

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 Directors" or "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 April 13, 2023 at 4:00 p.m. The roll was called of the members of 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, Kay Olsen and Ceejay Jackson of Inframark, LLC, the District's current general management and operations contractor, Beth Wright and Chris Sanchez of Municipal Operations and Consulting, LLC ("MOC"), Lauren Barzilla of Burgess & Niple, the District's engineers, Vicki Hahn, paralegal with Winstead PC, Jesse Trevino of Sunscape Landscaping, the District's landscapers and Chris Lane with Samco, the District's financial advisor. In addition, Allen Douthitt of Bott & Douthitt, the District's bookkeeper and Andy Barrett of Andy Barrett & Associates attended the meeting by telephone. Members of the public in attendance were Craig McColloch, President of Hays County Municipal Utility District No. 4.

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. Landscaping Report:

Mr. Trevino reported that the Dallas crew did a good job and have returned to Dallas. There are still some areas that need additional work like the trails and some miscellaneous areas but he believes the majority of the work on the ice storm clean-up is complete.

Mr. Trevino also noted that the Gabion Project in Trinity Hills has been completed. The Board all agreed that the Gabion Project looked really good and commended Sunscape on the job.

Mr. Trevino noted that the flowers are arriving next week and the mulch is arriving in the next week or two. He mentioned that the beds will get pre and post emergent treatment before the flowers are planted to keep the weeds down. Director Kelly noted that there is a limb that is hanging from a tree on Belterra Drive. He asked that Mr. Trevino cut it at his convenience. The Board stated that it is very happy with Sunscape's work on the ice storm clean-up. Mr. Trevino noted that after the clean-up is relatively complete, he would like to go with the Parks Committee to get a final punch list. He is hoping that he can complete the items on the punch list in the next 2-3 weeks. Director Lucas requested that Mr. Trevino look at the trails since the big rain to see if there is additional damage that needs to be repaired.

Director Botts requested that Mr. Trevino meet with Mr. Wright to look at the storage bins at the WWTP to store some decomposed granite. He noted that it would save on delivery fees and minimums if the District stored decomposed granite in bulk

Although Mr. Trevino did not review his written report with the Board in detail, his written report was included in the General Manager's Report and is as follows:

- a) The full-service maintenance was performed four times in the month of March;
- b) Full-service bed detail was performed two times in the month of March;
- c) Monthly mowing in the red areas was performed on March 9th;
- d) Storm Clean-up with the Sub/Chippers Tree Service was performed on 3/8 to 3/10, 3/13-3/17, 3/20-3/21 and 3/29-3/31;
- e) Work Order 25088 for the THP Drainage Gabion was completed on 4/3/23;
- f) Drip Fields were completed on 3/11;
- g) Trail Maintenance/Raking, Filling Ruts and Spraying Weeds was performed on 3/27/23;
- h) Fertilizer – Pre/Post Emergent Round 1 was re-treated on 3/23/23.

2. Financial Report: The Board called on Allen Douthitt of Bott & Douthitt to present the Accounting Report dated April 13, 2023. 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 TexPool Operating Account to Cadence Bank Operating Account: \$400,000.00

- From TexPool Operating to Cadence Bank Manager’s Account: \$33,000.00
 - From TexPool Tax Operating to TexPool Debt Service Account: \$100,000.00
 - From TexPool Operating Account to Cadence Bank Manager’s Account (March 20, 2023): \$16,800.00
- Financial Highlights:
 - The month of February 2023 came in behind plan by \$153,000. Favorable revenues made up \$56,000, unfavorable expenditures made up \$210,000
 - Year-to-date the District is ahead of plan by \$263,000.
 - General and Joint Maintenance CAP’s have been suspended for the new fiscal year. Inframark has agreed with our FY-2022 reconciled balances. The true-up payment has been received from Inframark.
 - Fiscal year 2023 tax collection rate of 97.38%.

Mr. Douthitt noted that he is waiting for MOC’s review of the facilities before he completes and presents the final updated budget to the Board for approval.

Director Lucas noted that one of the proposed checks to Sunscape reflects that it is for Irrigation Repair – HOA. Mr. Trevino replied that he will check with Sinjon to confirm what project this repair was for since the HOA area is not the District’s responsibility.

3. District Engineering: Ms. Barzilla presented a brief background on the Crampton Cove pavement repair project, explaining that the paving and asphalt failed the original inspection by the county. To obtain approval from Hays County (“County”), Myers Concrete reached out to them to inquire if the County would accept a 2-year Maintenance Bond for repairs. The County agreed to accept the Maintenance Bond and accepted the road. Ms. Barzilla recommends acceptance of Crampton Cove as is and noted that since the County was added to the Maintenance Bond, if repairs are required, the District would not have to be in the middle. The County can go directly to the Maintenance Bond. When asked by the Board, Mr. Kutac replied that the County would be responsible for the repairs if the repairs failed after 2 years because it would be a surface issue. Ms. Barzilla then went over the options to get Terracon, B&N and Inframark (“Additional Expenses”) reimbursed for the time and expenses they incurred as related to repair of damaged service lines and the original failure of the County inspection. She informed Myers of the additional expenses incurred. Representatives of Myers indicated that they are willing to accept a reduction in their payment for Terracon and B&N’s expenses/labor incurred, but do not believe they should be responsible for fees incurred by Inframark due to the damages to service lines. They stated that they asked Inframark, in a meeting, to locate the lines. Ms. Olsen said that no one called Inframark to locate the lines and Myers started digging without confirming that the lines were located. Ms. Olsen also noted that Myers stated that they called Inframark’s Houston office and Summit office and no one answered. The Board discussed that it would not be appropriate in the normal business world to call and hang up without leaving a message. Ms. Barzilla then remarked that neither she nor Tim Propes of B&N remembers Myers specifically asking for locates at the pre-construction meeting. However, the process was discussed at the meeting (i.e., locating the lines was talked about but there

was not necessarily a direct request to Inframark to locate the lines). Ms. Olsen replied that Inframark's only responsibility was to hang door tags. Mr. Kutac recommended releasing partial payment to Myers, less Terracon and B&N's expenses. He also recommended withhold the amount for Inframark's expenses until next month pending any further evidence of Myers' request to locate the line or perhaps an agreement that resolves the matter.

The Board discussed and Ms. Barzilla agreed to remove the PEC Distribution Upgrades Easement Request from her Agenda items since the District has not had a response from them in several months.

Let the record reflect that Ms. Lane entered the meeting.

4. Committee Reports:

Customer Care Committee: Director Kelly noted that evidently a week ago, people were playing frisbee in the drip fields. When Director Kelly asked, they confirmed that they were staying in an Air BnB across the street. Director Kelly would like to request that "No Trespassing" signs be put up at the drip fields. He also noted that the Constable asked for signs as well. While discussing signage, Director Lucas mentioned that there are bent signs by the school and bent wildflower signs. Director Botts asked Director Kelly and Director Lucas to give a list of signs needed or needing attention to Ms. Wright. Director Botts also asked that Director Kelly and Director Lucas review the developer signs that are left in the District and give a list of those to Ms. Wright so that MOC can remove them.

Director Kelly mentioned that about 9 residents came to the Open House introducing MOC. He stated that the Open House went well and most residents complimented the storm debris clean-up efforts.

Director Botts asked Ms. Barzilla to give her Joint Engineering Report.

5. Joint Engineering Report: Ms. Barzilla reported that MOC is still looking into the generator issue at the WWTP. Director Botts noted that MOC and Inframark met at the WWTP with the SCADA expert and Bryan from Kubota.

The Board discussed the need for additional sludge boxes. Ms. Barzilla stated that MOC didn't anticipate the need for additional sludge boxes.

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 excluding Mr. Trevino. Lonnie Wright and John Taylor of MOC attended the regular meeting. All directors present when votes were taken voted on all matters unless an abstention is set out in any such item. Members of the public who attended the Board Meeting are: Lauren Johnson, Sherry Rains and Darrell Rains.

6. Special Commendation: Director Lucas presented a Special Commendation Resolution to Zach Johnson for his Eagle Scout Sign Project. During his presentation, he explained how important the Boys Scouts are and the requirements to become an Eagle Scout. He commended Zach Johnson for his initiative in making his Eagle Scout Sign Project happen and informed Mr. Johnson that the Board was receiving a lot of praise from residents for his work.

7. 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 deliberate 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.

Mr. Craig McColloch, President of the Hays County Municipal Utility District No. 4 ("HCMUD No. 4) introduced himself to the Board. He informed the Board that HCMUD No. 4 had lost its meeting place and that they would like the Board to consider letting them use the Belterra Centre for their monthly board meetings. He went on to note that the HCMUD No. 4 meetings on the third Wednesday of every month at 12:00 p.m. Mr. McColloch also mentioned that he would like to establish a good relations with the districts in the area.

Mr. Kutac called for additional public comment. Hearing none, the Board proceeded to the next item on the Agenda.

Director Botts requested that the Board discuss Mr. McColloch's request to use the Belterra Centre. When asked, Director Botts noted that allowing HCMUD No. 4 to use the Belterra Centre does not violate the District's current policy. The current policy allows another governmental entity to use the Belterra Centre and HCMUD No. 4 is a governmental entity. Mr. Kutac presented a draft Joint Resolution allowing the HCMUD No. 4 to use the Belterra Centre for the Board's review. The Resolution states that HCMUD No. 4 would pay a flat fee of \$350 monthly for their regular meeting. For other uses, the charge would be \$100 per hour. He also mentioned that Mr. Douthitt would invoice HCMUD No. 4 each month. Director Robison and Director Dally both agreed that they would like to work with HCMUD No. 4 and have a good relationship.

Upon motion by Director Dally, seconded by Director Lucas and unanimously carried, the Board approved the Joint Resolution Regarding Use of the Belterra Centre for Meetings.

8. Consent Items:

a) Minutes: The Board of Directors reviewed the Minutes of the March 1, 2023 Special Meeting, the Minutes of the March 9, 2023 Regular Meeting and the Minutes of the March 30, 2023 Special Meeting; and

b) Accounting Report: The April 13, 2023 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 Lucas, the Board approved the Meeting Minutes, the Accounting Report and related disbursements excluding the check to Sunscape for \$1,596.66, described as Irrigation Repair – HOA until Sinjon can confirm that it is not for work incurred on behalf of the HOA.

9. Reports: All committee reports were given during the regular meeting.

10. Engineering and Development Items: Lauren Barzilla of Burgess & Niple presented the **General Engineering Report** (during the Workshop) as follows:

I. Potential action items for the meeting:

- a) Recommend approval of Task Order 68 — Amendment 2 - \$10,000 (Report Item IV.B)
- b) Recommend approval of Change Order No. 2 for Crampton Cove (Report Item VI.B)
- c) Recommend final acceptance of Crampton Cove (Report Item VIA)
- d) Recommend approval of Pay Application No. 1 for Crampton Cove - \$272,310.00 (Report Item VI.B)

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, Pad T and Pad ZZ.
- c) Plans currently under review – St. David's and Lot 1B-2.
- d) Grease traps currently under review – none.
- e) Water LUE determination review – none.

III. Commercial Water Usage Tracking: The Commercial Water Usage Summary is on the Google Drive.

IV. Lot 3G-1: Active Adult - Construction Updates:

- a) Items remaining to be complete are:
 - a. Leveling the water vault.
 - b. Removing wastewater reducer from public portion of the line.
 - c. Repaving around the water line tie in to the public system.

- b) Recommend approval of Task Order 68 – Amendment 2 (\$10,000). The amendment to the task order can be found on the Google Drive.
- V. **Pad ZZ: Commercial Townhomes - Construction Updates:**
 - a) Public wastewater is complete.
 - b) Public water connection has been made, but not inspected.
 - c) Public storm sewer is ongoing.
- VI. **Crampton Cove Pavement Repair:**
 - a) The County accepted the pavement as is with the maintenance bond provided by the Contractor.
 - b) Discuss Change Order No. 2 and recommend approval. The change order can be found on the Google drive.
 - c) Recommend final acceptance of the project. The final completion letter can be found on the Google drive.
 - d) Recommend approval of Pay Application No. 1 — final. The pay application can be found on the Google drive.
- VII. **St. David's Site Plan:**
 - a) The site plan is currently being reviewed, comments were submitted, and we are awaiting the comment response.
- VIII. **PEC – Distribution Upgrades Easement Request:**
 - a) Discuss updates.
- IX. **Lot 1B-2 Urgent Care Site Plan:**
 - a) The site plan is currently being reviewed, comments were submitted, and we are awaiting the comment response.
- X. **Hays 1 Water Tracking:**
 - a) Approximate Max Daily Usage (February 2023) — 425,000 gallons.
 - b) Max allowed = 1,221,120 gpd.

Action Items:

- i) Upon motion by Director Kelly, seconded by Director Robison and unanimously carried, the Board approved Task Order 68, Amendment 2 for \$10,000 for B&N Project Approval for Lot 3G-1 Site Development Plan
- ii) Upon motion by Director Kelly, seconded by Director Lucas and unanimously carried, the Board authorized payment to Myers Concrete less additional expenses incurred by B&N and Terracon. By the same motion, the Board also authorized withholding the disputed Inframark expense to repair the broken service lines. The total Pay Application was for \$265,019.09. The Inframark amount in dispute is \$2,342.50.
- iii) Upon motion by Director Botts, seconded by Director Robison and unanimously carried, the Board accepted final completion of the Crampton Cove project.

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

- I. **Potential action items for the meeting:**
 - a) None.
- II. **Treated Effluent Fire Hydrant:**
 - a) The 210 Beneficial Reuse Permit Amendment has been completed and turned into the TCEQ.
- III. **12" and 8" Treated Effluent Line:**
 - a) The contract documents are being reviewed.
- IV. Discuss the addition of materials on hand in the case of emergency.
- V. **Drip Skid Repair:**
 - a) The parts have been shipped and the contractor will start work on the repair as soon as the parts are delivered. The work should take 5 days.
 - b) After the drip skids are repaired the contractor will test the down stream system to see what repairs are needed, and they will provide a price for these repairs.
- VI. **Wastewater Summary:**
 - a) Average Daily Wastewater Usage (February 2023) = 373,000 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

Mr. Kutac discussed the 8" and 12" pipe liner agreement with CPM. He reminded the Board that CPM wanted to use their own form of agreement. He noted that they included language in their agreement that he does not agree with. The language included liquidated damages of \$31,000 a day and a standby fee of \$20,000 if they are delayed for any reason. That means that if CPM digs in the wrong place due to failure by the engineers and/or operator to locate the lines, the District would be required to pay them \$31,000 a day for the delay. In addition, with respect to payment, they wanted a \$375,000 (50%) deposit. Mr. Kutac requested a revision to the agreement that the District would pay the \$375,000 after CPM provides conclusive evidence that the pipe liner materials have been ordered. Once the pipe liner has been delivered to the District, then the District would pay another 25% (\$187,500), and title to the materials would pass to the District. The remaining 25% (187,500) would be payable upon completion of the project. Mr. Kutac also noted that CPM had an Exculpation Clause whereby the equity owner(s) in CPM would not be personally liable for any acts of CPM. He has revised the agreement to state that the equity owner(s) would be liable is if CPM's required insurance lapses or CPM is unable to satisfy its obligations to the District in full. Mr. Kutac also mentioned that the completion date is September 30, 2023. There is a two year warranty and a performance bond. Even though he was not entirely happy with the agreement, he doesn't have any major issues with it and recommends approval by the Board to avoid further delay of this important project.

With respect to Agenda Item No. 9(g), Mr. Kutac explained to the Board that the District received a request from Daniel Campbell, who left Endeavor and went to Long View Equity. Mr. Campbell is doing a project on Sawyer Ranch Road. The PUA has advised Mr. Campbell that they don't have any capacity on the Sawyer Ranch line for his project, so he is asking the District to release LUEs back to the PUA so that they can service his project on Sawyer Ranch Road. The Board had a brief discussion. Director Botts requested more information.

Action Items:

- a) CPM Agreement: Upon motion by Director Lucas, seconded by Director Robison and unanimously carried, the Board approved the CPM Agreement and authorized signature thereon.
- b) Long View Request: Upon motion by Director Botts, seconded by Director Robison and unanimously carried, the Board authorized Ms. Barzilla to visit with Daniel Campbell, subject to his paying B&N's fees, to obtain more details on the project, how much water is needed and if the District has capacity to release the water to the PUA.

Upon motion by Director Kelly, seconded by Director Botts and unanimously carried, the Board accepted the Engineer's Report.

11. Financial Items:

- a) All financial items were discussed earlier in the meeting.
- b) Mr. Kutac stepped out of the meeting while Mr. Douthitt explained that during the transition from Inframark to MOC, Mr. Kutac worked many hours over and above what his retainer includes. He informed the Board that Mr. Kutac had kept records and worked 67.4 hours over the set hours agreed to in his retainer. The Board discussed that they were very happy with Mr. Kutac and that they were aware he was working more hours than the agreed upon retainer would cover. The Board also noted that Mr. Kutac did not approach the Board for the reimbursement. It was the Board's idea. Mr. Douthitt also mentioned that, in their next meeting, HCWCID No. 2 would be discussing reimbursement for Mr. Kutac for their share of the additional hours.

Action Items:

- a) Upon motion by Director Lucas, seconded by Director Dally and unanimously carried, the Board authorized reimbursement of \$20,220 which is 75% of the amount of hours Mr. Kutac incurred over the hours set forth in his retainer.

Mr. Kutac returned to the Meeting. He thanked the Board for the reimbursement of his fees.

12. Management and Operations Items:

- a) With respect to the proposal for the portable generator for the Lift Station, Mr. Wright reviewed his proposal for \$64,945.00. He noted that the cost would include everything but plumbing costs.
- b) With respect the proposed use of a propane generator, Mr. Wright reviewed his proposal for \$128,470.00. He noted that the cost would include everything but the plumbing and any required permitting costs.
- c) The ice storm clean-up was discussed earlier in the meeting.
- d) Ms. Olsen delivered the letter to Chase Bank regarding disconnection of services if they do not pay the past due impact fees. Mr. Kutac spoke with Chase Bank and was told that Chase Legal would be in contact with him but they haven't contacted him yet.

Standing Items:

- e) Per Ms. Jackson, the Belterra Springs Apartments requested a leak adjustment. They used 855,000 gallons. They had an issue with their PRV valve which they think happened during the ice storm. The Board discussed that this would affect all of the resident's water bills in the apartments. They also discussed that the apartments have never had a problem with their water usage before and that they sent a letter from a certified plumber that there was a plumbing issue;
- f) Action was taken earlier in the meeting with respect to HCMUD No. 4's request to use the Belterra Centre for their board meetings;
- g) No action by the Board;
- h) No action by the Board;
- i) John Taylor informed the Board that MOC completed hanging door tags on all of the doors at approximately 2:30 p.m. today;
- j) Additional Action Items:
 - i) Upon motion by Director Kelly, seconded by Director Dally and unanimously carried, the Board approved a reduction in the bill of \$7,899.17.
 - k) With regard to the General Manager's Report, upon motion by Director Lucas, seconded by Director Botts, the Board approved the General Manager's Report.

13. Administrative and Legal Items:

- a) Public Hearing - Drought Contingency Plan: Upon motion by Director Lucas, seconded by Director Kelly and unanimously carried, the Board opened the public hearing to discuss the Drought Contingency Plan. Mr. Kutac called for public comments. Hearing none, the Public Hearing was closed.

The Board discussed aligning the Drought Contingency Plan with the WTCPUA plan. In addition, the Board reviewed the proposed Amended Water Conservation and Drought Contingency Plan in detail and discussed putting signs with the watering schedule by the mail kiosks to inform residents of their watering days.

Upon motion by Director Lucas, seconded by Director Botts and unanimously carried, the Board approved the Amended Water Conservation and Drought Contingency Plan and authorized signature thereon.

- b) Mr. Kutac informed the Board that Inframark has requested an additional 30-45 days from the separation date in order to submit their final invoice. Ms. Olsen noted that all invoices have to go before 5 departments before they are approved which increases the time before they will have all of the invoices approved. Ms. Olsen also noted that Mr. Douthitt has requested all outstanding purchase orders. Ms. Olsen estimates that the outstanding purchase orders total approximately \$30,000. She also informed the Board that a work order list has been completed for the transition of any work orders.

The Board asked MOC their opinion on the transition. They replied that the transition was going ok and that they were obtaining more information from Ms. Olsen tomorrow. Ms. Olsen mentioned that the Inframark team would be at the WWTP the next day to remove all of the heavy equipment and that she did not expect to be doing anything the next day other than vacating the premises.

Upon motion by Director Botts, seconded by Director Kelly and unanimously carried, the Board extended the time for Inframark to submit their final invoicing by May 31, 2023.

- c) The Board reviewed the Onix Networking Corporation's Sales Order to renew access to the Google Drive. Ms. Hahn mentioned that the number of users was revised from 45 to 30.

Upon motion by Director Lucas, seconded by Director Dally and unanimously carried, the Board ratified the Onix Networking Corporation's Sales Order to renew access to the Google Drive.

- d) Mr. Kutac explained that Sunscape would like to lease the office in the Belterra Centre. The rent would be half the amount that MOC is paying for their lease. He explained that he proposed this amount based on the fact that the office Sunscape proposes to rent is ½ the size of the MOC area. He noted that the price would be \$400 per month and Nick Seger of Sunscape has already executed the Lease Agreement;

Upon motion by Director Kelly, seconded by Director Lucas and unanimously carried, the Board approved the Sunscape Lease Agreement for the office space in the Belterra Centre and authorized signature thereon.

- e) The request by HCMUD No. 4 to use the Belterra Centre for board meetings was discussed and action taken earlier in the meeting.
- f) The Board discussed that there was a Jeep that went mudding in the 100 acre 210 irrigation area. The Board noted that if they find the owner they will fine them to the extent that they can. The Board also discussed possible damage to the irrigation lines and that if damage occurs, the District will have to pay half the amount of the repairs. It was noted that the Constable was called. He recommends gating the area. No action was taken by the Board.
- g) The Board reviewed the annual Arbitrage Rebate and Yield Restriction Compliance Service Program and related Rebate Summary. Mr. Kutac gave a short explanation regarding the purpose of this report.

Upon motion by Director Botts seconded by Director Kelly and unanimously carried, the Board acknowledged receipt of the Arbitrage report.

- h) Ms. Hahn reminded the Board that they are required under HB 3834 to take a cybersecurity training class annually and that she will be forwarding an e-mail with the link to the TML training site.
- i) No update on the upcoming conferences and registration.

Returning to storm clean up matters, the Board discussed the Playscape issues at Dorset Park where a big tree fell on the Playscape causing major damage. The structure is compromised and the Board discussed if it can be repaired. Inframark taped off the area but people have already removed the tape. The Board questioned repairing the Playscape because the Board doesn't want to incur any liability if there is an issue with the repairs. The Board determined that the Parks Committee needs to address this issue. The Board requested that Ms. Wright get someone to look at the damage to the Playscape and get a report to the Parks Committee to discuss.

14. Water Supply Agreements: No update.

15. District Calendar and Schedule: The regular Board Meeting for May will be May 11, 2023 at 4:00 p.m. The Board noted that it will wait until MOC is comfortable with the transition before scheduling committee meetings.

16. Executive Session: With regard to Item No. 11(d) on the posted agenda for the meeting, upon motion by Director Botts, seconded by Director Kelly on and unanimously carried, the Board retired at 6:42 p.m., along with Matt Kutac to Executive Session.

Following such Executive Session, the Board reconvened in public session at 6:50 p.m. No action was taken by the Board during Executive Session.

The Board again thanked Ms. Olsen and Ms. Jackson for their service to the District and reminded everyone that the transition to MOC was not a reflection on Ms. Olsen's or Ms. Jackson's work.

17. Adjournment. Upon motion by Director Lucas, seconded by Director Botts and unanimously carried, the Board adjourned until further call.

APPROVED AND ADOPTED on the 11th day of May 2023.





Dan Robison, Assistant Secretary

EXHIBIT A

Memorandum for: Hays WCID No. 1 Board of Directors

From: Kay Olsen

Date: 4/13/23

Subject: Board Workshop – Management and Operations Report since 3/9/23

I. Zach Johnson's Eagle Project (update) –

- A. Inframark donated \$2,660 in labor and company equipment to assist Zach
- B. Zach coordinating with Bott & Douthitt re donation checks
- C. Zach getting small metal plaques for signs to show donation from Boy Scout Troop 280

II. MOC Transition

- A. Inframark invited MOC along for meter reads on Mon 4/10
- B. Inframark Client Services team met on-site with Beth's team on Tues 4/11
- C. Inframark Ops team has been meeting with MOC at WWTP
- D. POs – as of Mon 4/10, only 9 POs still open, totalling ~ \$30K
- E. Outstanding project list (current and deferred) and status shared and final will be emailed 4/14
- F. All other info (codes/passwords, contacts, how-tos, etc.) prepared
- G. Notices distributed to Residents via last Inframark billing, District websites, and Facebook
- H. Inframark has requested a 45-day extension on 3/28 to produce Final Invoices

III. Wastewater Treatment Plant

- A. All wastewater treatment samples in compliance for March
- B. March actuals – Total flows of 11.2M gallons; daily average flows of 364,000 gpd at 73% capacity
- C. Feb estimations replaced with verified actuals
- D. Aeration Basin #2 Mixer replacement (update) – Precision Pump, \$7,850, should arrive this week, will be stored at WWTP if arrives
- E. Camera system upgrades (update) – ADT info forwarded to MOC (last 2 Infrastructure Committee meetings cancelled)
- F. GST Transducer (new) – replaced by Alterman over the weekend, \$2,500
- G. Electronic gate and actuators (new) – Alterman evaluating
- H. RAS pumps (new) – 2 pumps stored at WWTP for installation

IV. Distribution System and Billing

- A. Water Accountability at 101.8% for March, calculations are $\pm 2\%$ due to estimated flushing gallons; mag meters can be ordered if more precise measurements are desired
- B. Digital meter conversion (update)
 - 1. 6" meter for Belterra Apartments on site and ready for installation
 - 2. All defective endpoints (~70) shipped to Badger for warranty replacement on 4/4, may take 6+ months to arrive
 - 3. Last order of poly lids has been placed but ETA continually changes; keep checking w/ Atlas
 - 4. 3" meter for Rooster Springs Elementary ETA now 3-6 months, MOC should request extension on LCRA deadline
 - 5. 205 Eye On Water registrations as of 4/10 (vs. 203 as of 3/6)
- C. 28 Delinquent Letters mailed; 20 Tags hung; 2 Disconnects

V. Collection System

- A. LS1 roof (update) – TopSide Construction in Dripping Springs, \$5,280; materials delivered 1-2 weeks from receipt of deposit check (invoices sent to Allen); construction in 2-4 days
- B. LS2, pump 2 check valve (update) – approved 2/9, PO issued to ACT Supply on 2/13 for \$2,510.86 replacement, not yet received

VI. Reuse and Drip System

- A. Tank levels in feet
 - 3/1/23 – 11.5
 - 3/15/23 – 9.3
 - 3/31/23 – 10.8
- B. Total 210 flows for March = 11.2M gallons
- C. Sunscape irrigation
 - 1. March Irrigation Reports on Google Drive
 - 2. Rainbird system upgrades of \$44,338 approved in Feb – delayed due to rain but 75% complete, remaining work scheduled for this week
- D. Mainline leak repairs (update)
 - 1. Trinity Hills commercial pond – Inframark repairs completed 3/9
 - 2. Belterra Drive & Hwy 290 – Inframark repairs completed 3/10
 - 3. Belterra Drive & Prescott – Inframark repairs completed 3/10
- E. The Cottages irrigation repair (new) – completed, both connections at meter were broken

VII. Drainage/Ponds

- A. See Inframark Pond Reports
- B. DP4 at Pecan Park pond pump (update) – put on MOC's list
- C. DP3A East Commercial Pond (new) – Put on MOC's list for main line leak repair; pump off now
- D. DP7 at 310 Wellington (new) – removed sediment from channel and outfall; regraded 30 feet for positive water flow
- E. DP10S on Crampton Cove (new) – plastic ball valve cracked, replaced with brass; pond is full
- F. DP11 at 1101 Trinity Hills (new) – attempted to drain pond but pond transducer malfunctioned; installed new unit and reset VFD pump controls; also repaired Zone 3 lateral irrigation lines; tested again and pump now in auto

VIII. Parks & Trails / Committee

- A. Sunscape March Landscaping Report – see attached
- B. Sunscape Trinity Hills Park gabion repair (update) – completed 4/5

IX. Other

- A. Welcome Centre
 - 1. Conference room acoustic panels (update) – pinged Origin HiFi on 3/16, 4/5, and 4/10, no reply yet; info given to MOC
 - 2. Exterior cameras (update) – ADT given NTP on 3/16
 - 3. Patio handrail repair (update) – Terrain given NTP on 3/16
 - 4. Window frame repair (update) – MOC given info to research
 - 5. LED sign – outdoor combination lock installed
- B. Mule repair (new) – being transported to Edin & Sons repair for battery charging issues, Doug and Paul primary contacts

Subject: Regular Board Meeting

Management and Operations, Actionable Items:

- 11a) *Portable* propane generator quote – transition to MOC, per Infrastructure Committee
 Permanent generator for LS1 – ordered; estimated delivery moved from Aug to Oct 2023
11b) Rented generator returned to vendor in March, per Board
11d) Preliminary response from Chase Bank forwarded to Matt

Management and Operations, Standing Items:

- 11j) Maintenance & Repair expenditures **Requiring Board Approval** – none

Vendor	Amount	Budgeted	Description	Work Order #