

MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS

THE STATE OF TEXAS §
COUNTY OF HAYS §
HAYS COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 1 §

The Board of Directors (the “Board”) of Hays County Water Control and Improvement District No. 1 (sometimes referred to herein as the “District”) met in Special Session on the 23rd of November, 2020, via zoom video and telephonic conference to mitigate the spread of COVID-19. Pursuant to Proclamations issued by the Governor of the State of Texas and guidance provided by the Office of the Attorney General of the State of Texas, the meeting was open to the public both via zoom and/or telephonic conference. 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

All members of the Board were present via zoom video conference for the commencement of the meeting. Also present via zoom video conference were Matt Kutac of the law offices of Matthew B. Kutac, PLLC, Kristi Hester and Teri Martin of Inframark, the District’s general management and operations contractor, Lauren Barzilla with CMA Engineering (“CMA”), the District’s engineers, Judy McAngus and Vicki Hahn, paralegals with Winstead PC and Justin Taack of Bott & Douthitt PLLC (“Bott & Douthitt”), the District’s bookkeeper.

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

1. Matt Kutac confirmed that no members of the public had signed up for public comment in advance of the meeting by submitting an email. He further called for public communications and comments from any person, including any persons tied in the meeting via audio. There being no person participating in the meeting who wished to address the Board under this item, the Board proceeded to the next item of business.

2. Mr. Kutac explained that this meeting was being held for the primary purpose of considering final acceptance of the Belterra Village Multifamily Project.

3. Lauren Barzilla of CMA reported there were three (3) remaining items on the final punch list dated November 16, 2020 that still needed to be addressed as follows:

(i). Treated Effluent Line: The easement recorded does not match the line. Tim Propes with CMA went to look at the line, but it was not installed within the property easements. The effluent line needed to be removed and re-installed so that it matches the approved plans for the project. Removing and re-installing the line requires a retest of the water line, and it usually takes 24 hours to get the City of Dripping Springs out for the test. Ms. Barzilla noted that they expect the testing to be completed by tomorrow.

(ii). 3" Meter Vault Building 2A: The Vault lid is below the top of the curb and will not drain properly. Ms. Barzilla reported that a new sidewalk will be poured tomorrow and the issue should be corrected at that time; and

(iii). Cleaning the Sewer Lines: The sewer lines were supposed to be cleaned on Saturday. Inframark is going to send someone to verify that the lines were cleaned.

4. The board had a discussion regarding completion of the punch list. It was noted that under existing signed leases, it appeared that four families were scheduled to move into the apartments tomorrow. Director Botts was concerned that if the Board approves water to the project for the four families, that the Board's approval would also include approval of the remaining apartments. Mr. Kutac confirmed that an authorization would cover the entire complex, not just the four apartments being rented. Two Board members asked if the Board had the authority to charge a penalty for every day the work is not completed. Mr. Kutac stated that the Board cannot impose a daily penalty for the incomplete work. However, he noted that if the Board granted a conditional approval, the water service would not be initiated until the project was completed, and that the risk of liability to the tenants would be on the developer. It was also discussed that it would be a major inconvenience for the four families if they were not allowed to move in due to the timing of their proposed move in just prior to Thanksgiving. Mr. Kutac noted that the four families probably have recourse under their lease if they are not allowed to move into the apartment in accordance with the lease.

After a lengthy discussion, upon motion by Director Botts, seconded by Director Dally and unanimously carried, the Board gave conditional acceptance of the Project, and authorized initiation of water service to the Project, to be effective upon the District Engineer's confirmation that the items listed in Paragraph 4(i) through (iii) of the conditions set forth below ("Completion Conditions") have been completed. It was also agreed that Matt Kutac would forward a letter to the developer and copy the City to document such conditional acceptance.

(i). A retest of water line B Station 6+34.99 to station 7+73.72 has been completed and passed;

(ii). Cleaning of the sewer lines has been completed and approved;

(iii). The 3-inch water meter vault for Building 2A is adjusted such that the proper drainage from the vault is achieved; and

(iv). The existing treated effluent line has been rerouted to match the location shown on the approved plans for the Project and related documentation is approved and completed.

With respect to Paragraph 4(iv) above, it was noted that reclaimed water irrigation service will not be initiated until all 4 Completion Conditions are satisfied.

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

APPROVED AND ADOPTED this 10th day of December, 2020.




Daniel B. Robison, Secretary