

MINUTES OF MEETING  
OF THE  
BOARD OF DIRECTORS  
October 13, 2022

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 October 13, 2022 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 general management and operations contractor, Lauren Barzilla of Burgess & Niple (formerly CMA Engineering, Inc.), the District's engineers, Chris Lane of Samco Capital, the District's financial advisor, Vicki Hahn, paralegal with Winstead PC and Jesse Trevino and Nick Seger of Sunscape Landscaping, the District's landscapers. In addition, Allen Douthitt of Bott & Douthitt, the District's bookkeeper and Andy Barrett of Andy Barrett & Associates attended the meeting by telephone. Walter Almon, a member of the public attended the workshop.

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. A copy of the General Manager's Summary Report is attached as Exhibit "A".

Ms. Olsen reported that she, representatives of Kubota and Lauren Barzilla are working to develop a plan for a warranty check on the Kubota membranes. She noted that Kubota would pull several membranes and send them to Japan for analysis. Director Botts questioned why this was the first he was hearing of this. Director Robison replied that the Infrastructure Committee had just heard the idea on Monday. There is not a formal plan and once there is, the Infrastructure Committee will present it to the Board. A discussion ensued as to the purpose for sending the membranes to Japan. There were questions over whether the purpose was to address a warranty issue or is it a budgetary issue. Ms. Barzilla noted that she believed it to be a budgetary issue so that the District can budget according to the remaining life span of the membranes. During the discussion, it was noted that the membranes have a 10-year warranty. It was determined that the matter would be looked into further by the Infrastructure Committee, the General Manager, the Engineers and Kubota and then a recommendation would be presented to the Board at a future meeting.

A brief 10-minute recess was called.

Ms. Olsen mentioned that the LCRA is extending the deadline, until June 2023, for installation of the AMI meters to qualify for their grant program. The extension is needed due to the pandemic and supply chain issues.

Ms. Olsen reviewed the Post Incident Report for the September 22, 2022 irrigation line break. She noted that the District has had three similar breaks in the last year and Inframark and Burgess & Niple are working on solutions. Director Kelly noted that he doesn't recall a line break last November. Director Robison responded that he cannot find a record of the November line break. Ms. Barzilla mentioned that the two current breaks have been similar. When asked about why the newly installed alarm did not alert operators to the line break, Ms. Olsen noted that the contractor had accidentally set the alarm for 10,000 gpm and not 1,000 gpm. She noted that Inframark did not have access to the alarm before the break, but since then, they have succeeded in getting access. Director Botts instructed Ms. Olsen to present the solutions to prevent future breaks to the Board and not just the Infrastructure Committee. He also asked Ms. Barzilla to review all of the options.

Director Botts then brought up the subject of the drip fields not working and asked Ms. Olsen how quickly Inframark is moving to get the treated effluent out of the tank since the drip fields are not an option and hauling is too expensive. Ms. Olsen responded that the drip field skids are proprietary to JNM and that they have hired Proscap to be their service provider. In addition, Ms. Olsen noted that Inframark is trying to get Proscap to come out but they are backed up. As soon as Proscap comes out to look at the drip skids and access the situation, Inframark will proceed but they need to know the cost and scope first. Director Botts brought up the fact that he feels that Inframark is to blame for the drip skids not working so he doesn't believe cost should be a factor because Inframark should pay to correct the issue they caused regardless of the cost. Director Botts stated that there are three problems with the drip irrigation system – the pump system, the drip skid and the valve hoses and lines. Ms. Barzilla confirmed that the drip skids are an assembly of pumps for the drip fields. Ms. Olsen again noted that the drip skids are proprietary to the JNM, and Jessie



Black of Inframark is determining if replacement parts must be purchased from JNM, whether another contractor may repair the drip skids using JNM replacement parts.

Director Botts told Ms. Olsen that the top 2 issues he wants resolved are the membrane warranty issues and getting the drip irrigation system repairs completed.

Director Botts returned to the discussion about sending the Kubota membranes to Japan and noted that when they bought the Kubota membranes approximately 4 years ago, they had a 10-year warranty. The Board looked closely at the warranty because the membrane replacement was a large, expensive project. The Board was under the impression that if there was a warranty issue, Kubota would take care of it. He is not happy hearing that the membranes may need to be shipped to Japan for warranty issues. Mr. Kutac noted that determining the remaining life of the membranes seems to be directed at budgetary concerns, rather than a warranty requirement. Director Robison agreed that the District needs to determine what the wear and tear on the membranes are due to how they were handled during the EQ Basin repair. Director Botts then requested that this issue go to the Infrastructure Committee and that the committee come back to the Board to discuss the pros and cons of the options.

#### **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. Dylan Lake from Aquatic Features, the District's pond consultant, Mr. Zach Johnson and Willie Wisko, members of the public 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.

1. 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.

Mr. Zach Johnson presented pictures of his final map and informed the Board that he had decided to do away with the extraneous information about walking dogs on leashes, etc. because those signs already exist in the District. The three signs in the District would be located at Pecan Park, Trinity Hills and the Recreation Center. The Board liked the maps and commended Mr. Johnson on a good job.

Mr. Wisko discussed a water bill that he received in August which was due on the Sunday before Labor Day. He voiced his discontent that the bill was due on a Sunday before Labor Day and when he came to the Belterra Centre to pay his bill on Sunday, no one was there to take his payment. He requested changing the due date so that a due date does not fall on the Sunday before a holiday. He also requested that a sign be displayed when customer service is closed. In addition, he mentioned that fireworks are an issue in the District. He is a former fire fighter and responded to fires and injuries caused by fireworks. He would like the District to work with the Fire Department and Constable Hood to get an ordinance banning fireworks in the City of Dripping Springs and in the District. Mr. Kutac responded that fireworks are banned on property the District owns, but it is difficult to obtain enforcement of that rule by police officers.

Mr. Kutac called for additional public comment. Hearing no additional public comment, the Board proceeded to item 10(d) on the Agenda to accommodate the schedule of Mr. Lake from Aquatic Features, who was present to address water quality ponds.

Mr. Lake was asked to consult regarding the water quality and functionality of the Belterra Centre pond. Mr. Lake stated that the condition of the pond is exacerbated by residents feeding the ducks. A pond that can only sustain two ducks and stay healthy is now inhabited by 50 to 60 ducks, and the ducks are producing too much urea for a pond of the size of the Belterra Centre pond. There are no products to get rid of duck waste. The Board asked if another aerator would help address the issue, but Mr. Lake stated that it would not because the pond needs a continuous source of new water to correct the issue. He then mentioned the smell and stated that the smell is being caused by the duck excrement and that it should improve when the weather cools. He noted that recent drought conditions have exacerbated the issue.

After a discussion, upon motion by Director Botts, seconded by Director Lucas and unanimously carried, the Board approved a sign for the pond.

2. Consent Items:

a) Minutes: The Board of Directors reviewed the Minutes from the August 11, 2022 Regular Meeting and the September 8, 2022 Regular Meeting; and

b) Accounting Report: The October 13, 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 Accounting Report and related disbursements, were approved.

3. Reports: The following reports were given during the regular meeting.

Financial Report: The Board called on Allen Douthitt of Bott & Douthitt, during the regular meeting, to present the Accounting Report dated October 13, 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: \$12,600.00
  - From TexPool Operating Account to TexPool Park Fee Account: \$37,716.02



- From TexPool Operating Account to TexPool SPA Account: \$5,586.02
- Financial Highlights:
  - The month of August 2022 came in ahead of plan by \$122,000. Favorable revenues made up \$89,000, favorable expenditures made up \$33,000
  - Year-to-date the District is ahead of plan by \$892,000.
  - August 2022 charges to the Joint Maintenance CAP came in at \$1,000. Year-to-date actual charges are \$6,000 less than the monthly billings to date.
  - August 2022 charges to the General Maintenance CAP came in at \$20,000. Year-to-date actual charges are \$105,000 less than the monthly billings to date.
  - Fiscal year 2022 tax collection rate of 99.84%.

Mr. Douthitt asked about the status of the Inframark amendment deleting the caps. Mr. Kutac responded that he received a revised draft from Inframark yesterday and he will forward it to Mr. Douthitt so that Mr. Douthitt can review and confirm the proposed fees included.

Committee Reports, Recommendations and Assignments:

- a) Facilities Committee: No updates.
- b) Infrastructure Committee: No updates other than the items discussed in the Workshop session.
- c) Customer Care Committee: No updates.
- d) Parks Committee: No updates.

Landscape Report: Jesse Trevino from Sunscape Landscaping gave the following report during the regular Board meeting:

- a) The full-service turf maintenance of the high visibility areas was performed four times in the month of September;
- b) Full-service bed detail was performed on September 2<sup>nd</sup>, 16<sup>th</sup> and 30<sup>th</sup>;
- c) Monthly mowing in the Red Areas was completed on September 15<sup>th</sup>;
- d) Quarterly mowing areas/Wildflower area for bluebonnets will be September 22<sup>nd</sup> to September 27<sup>th</sup>;
- e) There were no work orders for August;
- f) The Drip Fields were mowed September 10<sup>th</sup>; and
- g) Trail maintenance/Raking, Filing Ruts, Spraying Weeds was completed on September 23<sup>rd</sup>;
- h) Fertilizer Pre and Post Emergents – Round 3 – August 29<sup>th</sup> and Round 4 September 16<sup>th</sup>.

Mr. Trevino noted that he is holding off on re-seeding because he is waiting for rain. He also noted that in November, the mowing schedule will be moving to bi-monthly services instead of weekly services. Director Robison stated that it has been weeks since Trinity Hills was mowed

and it is 4' high. Mr. Trevino responded that he will have that mowed before Monday. Mr. Seger stated that he will ensure that there is an executive summary for the water usage by next month's Board meeting.

Director Kelly brought up an issue with respect to the dying vegetation in the median of Sawyer Ranch and Trinity Hills. Mr. Trevino responded that there is a water pressure issue. Water is spraying but not with enough pressure. Director Kelly stated that he had a telephone call with Sinjon that morning and he was told there is a pump issue. Director Robison noted that the Board approved irrigation repairs last month. Ms. Olsen interrupted and informed the Board that Sinjon had left her a message right before the meeting regarding scheduling a meeting with Inframark, and she assumes it is to discuss this issue. Director Botts requested that Mr. Trevino and Sinjon work on the issue together and determine what the issue is.

4. Engineering and Development Items: Lauren Barzilla of Burgess & Niple presented the **General Engineering Report** as follows:

I. Potential action items for the meeting:

- a) Recommend Final Acceptance of Pad T – Mighty Fine in Belterra Village.
- b) Recommendation of Award of Crampton Cove Pavement Repair.
- c) Approval of Task Order 74 – Plan Review for St. David's Site plan - \$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, Pad T and Pad ZZ.
- c) Plans currently under review – St. David's.
- 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: Construction Updates:

- a) Public water has not been completed, wastewater connection has not been completed, public utility construction has been slow due to unexpected field conditions – no change.

V. Pad ZZ: Construction Updates:

- a) Private water line, wastewater and storm sewer installation is ongoing.

VI. Pad T: Construction Updates:

- a) Public wastewater line is complete, and the water line passed testing.
- b) Recommend Final Acceptance of Pad T – Mighty Fine. The final completion letter is on the Google Drive.

VII. **Crampton Cove Pavement Repair:**

- a) Recommendation of Award – Myers Concrete, the letter and the bid form can be found on the Google Drive.

VIII. **Trinity Hills Pond Well Permit:**

- a) The permit was submitted to Hays Trinity Groundwater Conservation District. The invoice for the renewal was received and forwarded to the bookkeeper for payment.
- b) The permit requires monthly monitoring and reporting, Inframark has been made aware of this requirement.

IX. **St. David's Site Plan:**

- a) I received the site plan from the engineer and will start reviewing once the task order is approved and the retainer has been paid.
- b) Approval of Task Order 74 – St. David's Site Plan Review - \$15,000.

X. **PEC – Distribution Upgrades Easement Request:**

- a) PEC has requested to upgrade the distribution line along the east side of Nutty Brown Road, and in the area to the South of Kit Carson Dr. The upgrades are being done to improve grid reliability in the area and accommodate forecasted increases in energy demands for future developments. The line would be located adjacent to the right of way.
- b) Facilities would include poles, overhead conductor, guy wires and an existing riser would have to be relocated.
- c) Most facilities would be overhead, however, the existing riser at Trinity Hills Drive and Nutty Brown Road would need to be relocated into the easement, which would require some trending to lay down extra conduit. This would be minimum underground work.
- d) The approximate width of the easement would be 15' along Nutty Brown Road and 20' along Kit Carson Drive.
- e) Trees would have to be removed in this area.
- f) PEC would be responsible for locating existing facilities prior to construction and they would repair any facilities that were accidentally damaged during construction.

XI. **Discussions on Treated Effluent Fire Hydrant:**

- a) Waiting for direction from the Board regarding construction and placement of the fire hydrants.
- b) The 210 Beneficial Reuse Permit will have to be amended.
- c) Approval of Tax Order 72 – Amending the 210 Beneficial Reuse permit to add fire protection.

XII. **District Water Tracking:**

- a) Approximate Max Daily Usage for August 2022 = Approximate Max Daily Usage (August 2022) - A discrepancy was found in the data. When the WTCPUA switched pressure planes it caused there to be more flow between the interconnect meter located by the school on Belterra Drive. Previously this meter was not being read, because there was not often water going through the meter. I met with Inframark to discuss this meter, and we agreed that in order to get a more accurate



daily water usage for the District, that meter would need to be read every day, and Inframark agreed to start reading this meter. As a result, we will not have accurate daily water usages until the month of October. I will report on these usages as soon as that data is available in the General's Manager Report.

b) Maximum allowed = 1,221,120 gpd.

With respect to Pad T, Ms. Olson stated that Mighty Fine is asking for a change to the Reclaimed Water Agreement. Ms. Barzilla is asking for conditional approval based on execution of the Reclaimed Water Agreement and payment of the required fees. Per Matt Kutac, the Reclaimed Water Agreement should be approved by the Board.

With respect to the Crampton Cove pavement repairs, Ms. Barzilla explained that the \$127,422.00 does not include complete repair. Myers Concrete based the bid on what they should find when they dig up the temporary repair to make this a permanent repair. She explained that Myers Concrete should find competent rock on each side of the irrigation pipe. She noted that she asked for a bid on fill and gravel in the event Myers did not find competent rock on both sides and needed fill and gravel. She requested the additional bid so that she could lock in the price. The total estimate should be \$166,017,000 (\$127,422.80 for Crampton Cove and \$38,595.00 for Aspen Drive).

With respect to the well, the Board asked Ms. Olsen to prepare a work order to fix the float. Ms. Olsen replied that if the cost to repair the float is under \$2,500, she has the authority to approve the repair.

Ms. Barzilla then discussed the PEC Easement Request. She mentioned that some trees would have to be removed in order for the electric line to be placed above ground. The Board is not in favor of removing the trees. It was then noted that the PEC has condemnation rights, but the directors agreed that they would be willing to litigate the issue to preserve the existing public use of the property. The Board determined that Ms. Barzilla should tell them that the District does not agree to having the trees removed and ask them to put the line underground in order to avoid having to take out the trees.

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

I. **Potential action items for the meeting:**

- a) Approval of Task Order 72 – Amending the 210 Beneficial Reuse - \$5,000.00.
- b) Approval of Task Order 75 – Design and Bidding of the Replacements of the 12” Treated Effluent Line.

II. **100 Acre 210 Warranty Items:**

- a) Update on progress.

III. **Treated Effluent Fire Hydrant:**

- a) Waiting for direction from the Board regarding construction and placement of the fire hydrants.
- b) The 210 Beneficial Reuse Permit will have to be amended.



- c) Approval of Task Order 72 – Amending the 210 Beneficial Reuse permit to add fire protection.

IV. **12” Treated Effluent Line:**

- a) Discuss replacements costs.
- b) Approval of Task Order 75 – Design and bidding of the replacement of the 12” Treated Effluent Line.

V. **Wastewater Summary:**

- a) Average Daily Wastewater Usage (August 2022) = 356,000 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

With respect to the Brightview’s removal of the temporary erosion controls and irrigation, Mr. Kutac stated that the Surety company informed him that they intended to deny the claim but they would offer to settle the claim for the amount of \$2,000. Mr. Kutac recommends acceptance of the offer.

With respect to the 12” Effluent replacement. Ms. Barzilla reviewed the following options with the board:

- a) Cured in Place Pipe lining (“CIPP”) which is a method of trenchless repair the existing pipes. CIPP lining uses a liner tube and a liquid resin. Ms. Barzilla stated that this was not the recommended repair according to the CIPP contractor.
- b) Ms. Barzilla recommended a sleeve liner be pulled through the pipe which would be approximately 2,900 feet. It could be pulled through the pipe with one pull. It would increase the pressure rating of the pipe from 160psi to 600 psi. When asked if the liner is flexible, Ms. Barzilla stated that she would ask. The liner would be pushed through the pipe and every 200 feet they would open the pipe to advance the liner. Director Botts asked if both the 8” and 12” treated effluent lines needed to be done. Mr. Barzilla recommends doing both lines.
- c) The last option is to replace the existing pipe with new SDR-21 pipe. The estimated cost to replace the 8” and 12” pipes would be approximately \$600,000. If the District removes the current pipe, it could save approximately \$60,000.

Ms. Barzilla mentioned that when the Rainbird system was installed, a flow restrictor was installed in the lines. The flow restrictor measures how much water is flowing through the lines and if it exceeds a set amount, the system can automatically shut off. Ms. Barzilla believes this knowledge was lost over time. The Board discussed requesting that Ms. Barzilla prepare a Task Order for Chad at Terrain to come to the District and meet with Sinjon at Sunscape and explain how to use it. Sinjon may not know it even exists. Upon motion by Director Botts, seconded by Director Dally, unanimously carried, the Board authorized Inframark to contact Chad at Terrain, ask him for a quote with respect to meeting with Sinjon to discuss the flow restrictor and instruct Sinjon on how to use it. If the quote is \$2,500 or less, the Board authorized Ms. Olsen to approve it and schedule the meeting.

Action Items for Engineering:

- a) Upon motion by Director Kelly, seconded by Director Robison and unanimously carried, the Board gave conditional approval to Pad T (Mighty Fine) contingent on execution of an acceptable Reclaimed Water Agreement and payment of the fees.
- b) Upon motion by Director Botts, seconded by Director Kelly and unanimously carried, the Board approved Task Order 74 for the St. David's Site Plan Review.
- c) Upon motion by Director Lucas, seconded by Director Botts and unanimously carried, the Board approved the Crampton Cove and Aspen Hills pavement repairs.
- d) Upon motion by Director Botts, seconded by Director Lucas and unanimously carried, the Board authorized Ms. Barzilla to issue the notice to proceed on Crampton Cove and Aspen Hills.
- e) Upon motion by Director Botts, seconded by Director Lucas and unanimously carried, the Board agreed to accept the \$2,000 offer from the Surety Company with respect to the removal of the temporary erosion controls subject to HCWCID No. 2's approval.
- f) Upon motion by Director Botts, seconded by Director Dally and unanimously carried, the Board approved Task Order No. 72 to amend the beneficial reuse permit to allow use of reclaimed water for fire suppression.

Upon motion by Director Dally, seconded by Director Kelly and unanimously carried, the Board accepted the Engineering Report.

5. Financial Items: No action required.

6. Management and Operations Items:

- a) With respect to purchasing a portable generator for the Lift Stations, Ms. Olsen stated that Jessie Black is working with Inframark's master electrician and is close to getting costs to present to the Board.
- b) No update was given;
- c) No update was given.
- d) An update was given as described above immediately after public comment.



Standing Items:

e) No action by the Board;

f) Director Dally would like for the District to adopt a policy that would set forth the rules for the use of the Belterra Centre as a polling location for elections. He is requesting: (i) a maximum of two (2) small yard signs in support of each candidate or measure on the ballot are permitted at the Belterra Centre and all surrounding grounds; (ii) signs that are 4' x 6' or larger are prohibited at the Belterra Centre and all surrounding grounds. The use of T-stakes or T-posts to display signs is prohibited. The face of each sign must consist of paper, cardboard, plastic and other traditional materials of a similar nature and texture. Sign faces comprised of wood, metal, glass, neon or other potentially dangerous materials are prohibited; (iii) that the District reserve the right to remove from the Belterra Centre and surrounding grounds any signs that are not in compliance with this Policy; (iv) in order to promote maximum parking availability for voters, parking at the Belterra Centre shall be restricted to voters only and such voters shall only be allowed to park in the parking lot for the amount of time necessary to vote; (v) in order to promote maximum parking availability for all voters, candidates and their supporters are prohibited from parking in the Belterra Centre parking lot unless they are voting and then they are limited to parking for the amount of time necessary to vote; and (vi) all visitors must enter the Belterra Centre via the entrance marked for such purpose and exit via the marked exit. ;

g) The issue of a resident who is riding his dirt bike through the ponds and posting on Facebook that he wants the kids in the neighborhood to grade portions of the pond was discussed. The Board would like to warn the resident that this is criminal trespass. Ms. Jackson agreed to meet with the Constable regarding this matter;

h) No action by the Board;

i) No action by the Board;

Ms. Olsen presented the Texas Utility Help Program. She explained that the program will help families who are below the poverty line with their water bills. She explained that it is free to sign up.

j) Action Items:

(i) Upon motion by Director Robison, seconded by Director Kelly and unanimously carried, the Board authorized Ms. Olsen to apply for the Texas Utility Help Program on behalf of the District and to send an e-mail to the residents once it has been approved by Mr. Kutac.

k) With regard to the General Manager's Report, upon motion by Director Kelly, seconded by Director Robison, the Board approved the General Manager's Report.

5. Rules, Policies, Agreements and Compliance Requirements:

(a) Mr. Kutac mentioned that Inframark has approved a short form contract amendment that removes the maintenance cap from the agreement, removes irrigation services from the agreement and updates the personnel changes.

(b) It was noted that a committee meeting is scheduled on Friday to meet with the potential vendors. This is a fact-finding mission and no contract negotiations will take place. After the meeting, the committee will come back to the Board with recommendations.

(c) The policy with respect to trimming trees in the District's greenbelt areas was tabled until next month's Board Meeting.

(d) Director Botts discussed communication with respect to any future line breaks. He suggested that Matt Kutac be the contact person who is informed of any unauthorized discharge. Mr. Kutac can then determine if it affects HCWCID No. 2's residents and if so, he can notify HCWCID No. 2's Board who can determine if they wish to notify the residents. However, he suggested that if the line break does not affect the HCWCID No. 2's residents in any way, that they not be notified. After a discussion, upon motion by Director Botts, seconded by Director Robison and unanimously carried, the Board instructed Mr. Kutac and Inframark not to post anything beyond what is required by the permit.

(e) Review of the Water Conservation and Drought Contingency Plan was tabled until January 2023 after the LCRA takes up proposed changes to its plan.

6. Water Supply Agreements: There is nothing of note other than the PUA has again changed their water drought contingency plan and the District would need to review potential adjustments.

7. District Calendar and Schedule: Director Dally mentioned that upcoming November 8, 2022 Election and schedule. The Board's next meeting will be October 13, 2022.

8. Executive Session: With regard to Item No. 8(c) and (d) and 11(a) and 11(b) on the posted agenda for the meeting, upon motion by Director Botts, seconded by Director Robison and unanimously carried, the Board retired at 7:13 pm., along with Matt Kutac to Executive Session.

At 7:34 p.m., let the record reflect that Director Kelly left the Executive Session.

9. Following such Executive Session the Board reconvened in public session at 8:01 p.m.

With respect to 8(d), upon motion by Director Botts, seconded by Director Robison and unanimously carried, the Board directed Mr. Kutac, the District's attorney, to negotiate with the PEC as discussed in the Executive Session.



With respect to 11(a), upon motion by Director Lucas, seconded by Director Kelly and unanimously carried, the Board authorized execution of the Inframark amendment subject to verification by Mr. Douthitt of the monetary numbers included in the amendment.

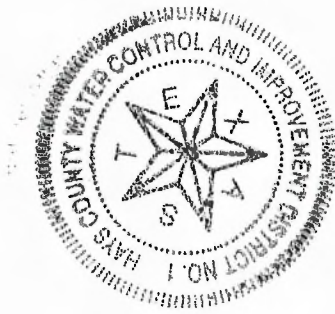
No further action was taken.

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

APPROVED AND ADOPTED on the 10<sup>th</sup> day of November 2022.

  
Daniel B. Robison, Secretary

(DISTRICT SEAL)



## EXHIBIT A

**Memorandum for: Hays WCID No. 1 Board of Directors**

**From: Kay Olsen**

**Date: 10/13/22**

**Subject: Board Workshop – Management and Operations Report** since 9/8/22

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

- A. Latest proof attached, auxiliary info no longer included per Zach because of duplication with other neighborhood signs and to maximize space

**II. Wastewater Treatment Plant**

- A. All wastewater treatment samples in compliance with permit for Sept. Total flows of 10.7M gallons; daily average flows of 357,000 gpd at 71% capacity.
- B. Kubota membrane warranty check (update) – Kubota, B&N and Inframark developing plan and cost estimate for Infrastructure Committee review
- C. Spare Mixer replacement (update) – Board approved in Sept; Precision Pumps given \$6,752 PO 9/22
- D. 9/13 spill of 500 gallons (new) – see UD Report, sludge transfer line broke on WWTP property; site cleaned and disinfected; already scheduled for repair, suggesting upgrade from PVC to ductile iron; Board President and District Attorney notified on 9/13

**III. Distribution System and Billing**

- A. Accountability and Purchased Daily Water for Sept – Inframark & B&N troubleshooting the interconnect meter to account for PUA pressure zone changes and subsequently unbalanced flow between 2 Districts
- B. Digital meter conversion (update)
  - 1. 6" meter for Belterra Apartments and 3" meter for DSISD approved by Board in May arrival estimate updated from Fall 2022 to early 2023
  - 2. Missy extending LCRA deadline to June 2023
- C. 30 Delinquent Letters mailed; 19 Tags hung; 5 Disconnects
- D. 120+ Days Past Due – \$815.02 showing for last 6 months is a false balance due to close out credits erroneously applied to deposit category; actual balances are \$0; Missy is correcting
- E. API Base Fee adjustments for Hays 01 & 1J effective in Oct – spreadsheets included in Packet

**IV. Collection System**

- A. LS1 generator (update) – ordered; estimated delivery Aug 2023
- B. LS1 shade structure (no update) – Multivolt still waiting for parts
- C. LS3 pump repair (update) – Board approved in Sept; Hamilton given \$3,124.88 PO 9/22

**V. Reuse and Drip System**

- A. Tank levels in feet:
  - 9/1/22 – 12.9
  - 9/15/22 – 13.9
  - 9/31/22 – 10.3
- B. Total 210 flows for Sept = 11.6M gallons
- C. Sunscape Sept Irrigation Reports attached, next time Sin Jon will draft an Exec Summary
- D. 9/22/22 12" irrigation break (new) – see attached Post Incident Report



- E. Drip field repairs (update) – Inframark gathering quotes for drip skid and valve repair; SLT aware of Board expectations; plan to be presented/vetted by Infrastructure Committee
- F. Sun 6/19 main irrigation line repair at Belterra Drive and Aspen Drive (no update) – Kay checking with C&D Manager re warranted Inframark repairs, per Matt

#### **VI. Drainage/Ponds**

- A. Aquatic Features Quarterly Report attached
- B. East Trinity Hills commercial pond (new)
  - 1. Fence constructed in September
  - 2. Rehab'd by C&D
- C. Holton pond (new) – Rehab'd by C&D; see attached before and after pics
- D. Belterra pond level is low and will be filled in accordance with Engineer's instructions

#### **VII. Parks & Trails / Committee**

- A. Sunscape Sept Landscaping Report attached

#### **VIII. Other**

- A. Save Our Springs Open Records Request – Inframark Ops, Compliance, and Records Request Departments are pulling information and will forward to Matt
- B. Texas Utility Help Program (new)

### **Subject: Regular Board Meeting**

#### **Management and Operations, Actionable Items:**

- 10a & b) Portable generator and fuel tanks (no update) – Inframark ARS evaluating/estimating:
  - Replacing old WWTP diesel generator with a propane generator
  - Converting old diesel generator into a portable propane unit
- 10c) Security services – no update or action requested
- 10d) Water Quality Pond maintenance – Robert McCartney, Managing Biologist, and Dylan H., Lake Manager, attending to consult on Belterra Centre pond quality and functionality

#### **Management and Operations, Standing Items:**

- 10e) Customer requests and billing – New format for billing basic monthly usage charge explained with verbiage drafted by Matt and distributed via eBlast, District .org and Facebook webpages (not Belterra Neighbors Facebook page), and as a permanent note on billing statements
- 10f) Facility Usage requests – no update or action requested
- 10g) District Rules Violations – no update or action requested
- 10h) District Service Agreements – no update or action requested
- 10i) Customer communications – Stage 2 watering restriction signs placed around District on 9/9
- 10j) Maintenance & Repair expenditures – none for Board approval

#### **Current Items Requiring Board Approval:**

Vendor	Amount	Budgeted	Description	Work Order #

#### **Rules, Policies, Agreements and Compliance Requirements:**

- 11a) Inframark Service Agreement Amendments
  - Inframark sent drafts of 3 Amendments for Hays 01, 1J, and 02 to remove Maintenance Caps, reduce irrigation scope, and update Personnel Charts so accounting adjustments can be made while pricing negotiations continue on more complex items.
  - Inframark will next draft LOI with pricing adjustments for suggested staffing levels