

MINUTES OF MEETING  
OF THE  
BOARD OF DIRECTORS  
April 14, 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 April 14, 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 except for Director Lucas who came in shortly after the workshop commenced. Also present at the workshop were Matt Kutac of the law offices of Matthew B. Kutac, PLLC, Chris Lane of SAMCO Capital Markets, Inc. ("SAMCO"), the District's financial advisor, Kay Olsen and Ceejay Jackson 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. Members of the public attending the meeting included Pat Usener of Texas Community Propane and Harlan Hively.

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: Ms. Olsen 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 March. Total Flows of 11.4M gallons; daily average flows of 371,000 gpd at 74% capacity;
- b) WWTP clean up (new) – project complete, see pictures in her report;
- c) Kubota membranes (update). Order approved by Board in January. Ordered 4/7 with estimated time of arrival of two weeks
- d) Spare Pre-Anoxic Mixer (update) – Board approved 3/10; Mixer Ordered 3/18; and
- e) Three 1,000- gallon propane tanks at Holly, Catalina & the school (update) – it has been verified that the tanks were placed at least 6' from the fence. Texas Community Propane has been given approval to fill the tanks.

At this point in the workshop, the Board recognized Pat Usener with Texas Community Propane. He confirmed that the three propane tanks are in place but they have not been filled. He wanted to confirm with the Board that he could fill the tanks. Per Director Robison, he observed the location of the tanks and saw no reason they could not be filled. Mr. Usener also mentioned that the Letter Agreement has not been signed by Texas Community Propane but it is in the process.

Let the record reflect that Director Lucas joined the meeting.

After Mr. Usener left the Workshop, Ms. Olsen continued with the General Manager's Report:

2) **Distribution System and Billing:**

- a) Water accountability for March at 98.8%. Inframark is still working with the PUA on master meter concerns;
- b) AMI integration/Atlas Meters order (updates):
  - i) LCRA will extend the deadline past July, if needed;
  - ii) All residential meters changed out except a few dozen plastic lids on order and/or endpoints to install; ETA up to 6 months;
  - iii) Inframark is auditing commercial meters to determine the status;
- c) 24 Delinquent Letters mailed; 12 tags hung; 2 disconnects (both were paid following the disconnect).

3) **Collection System:**

- a) LS1 generator cracked block, damaged radiator, belts, hoses and clamps (update):
  - i) Inframark soliciting bids for replacements since repair cost is not substantially less; and
  - ii) 2 bids secured so far; procuring 1 more bid.

4) **Reuse and Drip System:**

- a) A. SCADA system (updates) –
  - i) Charles Fiero visited site 4/6; Reviewed the security system for the SCADA; Report forthcoming; he also determined that the software is not proprietary, meaning that Inframark can make necessary changes;
  - ii) Mark Yentzen drafting timeline of POs & WOs; confirming Neltronic's services owed; and
  - iii) Inframark just acquired BLTI, its 4th SCADA company, based in Tomball; 5th company is in the pipeline.

5) **Drainage/Ponds:**

- a) Belterra Centre Pond (new)
  - i) Dead/dying fish and 4 dead turtles were reported by residents on March 21<sup>st</sup>; When inspected by Inframark, two turtles were found. Inframark had

Aquatic Features come out to look at the pond. They tested and confirmed that the water quality is good. They theorized that fishing line is to blame; and

- ii) New proposed Eagle Project – duck shelter, Eagle Mentor is a Belterra resident.

6) **Parks – Trails:**

- a) District Tour with the Parks Committee on 3/17; and
- b) Terrain quoting Lexington sign repair – see pictures in report.

7) **Customer Care Committee:**

- a) Spring Clean Up (new) – 4 eBlasts regarding scheduled pick-ups for 4/18 and 5/9;
- b) Security (updates)
  - i) Ad Hoc shift schedule – almost filled for next 3 months; and
  - ii) January and February Security Reports attached; will procure March's security report.

8) **Infrastructure Committee – Meeting monthly until aging action items are cleared (new):**

- a) Recommending installation of shade structures over LS2 & LS4 electrical panels, see quotes;
- b) Recommending relocation of LS1 & LS2 terminal boxes from over wet well to new stainless-steel junction boxes, see quotes;
- c) Electrical panel gaskets at all LSs will be replaced this week;
- d) Pond assessments underway/WOs entered; and
- e) Meeting ADT at WWTP on 4/19 re gate and plant cameras.

9) **Facility Committee:**

- a) Welcome Centre Updates;
  - i) Parking lot cameras – ADT adjusting one camera to see the west end of the lot;
  - ii) Parking lot lights – arrived a few weeks early; Freedom is trenching and wiring soon;
  - iii) LED sign –
    - A) Electrical wiring complete; Terrain installing in a week or so; and
    - B) Usage Policy will be drafted;
  - iv) Carpet tiles – Ms. Olsen and Ms. Jackson will try to order in April;
  - v) Conference phone line will be relocated in a week or so;
  - vi) Dishwasher – repair commencing.

10) **Commercial Construction:**

- a) Inframark Austin Commercial Builders' Packet (new) – See District Files;
- b) Townhomes at Belterra, 315 Holton Dr (NW corner of Holton & Belterra Village) (new) –
  - i) Submitted irrigation plans 4/5; civil plans forthcoming; and
- c) Mighty Fine Burgers (new) – installed temporary construction meter; submitted utility products for review 4/12.



11) **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.

Action Items for General Manager:

Vendor	Amount	Budgeted	Description	Work Order #
Multivolt	\$8,435 x 2 = \$16,870 total		LS2 & LS4 shade structures	
Multivolt	\$14,500 x 2 = \$29,000 total		LS1 & LS2 terminal box relocations	

During her report, Ms. Olsen, stated that it appears that a couple of years ago, the District hired Mr. Nelke to provide SCADA services. From her current research, it appears that the District pre-paid Mr. Nelke \$8,000 for these services but due to the pandemic, it does not appear that Mr. Nelke rendered all of the services. Inframark found an invoice for \$1,500 for Mr. Nelke but it was closed and states that the services were never rendered. Inframark is doing further research and will confirm if those services are still outstanding. She has been trying to reach Mr. Nelke but he has been unresponsive. Director Kelly noted that he is concerned that Mr. Nelke has passwords to the SCADA system.

Ms. Olsen then noted that Charles Fiero was flown out by Inframark at Inframark’s expense to review the SCADA system. He told her that he had been to the District two years ago. He also informed her that he believes that the system may not be secure. Director Lucas stated that if there is no firewall or VPN set up then there are security issues that need to be addressed immediately. Ms. Olsen noted that the next step is to get Mr. Fiero’s report and it will advise how the District should proceed to secure the system.

With respect to the Boy Scout that would like to build a duck shelter at the pond across from the Belterra Centre, the Board asked Ms. Olsen to advise him that while the Board appreciates the ducks and the wildlife, the pond’s true purpose is as a retention pond, not a duck pond and they will have to pass on his offer.

With respect to Paragraph 7B, Ms. Olsen noted that the security shift schedule for the next three months is almost filled. She noted that when she spoke to the Constable, he felt that the District wasn’t giving him enough lead time to get people in place for the shifts. She also noted that the Constable is paying double to fill those shifts.

With respect to Paragraph 8B, Ms. Olsen stated that they are relocating LS 1 and LS 2 terminal boxes from over the wet well to a new stainless-steel junction boxes and that they are replacing them with a higher quality of stainless steel to avoid future problems. In addition, Inframark estimates that it will take 4 hours per box and that it will cost approximately \$500 per LS for equipment and well as the expense for Inframark to supervise the work. Ms. Olsen confirmed that the work will be included in the base fee. Also, she thinks Phil Henderson will supervise.

Director Kelly noted that he is seeing young boys playing games near the WWTP and suggests that the District get security up to speed.

When the Austin Commercial Builder’s Packet (drafted by Inframark) was discussed, Director Robison stated that he is very happy with Ms. Olsen’s work on this packet.

With respect to Paragraph 11 above, Sunscape is confused as to who should be invoiced for irrigation work. They suggested that work on the irrigation system should be billed to whichever district (HCWCID

No. 1 and/or HCWCID No. 2) the work was performed in. Per Mr. Kutac, according to the Sunscape Agreement, the work should be invoiced to the District and then the District will invoice HCWCID No. 2 for their share, which is split between districts based on the beneficial capacity each has in the system. Also, per Director Botts, the District holds the permit so all of the invoices should be sent to Mr. Douthitt. Mr. Kutac explained that the irrigation system should not be looked at separately because it all comprises the same joint wastewater treatment and disposal system. Director Lucas reminded the Board that Sunscape was supposed to do an assessment before Sunscape took over the system. Per Mr. Douthitt, it should have been included from the start. He noted that the invoice only mentions irrigation and does not specify that the work was on the 210 irrigation system. Director Botts noted that he is still not happy that Sunscape brought in two additional invoices to the first Board meeting they attended. Director Lucas noted that Sunscape probably learned their lesson and decided to do an assessment of the system before they took over for HCWCID No. 2. Director Dally mentioned that Brightview has warranty work that they need to do. Directors Lucas and Dally stated that they had already pulled the invoice from the disbursement schedule. Per Director Botts, he feels that Sunscape should have vetted everything before they took over. Mr. Kutac questioned if the invoice is just for an assessment or if it included repairs. Mr. Kutac then suggested that the invoice may be for potable water irrigation in HCWCID No. 2. Director Botts stated that Sunscape needs to clarify what the invoice is for. Mr. Douthitt confirmed that he is checking. Director Botts also suggested that Ms. Olsen meet with Mr. Kutac to see what areas are joint and what are not. The Board also questioned why Sunscape was not at the Board meeting. Director Dally then noted that at first, Sunscape presented the Board with a calendar of services and when they were complete. He would like to keep seeing that report updated and given to the Board at its monthly Board Meeting. Director Kelly agreed that the District needs an itemized list of what services are being completed on a monthly basis.

The Board then moved on to discussed Paragraph 11C (Inframark's Contract Amendments). Director Dally questioned when the amendments will be signed by Inframark. Ms. Olsen thinks that they are very close. The Board then discussed that the hours for services provided by Inframark employees are incorrect (i.e., for Ms. Jackson's position, it states that she will provide 40 hours to both HCWCID No. 1 and HCWCID No. 2). Director Kelly questioned why Ms. Olsen is still working at LedgeStone even though the Board was told that Ms. Olsen would be providing her time exclusively to HCWCID No. 1 and HCWCID No. 2. Per Ms. Olsen, if you look at the chart in Inframark's agreement and you assume that all of the employee times should be cut in half, then she would only be providing 10 hours to HCWCID No. 1 and 10 hours to HCWCID No. 2. She also noted that she is trying to get the other positions filled so that she will spend more time in the District.

Director Botts stated that it was time for the regular Board Meeting to start and the Financial Report and Committee Reports below, which are normally discussed during the Workshop would be discussed later in the regular Board Meeting.

2. Financial Items: Report given during regular Board Meeting.
3. Committee Reports, Recommendations and Assignments:
  - a) Facilities Committee: Discussed during regular Board Meeting.
  - b) Infrastructure Committee: Discussed during regular Board Meeting.
  - c) Customer Care Committee: Discussed during regular Board Meeting.
  - d) Parks Committee: Discussed during regular Board Meeting.



## 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. Lauren Barzilla, with Burgess & Niple (formerly CMA Engineering, Inc.), the District's engineers attended. Boy Scout Zach Johnson also attended. 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.

The Board recognized Zach Johnson who attended the meeting to give an update on his Eagle Scout project which is posting signs on the trails in the District. Mr. Johnson asked if he could edit the map he was given of the trails because it was not a very detailed map, unlike the first map he was given. Ms. Barzilla informed the Board that she had given Mr. Johnson a map that is the most current and accurate and confirmed that it did not have the same details as the first map. Director Dally and Director Kelly noted that they would prefer to post a map that is more similar to the first map. Director Botts asked if Burgess & Niple would be willing to donate Lauren's time to help Mr. Johnson with the maps. Mr. Kutac questioned whether the QR code would continue to be sufficient down the road or would it need to be updated. He believes it would be a better idea to put a link on the sign that would direct the person to the District website. The Board asked again how many signs are in the District and how many signs are in HCWCID No. 2. Mr. Johnson confirmed that there are three signs in the District and 2 signs in HCWCID No. 2. The Board confirmed that Inframark will still dig the holes for the signs.

The Board then recognized Mr. Hively. He stated that he sent an e-mail to Director Botts regarding the weeds in the district. He stated that he is talking about "egregious" weeds, not small weeds. The Board questioned the location of the weeds. It was determined that the weeds are in the right-of-way area near the Cottages at Belterra Village. Mr. Kutac noted that portions of this area are maintained by the separate HOA for the Cottages pursuant to a request by the homebuilder because the builder felt they would do a better job at maintaining the landscaping than the District would. Mr. Kutac will review the agreements with the builder (M/I Homes) to clarify which areas are maintained by the District and the HOA for the Cottages, and see if there are any options. Ms. Olsen mentioned that she or Ms. Jackson can reach out to the HOA for the Cottages, M/I homes to inform them of the weed issue.

5. Financial Report: The Board called on Allen Douthitt of Bott & Douthitt to present the Accounting Report dated April 14, 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 BancorpSouth Manager's Account: \$12,200.00
  - From TexPool Operating Account to TexPool SPA Account: \$4,418.00
  - From TexPool Tax Account to TexPool Operating Account: \$96,729.51
  - From TexPool Tax Account to TexPool Debt Service Account: \$1,200,000.00

- From TexPool Operating to Alterman, Inc. (Pay App No. 2):  
\$83,375.10

- b) The month of February 2022 came in ahead of plan by \$68,000. Favorable revenues made up \$20,000, favorable expenditures made up \$48,000;
- c) Year-to-date the District is ahead of plan by \$493,000.
- d) February 2022 charges to the Joint Maintenance CAP came in at \$41,000. Year-to-date actual charges are \$30,000 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 \$60,000 less than the monthly billings to date.
- f) Fiscal year 2022 tax collection rate of 96.8%.

During his report, Mr. Douthitt noted that most of his other Districts have decided to dispense with maintenance caps because it is very time-consuming to prepare the true-ups. When the District first decided to use a true-up system, the decision was made to use the cap system for cash management purposes, but that is no longer as much of an issue as it was several years ago. He would recommend that the District revise the agreements with Inframark to delete the maintenance cap provision and just carry on with a straightforward invoicing payment system for all services that are outside the scope of the base fee services. Mr. Kutac and Ms. Olsen confirmed that they are amenable to this idea. Director Dally agreed that the system is not needed and stated that using the cap system confuses the issues.

6. Consent Items:

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

b) Accounting Report: The April 14, 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 Robison, seconded by Director Botts, the Minutes from the March 10, 2022 Regular Meeting and the April 14, 2022 Accounting Report and related disbursements, were approved.

7. Reports: Other than the Accounting Report presented by Mr. Douthitt and set forth above, no other reports to be given during the workshop session were given during the regular meeting.

8. Engineering and Development Items: Ms. Barzilla of Burgess & Niple then presented the **General Engineering Report** as follows:

I. Potential action items for the meeting: Approval of Task Order No. 68 for \$17,000 for plan review services for 3G-A Site Development Plan.

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 attached to the engineering report in the Board Packet.

IV. **Lot 3G-1: Construction Updates:**

- a) Construction Updates:
  - i) Construction of water lines and storm sewer lines are ongoing; Burgess & Niple has been reviewing the plan revision for the water line due to a conflict with a misplaced existing electrical line.
  - ii) Project completion is scheduled for September 29, 2023; and
  - iii) Recommend approval of Task Order 68 – Amendment 2. This is a non-reimbursable developer expense.

V. **Pad ZZ:** The plans were resubmitted and are currently being reviewed.

VI. **Pad T:**

- b) Submittals are being reviewed.

VII. **District Water Tracking:**

- a) Approximate Max Daily Usage for February 2022 = 430,000 gpd; and
- b) Maximum allowed = 1,221,120 gpd.

Ms. Barzilla 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

<b>Wastewater Treatment Plant Project Status - March 2022</b>				
<b>Project</b>	<b>Status</b>	<b>Budget Amount</b>	<b>Amount Billed</b>	<b>Project Status</b>
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	\$186,531.46	The first blower is in place and operational, the second blow is currently being installed. The contractor believes they will be



				ready for final completion around April 15, 2022 as planned.
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:

	<b>Belterra WWTP</b>	<b>Duration</b>	<b>Start</b>	<b>Finish</b>
1	<b>Belterra WWTP EQ Tank Blower Replacement</b>	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	<b>Mechanical</b>			
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	<b>Electrical</b>			
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	<b>Submittals/Delivery</b>			
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

During Ms. Barzilla's report, it was noted that The Views at Belterra were exceeded their allocated water usage, but not by much.

The Board then asked Ms. Barzilla about grease traps and how the new restaurant, Mighty Fine Burgers, will affect grease in the plant. They questioned whether it will cause a smell and degrading of the WWTP. The conversation then turned to whether there is a grease trap inspection fee and whether the District should increase the grease trap inspections. Ms. Olsen noted that Inframark is doing monthly grease trap inspections. Director Kelly stated that he didn't think the inspections were happening on a monthly basis. Ms. Olsen stated that Inframark will call in a contractor to clean up any excess grease if the customers do not perform necessary cleanup after a failed inspection. The Board then discussed who will pay for the inspections. Mr. Kutac stated that there is a \$75 grease trap inspection fee in the District's wastewater control order. He also noted that the Rate Order can be amended to revise the customer fees to include the grease trap fee.

Ms. Barzilla then gave an update on the EQ Basin blower installation and noted that the 2<sup>nd</sup> blower was damaged during shipping and she is reaching out to the manufacturer to review. The Board expressed its displeasure that the blowers have been sitting on site for a year and no one inspected the blowers when they were delivered to ensure they weren't damaged. Ms. Barzilla noted that Zach with Altermann (the contractor for the installation project) thought he wasn't supposed to unwrap the blowers because it might void the warranty. The Board discussed that due to shipping delays, Inframark purchased the blowers on behalf of the District. Ms. Olsen stated that Inframark will work on the issue and will take the responsibility. It was also questioned why the contractor would install a damaged blower, and whether the blower was cosmetic or substantial. Ms. Barzilla did not have the answer but said she would look into it. The Board again questioned the actual status of the blowers. Per Director Botts, he would like Ms. Barzilla and Inframark to figure out what the status is and give an update at the next meeting.

#### Action Items for Engineering:

- a) Upon motion by Director Dally, seconded by Director Lucas and unanimously carried, the Board approved Task Order No. 68 – Amendment 1 for the Pad T plan review to add construction phases services for an additional \$17,000.
- b) Upon motion by Director Botts, seconded by Director Robison and unanimously carried, the Board approved Pay Application No. 2 for \$83,375.10 for the blower installation project, subject to receipt of a letter from the contractor confirming that it did not cause the damage to the blowers and describing the damage. It was noted for the record that the contractor is still owed over \$100,000 so if there are any issues with the job being completed in accordance with the construction contract, the Board can withhold payment until the work is completed.
- c) Upon motion by Director Kelly, seconded by Director Botts and unanimously carried, the Board accepted the Engineering Report.

#### 9. Financial Items:

- a) The report was provided earlier in the meeting.
- b) 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 Kelly, seconded by Director Dally and unanimously carried, the Board acknowledged receipt of the Arbitrage report.



10. Management and Operations Items:

- a) With respect to the propane tank installation, no update was given other than the update given by Pat Usener in the Public Comment portion of the Board Meeting;
- b) With respect to the Interlocal Law Enforcement Agreement, no update was given other than what was presented during the workshop;
- c) With respect to the 2021 maintenance cap true-up between the District and Inframark, after a discussion amongst the Board, upon motion by Director Kelly seconded by Director Botts and unanimously carried, the Board approved amending Inframark's existing agreement to remove the base and maintenance account fees; and
- d) No update was given with respect to the Special Joint Board Meeting with HCWCID No. 2.

Standing Items:

- (e) No action taken by the Board;
- (f) Director Botts discussed HCWCID No. 2's request to use the Belterra Centre for a resident trail meeting on April 19<sup>th</sup> from 5:30 to 7:30 p.m. Ms. Olsen confirmed that she and Ms. Jackson will be at the meeting and will close the Centre at the end of the Board Meeting. During the discussion it was noted that the Facilities Committee approved HCWCID No. 2's request to use the Belterra Centre.
- (g) No action taken by the Board;
- (h) No action taken by the Board;
- (i) No action taken by the Board;
- (j) After a discussion regarding whether the Multivolt proposals were budgeted, Ms. Olsen stated that she will check into it. Upon motion by Director Dally, seconded by Director Robison and unanimously carried, the Board approved the Multivolt Proposal for \$16,870 for the LS2 and LS4 shade structures and the Multivolt Proposal for \$29,000 for the LS1 and LS2 terminal box relocations; and
- (k) Upon motion by Director Lucas, seconded by Director Botts with Director Kelly abstaining, the Board authorized matching funds raised by Zach Johnson up to \$500. Upon motion by Director Lucas, seconded by Director Dally and unanimously carried, the Board approved the monthly General Manager's Report.

11. 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 Board voted earlier in the Board Meeting to delete this provision from the Inframark agreement;

(c) Per Mr. Kutac, Lauren Barzilla authorized the survey on the 13<sup>th</sup>. The survey will take less than a week to perform;

(d) No update was given with respect to adjusting the pricing for landscape and irrigation services pursuant to Section 3. of the Sunscape Landscaping agreement;

(e) Ms. Hahn reminded the Board that, pursuant to HB 3834, the Directors must complete cybersecurity training on or before August 31, 2022 and provided a link to the video produced by the Texas Municipal League Intergovernmental Risk Pool for such training; and

(f) Director Botts stated that he included this agenda item so that each director could consider future committee assignments, as the Board typically re-elects officers and makes committee assignments in May. Mr. Dally noted that he would like to move from the Infrastructure Committee to the Parks committee. Director Robison also noted that he would like to be on the Customer Care Committee. Director Kelly stated that he would consider moving from the Parks Committee but he is less interested in the Infrastructure Committee. No action was taken by the Board. Director Botts would like the Directors to think about it and discuss at the next Board meeting.

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 Board asked Ms. Olsen to schedule a Parks Committee meeting to review various matters with Sunscape and an Infrastructure Committee meeting to discuss the SCADA report. The Board then discussed having Ms. Barzilla attend the Workshop as well as the Board Meeting so that she is more involved with the issues. Director Lucas would like Ms. Barzilla to attend the Workshop and the Board Meeting and then she can leave after she gives the Engineering Report to the Board. Upon motion by Director Lucas, seconded by Director Dally and unanimously carried, the Board authorized Ms. Barzilla to attend the Workshop and then stay at the Board Meeting until her report is given.

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 12<sup>th</sup> day of May 2022.



  
Daniel B. Robison, Secretary