:

- a) Facilities Committee: Director Botts mentioned that when the deputies came in at night to do their work, they found a leak in the kitchen.

- b) Infrastructure Committee: Director Robison stated that in December the committee visited the LSs and looked at the generators. The committee made a list of questions for Inframark and even though they have repeatedly asked the questions, they have received no answers. One of the questions was regarding the new east commercial pond's electrical box which is locked but can easily be turned off. The committee requested a fence but nothing has happened yet. In addition, one of the LSs needs a roof. Per Mr. Willeford, a vendor looked at the roofs and he is expecting a bid. Director Botts would like to set up a committee meeting to discuss these issues with Mr. Willeford.
- c) Customer Care Committee: No updates. Meetings are being scheduled.
- d) Parks Committee: No updates. Meetings are being scheduled.

Director Botts mentioned that he feels that the outward appearance of the WWTP is indicative of the inside and that work needs to be done to correct the situation. Mr. Steelman stated that he saw the WWTP, and he agreed with Director Botts' assessment. He also believes that morale was part of the issue. Inframark is working on boosting morale. The Board continued to discuss the preventative maintenance and cleanliness of the WWTP.

Director Robison questioned how the drum screens are working. Mr. Willeford stated that they are working well, that both are running at the same time and the water pressure has been corrected.

Let the record reflect that Robby Callegari of Burgess & Niple entered the meeting at this time.

Mr. Kutac noted that with respect to the HOA lease documents, Ms. Jackson has the Easement Agreement and the Lease Agreement. The Board is ready to sign the easement but needs the survey from the engineers. Mr. Kutac stated that a survey would cost approximately \$2,000. Before moving forward and spending the money for a survey, he wants to make sure the HOA is ok with the form of all agreements. Also, the Board does not need to take any action because it is within Inframark's authority to approve the amount of money needed for the survey.

Let the record reflect that Samantha Bethke from HCWCID No. 2's Board of Directors entered the meeting at this time.

Director Kelly brought up the issue of the last election at the Belterra Centre. He noted that the Centre had too many signs, candidate signs that included candidates that weren't even part of the precinct. He would like to adopt some rules about signs before the next election.

REGULAR MEETING - 5:00 P.M.:

The Board convened the regular meeting at 5:00 PM. All members of the Board present remained for the regular meeting, and all consultants present for the workshop remained present for the meeting. Robby Callegari, with Burgess & Niple (formerly CMA Engineering, Inc.), the District's engineers and Sin Jon and Jesse, with Sunscape Landscaping attended. Walter Almon and Jason Baze, members of the public also attended the meeting. All directors present when votes were taken voted on all matters unless an abstention is set out in any such item.

4. Public Comment: Matt 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. Hearing none, the Public Comment session was closed and the Board proceeded to the next item of business.

Before proceeding to Item 5, Director Botts mentioned that he had reached out to Samantha Bethke at HCWCID No. 2 to discuss working together on the Inframark situation, considering both Districts have lost a lot of working knowledge and historical background with Ms. Hester's resignation from Inframark. He also noted that the District can hire its own operators but would like both Boards to work together to address after Ms. Bethke has had a chance to go back to her Board to discuss the situation. Director Botts is hoping to have a special Joint Board Meeting to address how both districts would like to proceed. Ms. Olsen then noted that Mr. Burrer of Inframark has offered to pay the per diem for both Boards for the special Joint Board Meeting.

The Board then recognized Sin Jon and Jesse from Sunscape Landscaping. They informed the Board that the grading of the trails should be completed by Monday. Sunscape has just been scraping and filling in on the trails. After that is completed, they will drive the trails and make a punch list of other items that need repair. With respect to the Nutty Brown drain, Sunscape will start work on it next Tuesday or Wednesday. Since it is now spring, mowing will be weekly. Pre-emergent and post-emergent was laid down. In four to six weeks the color will be installed. Per Director Kelly, they will discuss the color in committee. Sunscape has two proposals. One proposal is to replace sod from Trinity Hills to Aspen and from Trinity Hills to the shopping center entrance. The second proposal is to redo the Aspen sign. Director Botts noted that he would like to table these proposals until next month's meeting. Director Kelly questioned how long it would take to start the project if the Board tables it until next month. Sin Jon stated that Sunscape is booking to the end of April so it would probably be mid-May before Sunscape can start on these projects. Director Dally ask if the new 210 irrigation line that WLE installed has any problems. Sin Jon said that Sunscape checked the 210 and has asked WLE to correct some issues which are under warranty. Let the record reflect that after their report, Sin Jon and Jesse left the meeting.

Mr. Steelman of Inframark was recognized by the Board to discuss Ms. Hester's resignation. Mr. Steelman explained that Ms. Hester tendered an immediate resignation and there will not be a transition period. He noted that Inframark is working on a plan but they wanted to let the Boards know immediately. He mentioned that there is an organizational chart on the Google drive. Ms. Jackson passed out copies of the organizational chart to the Board as well. Mr. Steelman discussed the organizational chart in detail. He stated that Inframark will be hiring someone to replace Ms. Hester and acknowledged and Ms. Hester had institutional knowledge that will be missed. He also explained that Ms. Hester was acting as the Senior Account Manager and Senior Operations Manager but now those two positions will be split. In addition, he stated that Ms. Olsen will be dedicated to the District and to HCWCID No. 2. Director Kelly asked that they confirm that Ms. Olsen will only be working with these two districts and Ms. Olsen stated that that it is her understanding that she will be dedicated to these two districts only.

Director Botts then noted that in the District's contract, it says that the District is supposed to be notified of personnel changes but that never happens. For example, various different personnel have worked at the WWTP. Director Botts feels that Inframark is not complying with the contract. Mr. Steelman stated that he was unaware of that provision until this situation arose but that Inframark will comply with that provision in the future. Mr. Steelman then noted that he took the team over several years ago and a new model was implemented. Mr. Steelman stated that unfortunately, the new model was never enacted in Austin because of internal personnel issues at Inframark. Director Botts also mentioned that Mr. Willeford is supposed to work 20 hours per week for each district and shouldn't be working for any other districts. Mr. Kutac noted that the impression he had was that several times in the past, the District would request or authorize an action, but that Ms. Hester would have difficulty getting Inframark's operations team to implement it because the operations team reported to a manager in Houston. Similarly, he understood that there were times when the operations team implemented changes without informing Ms. Hester. An example was the sludge hauling a few months ago. The Board is frustrated that things do not get done. When questioned in the past, Ms. Hester stated that she had to go to the Houston's Inframark office for approvals, and in the case of the sludge hauling, the operations department had commenced the hauling without Ms. Hester's knowledge. Mr. Steelman noted that the Houston office never received a request to get a proposal.

At a previous Board meeting, Ms. Hester stated that the price for the sludge hauling would be \$125,000 but he does not know where she got that number. The cost for the service was ultimately \$25,000. It was also suggested that Ms. Hester did not consult with Mr. Willeford about the tank levels. Per Mr. Willeford, all Ms. Hester had to do was ask him what the tank levels were and he could have told her. It was then noted that when there is a request, the model dictates that Ms. Olsen goes to the Houston office, the Houston office gets the bid and Ms. Olsen moves on with her day. Ms. Olsen stated that she likes the model and thinks that it works well. It was then noted that Cody and Phil Henderson take care of electrical issues. Cody Scales takes care of items in the field and Ceejay handles customer care. Ms. Bethke asked if all of the Inframark employees have access to the Work Orders and Mr. Steelman confirmed that they do. Ms. Olsen noted that there is an Inframark conference call every day to discuss operations and what is happening in the districts. Mr. Willeford also noted that his team is working closely with Sunscape on a daily basis with respect to irrigation. Ms. Bethke stated that she would like something in writing on how Inframark's new model benefits the districts and how it actually works. Ms. Olsen stated that she has it in writing and will get it to the boards. When questioned about how long it will take for the new model to be implemented and the time frame to know if it is successful, Mr. Steelman stated that the districts should only see success, no issues. Work will get done and Ms. Olsen will have all of the information.

5. Consent Items:

a) Minutes: The Board of Directors reviewed the Minutes from the February 10, 2022 Regular Meeting; and

b) Accounting Report: The March 10, 2022 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.

Upon a motion by Director Dally, seconded by Director Botts, the Minutes from the February 10, 2022 Regular Meeting and the March 10, 2022 Accounting Report and related disbursements, were approved.

6. Reports: All reports were discussed during the Workshop.

7. Engineering and Development Items: Before the Engineering Report, Director Dally noted that he and Director Robison went to the WWTP on Friday and there was no activity on the blower. Mr. Callegari stated that he would contact the vendor. Mr. Callegari of CMA then presented the **General Engineering Report** as follows:

I. Potential action items for the meeting: Approval of Task Order No. 70 for Pad T plan review will be amended to add construction phases services. The amount will be revised to add another \$15,000.

II. Commercial Tract Development:

- a) The grease trap plans that have been approved to date are: Sky Cinema, Stiles Switch BBQ, Pieous Pizza, Torchy's Tacos, Jersey Mike's, Dunkin Donuts, The League/Fork & Spoon, 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, Pad X2, Lot 3G-1 Site Plan and Pad T;
- c) Plans currently under review – Pad ZZ;
- d) There are no grease traps currently under review; and
- e) Water LUE determination review – Pad T.

- III. **Commercial Water Usage Tracking:** The Commercial Water Usage Summary is available for the Board to review.
- IV. **Lot 3G-1:** Construction Updates:
- a) Construction Updates:
 - i) Construction of water lines and storm sewer lines are ongoing;
 - ii) Project completion is scheduled for September 29, 2023; and
 - iii) Task Order 68 will have to be amended in the next few months to include Construction Phase Services for this project. The original proposal was for plan review only, and Burgess & Niple are reaching the not to exceed limit. This is a non-reimbursable developer expense.
- V. **Pad ZZ:** No update. Plan review is ongoing. The comment letter 1 was issued Nov. 9.
- VI. **Pad T:**
- a) Pre-construction meeting is scheduled for March 10;
 - b) Task Order 70 for Pad T plan review will be amended to add construction phase services. The amount will be for an additional \$15,000.
- VII. **District Water Tracking:**
- a) Approximate Max Daily Usage for January 2022 = 375,000 gpd; and
 - b) Maximum allowed = 1,221,120 gpd.

Mr. Callegari then moved on to the **WWTP and 210 Reuse Irrigation Engineering Report** as follows:

- I. **Potential action items for the meeting:** none.
- II. **EQ Tank Blower Replacement:** See construction schedule below.
- III. **Belterra Wastewater Treatment Plant Weir Overflow:** See WWTP Project Status below.
- IV. **Wastewater Summary:**
- a) Average Daily Wastewater Usage (January 2022) = 289,000 gpd
 - b) 75% of Permitted Capacity= 375,000 gpd
 - c) Number of consecutive months over 75% - 0
 - d) 90% of Permitted Capacity= 450,000 gpd
 - e) Number of consecutive months over 90% - 0

Wastewater Treatment Plant Project Status - February 2021				
Project	Status	Budget Amount	Amount Billed	Project Status
Drum Screen Replacement Project - CMA Task Order 60	100%	\$ -	\$680,233.00	Project was complete June 2021
EQ Blower Replacement - CMA Task Order 65	30%	\$125,000.00	\$ 103,156.06	The enclosures for the VFDs have been delivered and the project is scheduled

				to be complete on April 15, 2022.
Weir Overflow - CMA Task Order 67	0%	\$ 80,000.00	\$ 26,502.50	On hold
EQ Tank Rehab and Diffuser Installation - Inframark	100%	\$ 25,000.00	\$360,174.00	Project was completed June 2021
Replacement of Dissolved Oxygen meters at the EQ Tank and the MBR - Inframark	0%	\$ 36,000.00	\$25,944.00	Work in progress
Drip Field Inspection - Inframark	0%	\$ 20,000.00	\$ -	On hold

WWTP EQ Tank Blower Replacement Schedule:

Belterra WWTP		Duration	Start	Finish
1	Belterra WWTP EQ Tank Blower Replacement	105d	08/23/21	01/14/22
2	NTP (8/23/2021)	1d	08/23/21	08/23/21
3	Substantial Completion (12/16/2021)	1d	12/16/21	12/16/21
4	Final Completion (1/15/2022)	1d	01/15/22	01/15/22
5	Additional time	66d	01/16/22	04/15/22
6	Startup of new blowers and VFDs	1d	03/15/22	03/15/22
7				
8	Mechanical			
9	Demo wall / Install galvanized angle for interior and exterior	8d	10/15/21	10/26/21
10	Demo existing blower #1 and piping	2d	11/18/21	11/19/21
11	Install new blower #1 and piping	5d	11/18/21	11/24/21
12	Demo existing blower #2 and piping once VFD panel is installed	2d	03/23/22	03/24/22
13	Install new blower #2 and piping	2d	03/23/22	03/24/22
14	Overhead door install	2d	11/29/21	11/30/21
15				
16	Electrical			
17	Demo and remove associated item with blower #1	2d	10/25/21	10/26/21
18	Demo and remove associated item with blower #2	2d	03/21/22	03/22/22
19	Install VFD control panel	4d	03/16/22	03/21/22
20	Route associated raceways overhead	3d	03/21/22	03/23/22
21	Pull wire and terminate blower #1	3d	03/23/22	03/25/22
22	Pull wire and terminate blower #2	3d	03/23/22	03/25/22
23				
24	Submittals/Delivery			
25	Overhead door shipping date	3d	11/24/21	11/26/21
26	VFD control panel drawing	45d	09/08/21	11/09/21
27	VFD control panel submittal review	5d	10/22/21	10/28/21
28	VFDs received	1d	11/12/21	11/12/21
29	VFD enclosure shipping date (updated 1/4)	5d	02/12/22	02/17/22
30	Fabricate VFD control panel	19d	02/17/22	03/15/22

Action Items for Engineering:

- a) Upon motion by Director Botts, seconded by Director Kelly and unanimously carried, the Board approved Task Order No. 70 for the Pad T plan review to add construction phases services for an additional \$15,000.
- b) Upon motion by Director Lucas, seconded by Director Botts and unanimously carried, the Board accepted the Engineering Report.

8. Financial Items:

- a) Upon motion by Director Dally, seconded by Director Kelly and unanimously carried, the Board approved write-offs of the delinquent accounts for Sky Cinema for \$7,406.16 and Gold's Gym for \$883.55; and
- b) Upon motion by Director Botts, seconded by Director Robison and unanimously carried, the Board approved Precision Pump's estimate for \$6,752 to replace the spare pre-anoxic mixer.

9. Management and Operations Items:

- a) No update on Touchstone was given;
- b) No update on the installation of the propane tanks other than what was presented during the workshop portion of the meeting.
- c) With respect to the Interlocal Law Enforcement Agreement, no update was given other than what was presented during the workshop; and
- d) With respect to the 2021 maintenance cap true-up between the District and Inframark, the Board mentioned that since Inframark has not signed off on the true-up, the District is still paying the old Inframark rate which is causing the accountant more work keeping up with the differences.

Standing Items:

- (e) No action taken by the Board;
- (f) No action taken by the Board;
- (g) No action taken by the Board;
- (h) No action taken by the Board;
- (i) No action taken by the Board;
- (j) No action taken by the Board; and
- (k) Upon motion by Director Lucas, seconded by Director Botts and unanimously carried, the Board approved the monthly General Manager's Report.

10. Rules, Policies, Agreements and Compliance Requirements:

- (a) With respect to the proposed amendment to the existing Inframark operations and management, it was noted that the amendments were sent to Inframark but Mr. Kutac hasn't heard from them yet;
- (b) With respect to the adjustment of Inframark's base and maintenance account fees, the amendment was sent to Inframark but no word yet;
- (c) There was a brief discussion regarding the survey needed for the HOA recreational facility that may encroach upon open space property owned by the District. Following such discussion, upon motion by Director Lucas, seconded by Director Kelly and unanimously carried, the Board approved the \$2,000 expense for a survey;
- (d) With respect to the proposed lease of District improvements to the HOA for use in connection with the mail kiosk facilities, no update was given;
- (e) The Board reviewed the Resolution Acknowledging Annual review of Investment Policy and Investment Strategies. After a brief explanation by Mr. Kutac of the policy in place, upon motion by Director Kelly, seconded by Director Robison and unanimously carried, the Board approved such Resolution;
- (f) The Board considered a proposed joint Resolution regarding use of the Belterra Centre as a meeting place for HCWCID No.2. Upon motion by Director Lucas, seconded by Director Dally and unanimously carried, the Board such Resolution;
- (g) With respect to allowing candidates to put out signs and park vehicles all day at the Belterra Centre during an election, Director Botts and Director Kelly asked Mr. Kutac to revise the Belterra Centre policy to limit parking in the Belterra Centre parking lot to voters only. There are too many elderly people and people with young children who had to park along the street and walk to the Centre to vote. The Board would also like to limit the number of signs that can be posted. They also approved getting an Entrance and Exit sign to reduce traffic congestion in the parking lot; and
- (h) With respect to adjusting the pricing for landscape and irrigation services pursuant to Section 3.8 of Sunscape's contract, Mr. Kutac noted that HCWCID No. 2 acknowledged in their last meeting that they should pay half of the legal fees for negotiating, drafting and implementing the landscaping and irrigation agreements. Mr. Kutac noted that HCWCID No. 2 signed the landscaping agreement with Sunscape but Brightview wants to work through the 30-day notice period. In addition, Mr. Kutac reminded Mr. Wilson at Sunscape about the clause regarding re-negotiation if HCWCID No. 2 also used their services. Mr. Wilson had forgotten. Director Botts suggested that the Parks Committee meet with Mr. Wilson and determine an off-set.

11. Elections: The Board next reviewed a letter from the Board Secretary confirming that the candidates in the upcoming May 7, 2022 director's election (Bill Dally and Rick Lucas) were unopposed. The Board next reviewed an Order Declaring Unopposed Candidates Elected and Canceling Election, and upon motion by Director Botts, seconded by Director Kelly, with Rick Lucas abstaining, the Board approved such Order and canceled the election as authorized by the Section 5.003, Texas Election Code.

12. Water Supply Agreements: Mr. Kutac noted that there are no updates with respect to the water supply agreements.

13. District Calendar and Schedule: The Case Conference was mentioned. Director Kelly asked Ms. Olsen to check to make sure that Ms. Hester had registered the Directors who wanted to attend. Directors Botts and Director Kelly want to attend. Director Lucas is still considering it.

14. Executive Session: No Executive Session was required.

15. Adjournment: There being no further business to conduct, upon motion by Director Lucas, seconded by Director Botts and unanimously carried, the Board adjourned until further call.

APPROVED AND ADOPTED on the 14th day of April 2022.




Daniel B. Robison, Secretary