

HCWCID NO. 1
BOARD MEETING PACKET
11-12-20

HAYS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

TO: THE BOARD OF DIRECTORS OF HAYS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 AND TO ALL OTHER INTERESTED PERSONS:

Notice is hereby given pursuant to Section 551 of the Texas Government Code, and the March 16, 2020 action of the Office of the Attorney General suspending certain requirements of Section 551, that the Board of Directors of Hays County Water Control and Improvement District No 1 will conduct a Workshop meeting at 4:00 p.m., followed by a Regular Board meeting at 5:00 p.m. on Thursday, November 12, 2020 at Belterra Centre, 151 Trinity Hills Drive, Austin, Texas, for the purposes stated herein.

Members of the public may join this meeting toll-free by calling 1-888-594-6783 and entering passcode 512 370 2939#. Those who wish to provide public comments should send an email to commentsignup@hayswcid.org at least one hour prior to the meeting indicating their name and the item(s) upon which they would like to address the Board. An electronic copy of the agenda packet will be provided under the agenda tab on the District's website at: <https://www.hayswcid.org/hwcid-1/documents> before the meeting is conducted.

Board Workshop Session Agenda

(4:00 PM)

The Board will conduct a workshop session to review and discuss the following reports. No action will be taken during the Workshop Session, which shall be open to the public at all times and adjourned at or before 5:00 PM.

1. Management and Operations Report.
2. Financial Report.
3. Landscaping Report.
4. Joint Facilities Report.
5. General Engineering Report.
6. Committee Reports, Recommendations and Assignments.

Regular Board Meeting Agenda

(5:00 PM)

1. Public Comment. Hear public communications and comments (3 minutes per person; no action may be taken during public comment).
2. Consent Items. The following items are considered to be self-explanatory and may be approved by a single motion. There will be no separate discussion of these items unless a Board member requests that an item be removed and considered separately.
 - (a) Approval of the following sets of minutes:
 - Minutes of October 5, 2020 Special Meeting; and
 - Minutes of October 8, 2020 Regular Meeting.
 - (b) Approval of Accounting Report and related disbursements, including without limitation:
 - Monthly Financials, Cash Activity Report, Cash/ Investment/Activity Report, Collateral Analysis Schedule, and if timely, Quarterly Investment Report;
 - Monthly Tax Collection Report;
 - Budget Comparison;
 - Check Register and wires;
 - Bond Reporting ;and
 - Budgets and other financial reporting.
3. Reports. If necessary, review and discussion of reports not completed during Board Workshop Session.
4. Financial Items. Consideration and possible action with respect to the following items:
 - (a) Administrative bookkeeping items, including opening and closing of accounts, approval of new signature cards and such other bookkeeping and financial items as are recommended for approval by the District's bookkeeper.
5. Engineering and Development Items: Consideration and possible action with respect to the following items:
 - (a) Review and approval of Pad X Site Plan.
 - (b) Review and approval of Pay Application No. 2 (\$34,650.70) – Drum Screen Replacement and Site Plan Revision.
 - (c) Review and approve CMA engineering related fee proposal.
 - (d) Acceptance of general engineering report and joint facilities engineering report and approval of recommended actions related to improvement, repair, maintenance, use and acceptance of District systems, facilities and property and easements, and such other engineering items as a recommended for action.
6. Management and Operations Items. Consideration and possible action with respect to the following items:
 - (a) Proposed expenditure of \$125,000.00 for upgrade of EQ Blowers and Air Diffusers.
 - (b) Proposed expenditure of \$4,900.00 for spare pump/submersible mixer.
 - (c) Proposed expenditure of \$3,500.00 for repair of transfer switch on generator.
 - (d) Proposed expenditure of \$50,000.00 for AMI meter inventory.

- (e) Update regarding ongoing clarifier upgrades and any necessary action items in connection therewith.
- (f) Discussion of options relating to odor control at the WWTP facility.

Standing items:

- (g) Customer requests, billing matters and adjustments, and proposed write-offs.
- (h) Requests for use of Belterra Centre and other District buildings or park facilities.
- (i) Reported violations of District rules and regulations, requested hearings on reported violations, and proposed enforcement actions.
- (j) Recommendations related to non-compliance with customer service agreements, reclaimed water agreements and other contracts to which the District is a party.
- (k) Coordination of customer communications, including social media posts, customer newsletters and special notices.
- (l) Authorization of recommended expenditures and actions related to improvement, repair, maintenance, operation and use of District facilities and property, and such routine management and operational matters as are recommended for action.
- (m) Acceptance of general management and operations reports.

8. Rules, Policies, Agreements and Compliance Requirements. Consideration and possible action with respect to the following items:

- (a) Proposed adoption of amendment or rules and regulations to address modifications to swimming pool inspection fees in most recent amended service rate order.
- (b) Proposed common representation by District attorney as intermediary between District and Hays County WCID No. 2 in connection with Belterra Centre use.
- (c) Proposed use of Belterra Centre by Hays County WCID No. 2 and related terms of use.
- (d) Update regarding delinquent review and inspection deposits for commercial developers.
- (e) Proposed Off-Set Agreement with ERG Belterra, Ltd. regarding unfunded review and inspection deposits.
- (f) Consultation with attorneys regarding ongoing review of prior bookkeeper's conduct and questionable transactions during two most recent fiscal years and related financial matters.
- (g) Update regarding status of remaining proceeds of Series 2020 Utility Bond Issue, proposed partial release related to such proceeds and supplemental agreed upon procedures report, and take any action as may be necessary.

9. Water Supply Agreements. Consideration and possible action with respect to existing agreements for water supply with the Lower Colorado River Authority and water service through the West Travis County Public Utility Agency, water use under such agreements, water rates and fees charged to the District under such agreements, and other matters related to District water supply and conservation.

10. District Calendar and Schedule. Confirm dates for upcoming regular and special meetings, confirm dates for proposed committee meetings, discussion of upcoming events significant to District and/or Belterra community, and discussion of conferences, meetings and educational opportunities Directors desire to attend.

11. Executive Session. The Board may recess into Executive Session at any time to consult with its attorneys regarding any posted matter for which the Board may seek the advice of its attorneys under Government Code 551.071 (including without limitation contemplated or potential litigation matters, and other legal matters related to agenda items) or for any action on the agenda for which a closed session is permitted by law, and will reconvene in open session for any appropriate action on any matter considered in Executive Session.

12. If necessary, reconvene in Open Session and take any necessary action with regard to matters discussed in Executive Session.

13. Adjournment of Regular Board Meeting.

Note on Executive Session: The Board of Directors will go into Executive Session, if necessary and appropriate, pursuant to the applicable section of subchapter D, Chapter 551, Texas Government Code Annotated, the Texas Open Meetings Act, on any matter that may come before the Board. No action, decision or vote on any subject or matter may be taken unless specifically listed on the agenda for this meeting.

Note on Public Comment: Any Person wishing to address the Board will be permitted to present comments at the time the presiding officer calls for public comments in accordance with the meeting notice.



is the 5th day of November, 2020.

HAYS COUNTY WATER CONTROL AND
IMPROVEMENT DISTRICT NO. 1

Douglas L. Botts, President

ITEM NO.4.(a)

Hays County W.C.I.D. No. 1

Accounting Report

November 12, 2020

- Review Cash Activity Report, including Receipts and Expenditures
 - ☑ Action Items:
 - Approval of director and vendor payments.
 - Approval of fund transfers
 - From BancorpSouth Operating Account (Old) to BancorpSouth Operating Account (New)-Check #2646: \$500,000.00
 - From BancorpSouth Operating Account (New) to BancorpSouth Manager's Account (New): \$14,700.00
 - From TexPool Operating Account to TexPool SPA Account: \$9,081.30
 - From TexPool Tax Account to TexPool Operating Account: \$4,624.22
- Financial Highlights:
 - The month of September came in ahead of plan by \$542,000. Favorable revenues made up \$151,000 and favorable expenditures made up \$391,000 of the favorable variance.
 - Year-to-date the District is ahead of plan by \$650,000.
 - Through September the actual charges to the Joint Maintenance CAP are \$85,000 less than the monthly billings to date.
 - Through September the actual charges to the General Maintenance CAP are \$87,000 less than the monthly billings to date.
 - Year-to-date the District has collection rate of 99.69% on property taxes.
 - Started processing customer deposit refunds through the Manager's account as mentioned at last month's meeting.
- **Note: The financials contained within are considered interim financials, for this reason you will not see the annual GASB 34 adjustments as well as notes to the financials that are typically presented in the annual audit.**

2020

Hays County W.C.I.D. No. 1

January						
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November						
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December						
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Hays County W.C.I.D. No. 1
Cash Activity Report
September 30, 2020 - November 12, 2020

			BancorpSouth	BancorpSouth
			Operating Account (Old)	Operating Account (New)
Cash - Reconciled Balance as of September 30, 2020			\$ 602,499.46	\$ 269,801.35
Subsequent Activity Through November 12, 2020			(51,505.56)	(90,749.04)
Transfer Approved October 8, 2020	Transfer from BancorpSouth Operating (Old) to BancorpSouth Oper (New)	(235,000.00)		
Service Collections		183,494.44		
	Subtotal - BancorpSouth Operating Account (Old)	(51,505.56)		
Transfer Approved October 8, 2020	Transfer from BancorpSouth Operating (Old) to BancorpSouth Oper (New)	235,000.00		
Expenditures Approved October 8, 2020	#10000 - #10050	(345,066.52)		
Deposit	Building Rent - September 2020	3,500.00		
Deposit	Building Rent - October 2020	3,500.00		
Deposit	ADT Credit Balance Refund	1,236.18		
Deposit	Pool Deposits	2,000.00		
Deposit	Commercial Sales Tax (SPA) - October 2020	9,081.30		
	Subtotal - BancorpSouth Operating Account (New)	(90,749.04)		
Expenditures to be Approved at November 12, 2020 Board Meeting			-	(348,845.86)
Dan Robison	10051 Director Fees	402.57		
Douglas L. Botts	10052 Director Fees	402.58		
Paul J. Kelly	10053 Director Fees	612.13		
William C. Dally	10054 Director Fees	454.10		
William F. Lucas	10055 Director Fees	611.03		
Court Stotts	10056 Pool Deposit Refund	1,500.00		
Toby and Meredith Fausett	10057 Pool Deposit Refund	1,500.00		
Wade and Julie Lintz	10058 Pool Deposit Refund	1,000.00		
Andy Barrett & Associates	10059 Legal Retainer - October 2020	1,620.00		
Aquatic Features, Inc.	10060 Duck Pond Maintenance - October 2020	416.00		
Arbitrage Compliance Specialists, Inc.	10061 Arbitrage Review Fees	1,950.00		
Badger Meter	10062 Orion Cellular Service	881.99		
Bott & Douthitt, P.L.L.C.	10063 Accounting Fees - October 2020	5,823.56		
CMA Engineering, Inc.	10064 Engineering Fees - September 2020	13,161.63		
EcoCare Professional Building Services	10065 Belterra Centre Cleaning Services - November 2020	185.00		
Excel Construction Services, LLC	10066 Drum Screen Replacements - Pay Application No. 2	34,650.70		
Inframark, LLC	10067 Monthly Operation Fees - October 2020	137,019.33		
Law Office of Matthew B. Kutac PLLC	10068 Legal Fees - October 2020	12,152.00		
LCRA	10069 Raw Water Purchases - October 2020	7,978.85		
Lone Star Surveillance & Integration	10070 WWTP Security System Monitoring - September 2020	35.00		
TCEQ	10071 Acct# 23005298 - Permit Fee FY20/21	1,250.00		
Texas Disposal Systems, Inc.	10072 Garbage Service - October 2020	28,558.60		
Touchstone District Services, LLC	10073 Website Maintenance	745.25		
West Travis County Public Utility Agency	10074 Wholesale Water Charge - October 2020	44,717.15		
Winstead	10075 Legal Fees - October 2020	5,193.10		
WLE, LLC.	10076 Landscape Maintenance	32,163.42		
Inframark, LLC	10077 Maintenance Services (Additional) - September 2020	13,861.87		
	Subtotal - BancorpSouth Operating Account (New)	348,845.86		
Transfer Requests to be Approved November 12, 2020			(500,000.00)	485,300.00
Hays County WCID No. 1	10078 Replenish Manager's Account	(14,700.00)		
Hays County WCID No. 1	2646 Transfer from BancorpSouth Operating (Old) to BancorpSouth Oper (New)	(500,000.00)		
		(514,700.00)		
Projected Balance as of November 12, 2020			\$ 50,993.90	\$ 315,506.45

Hays County W.C.I.D. No. 1
Cash Activity Report
September 30, 2020 - November 12, 2020

			BancorpSouth	BancorpSouth
			Manager's Account (Old)	Manager's Account (New)
Cash - Reconciled Balance as of September 30, 2020			\$ 8,042.17	\$ 5,484.57
Subsequent Activity Through November 12, 2020			-	4,771.97
Transfer Approved October 8, 2020	Transfer from Bancorp Operating to Manager's Account	19,800.00		
Expenditures Approved October 8, 2020	#5005 - #5006	(295.54)		
United States Treasury	Paryoll Tax - October 2020	(1,074.60)		
Castillo Alejandro 5007	Customer Refund	(822.53)		
Pedernales Electric Co-op 5008	Electricity - October 2020	(329.00)		
Pedernales Electric Co-op 5009	Electricity - October 2020	(8,626.66)		
ADT Security Services 5010	Belterra Centre Security Services	(183.94)		
Texas Community Propane, LTD 5011	Utilities - October 2020	(57.53)		
ADT Commercial 5012	Fire Monitoring Services 11/14/20-12/13/20	(103.00)		
ADT Security Services 5013	Belterra Centre Security Services	(183.94)		
Anthony Chambliss 5014	Customer Refund	(193.40)		
Daniel Diemer 5015	Customer Refund	(165.40)		
Debbie Noah 5016	Customer Refund	(64.74)		
Devin Williams 5017	Customer Refund	(114.09)		
Douglas Obenshain 5018	Customer Refund	(69.89)		
James Gibbons 5019	Customer Refund	(98.70)		
Jing Fan 5020	Customer Refund	(173.57)		
M/I Homes of Austin, LLC. 5021	Customer Refund	(2,021.26)		
Mark Wegner 5022	Customer Refund	(40.52)		
Martin Rourke, LLC 5023	Customer Refund	(47.41)		
Melanie Williams 5024	Customer Refund	(1.73)		
AT&T U-verse 5025	Acct# 148520582 - October 2020	(59.14)		
Time Warner Cable 5026	Internet Service @ Welcome Center	(301.44)		
Subtotal-BancorpSouth Manager's Account (New)		<u>4,771.97</u>		
Transfer Requests to be Approved November 12, 2020			-	14,700.00
Hays County WCID No. 1	Transfer from Bancorp Operating to Manager's Account	14,700.00		
		<u>14,700.00</u>		
Projected Balance as of November 12, 2020			\$ 8,042.17	\$ 24,956.54

Hays County W.C.I.D. No. 1
Cash/Investment Activity Report
September 30, 2020 - November 12, 2020

	Maturity Date	Interest Rates	Balance 8/31/2020	Subsequent		Subtotal 10/8/2020	Transfers to be Approved 10/8/2020		Projected Balance 10/8/2020
				Receipts	Disbursements				
General Fund -									
BancorpSouth Operating Account (Old)	n/a	0.0000%	\$ 602,499.46	\$ 183,494.44	\$ (235,000.00)	\$ 550,993.90	\$ (500,000.00)	(1)	\$ 50,993.90
BancorpSouth Manager's Account (Old)	n/a	0.0000%	8,042.17	-	-	8,042.17	-		8,042.17
BancorpSouth Operating Account (New)	n/a	0.0000%	269,801.35	254,317.48	(693,912.38)	(169,793.55)	485,300.00	(1), (2)	315,506.45
BancorpSouth Manager's Account (New)	n/a	0.0000%	5,484.57	19,800.00	(15,028.03)	10,256.54	14,700.00	(2)	24,956.54
BancorpSouth Checking Account (Park Fees)	n/a	0.0000%	74,312.40	-	-	74,312.40	-		74,312.40
TexPool - Operating Account	n/a	0.1403%	4,101,473.21	63,060.77	(8,995.50)	4,155,538.48	(4,457.08)	(3), (4)	4,151,081.40
TexPool - Stragetic Partnership Agreement	n/a	0.1403%	243,025.99	8,995.50	-	252,021.49	9,081.30	(3)	261,102.79
Total - General Fund			5,304,639.15	529,668.19	(952,935.91)	4,881,371.43	4,624.22		4,885,995.65
Debt Service Fund -									
BancorpSouth Debt Service Account	n/a	0.0096%	15,023.88	-	-	15,023.88	-		15,023.88
TexPool - Tax Account	n/a	0.1403%	38,681.48	-	(12,558.01)	26,123.47	(4,624.22)	(4)	21,499.25
TexPool - Debt Service Account	n/a	0.1403%	1,082,757.18	-	-	1,082,757.18	-		1,082,757.18
Total - Debt Service Fund			1,136,462.54	-	(12,558.01)	1,123,904.53	(4,624.22)		1,119,280.31
Capital Project Fund -									
TexPool SR 2020 Capital Projects	n/a	0.1403%	746,267.77	-	-	746,267.77	-		746,267.77
Total - Capital Project Fund			746,267.77	-	-	746,267.77	-		746,267.77
Total - All Funds			\$ 7,187,369.46	\$ 529,668.19	\$ (965,493.92)	\$ 6,751,543.73	\$ -		\$ 6,751,543.73

Transfer Letter Information:

⁽¹⁾ Transfer funds from BancorpSouth Operating Account (Old) to BancorpSouth Operating Account (New)-Check #2646: \$500,000.00

⁽²⁾ Transfer funds from BancorpSouth Operating Account (New) to BancorpSouth Manager's Account (New): \$14,700.00

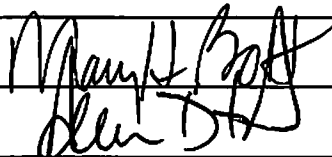
⁽³⁾ Transfer funds from TexPool Operating Account to TexPool SPA Account : \$9,081.30

⁽⁴⁾ Transfer funds from TexPool Tax Account to TexPool Operating Account: \$4,624.22

HAYS COUNTY W.C.I.D. NO. 1
SCHEDULE OF TEMPORARY INVESTMENTS
JUL 1, 2020 to SEP 30, 2020

FUNDS	IDENTIFICATION	INTEREST RATE	INTEREST 7/1-9/30	BEG. BK VAL 7/1/2020	END. BK VAL 9/30/2020	BEG MKT VAL 7/1/2020	END MKT VAL 9/30/2020	TRADE DATE	MATURITY DATE	DAYS	GL ACCOUNT
GENERAL FUND:	<u>BancorpSouth - Park Fees Account</u>	0.4917%	93.31	74,219.09	74,312.40	74,219.09	74,312.40				1025
	<u>TexPool - Operating Account</u>										
	Texas Local Government Investment Pool	0.1333%	1,763.87	3,910,098.37	4,101,473.21	3,910,098.37	4,101,473.21				1101
	<u>TexPool - SPA Account</u>										
	Texas Local Government Investment Pool	0.1333%	101.76	218,774.53	243,025.99	218,774.53	243,025.99				1103
	<u>Certificate of Deposit - East West Bank</u>	1.8800%	1,063.96	245,000.00	-	248,604.21	-		9/19/2020		1102
TOTAL GENERAL OPERATING FUND			3,022.90	4,448,089.99	4,418,811.60	4,451,694.20	4,418,811.60				
DEBT SERVICE FUND:	<u>BancorpSouth - Debt Investments</u>	0.0096%	0.38	15,023.50	15,023.88	15,023.50	15,023.88				1165
	<u>TexPool - Tax Account</u>										
	Texas Local Government Investment Pool	0.1333%	11.35	26,127.59	38,681.48	26,127.59	38,681.48				1169
	<u>TexPool - Debt Service Account</u>										
	Texas Local Government Investment Pool	0.1333%	1,043.02	2,910,647.14	1,082,757.18	2,910,647.14	1,082,757.18				1172
TOTAL DEBT SERVICE FUND			1,054.75	2,951,798.23	1,136,462.54	2,951,798.23	1,136,462.54				
CAPITAL PROJECTS FUND:	<u>TexPool - SR2020 Capital Account</u>										
	Texas Local Government Investment Pool	0.1333%	174.52	-	746,267.77	-	746,267.77				1146
TOTAL CAPITAL PROJECTS FUND			174.52	-	746,267.77	-	746,267.77				
TOTAL ALL FUNDS			4,252.17	7,399,888.22	6,301,541.91	7,403,492.43	6,301,541.91				

This quarterly report is in full compliance with the investment strategy as established for the Public Funds Investment Act (Chapter 2459, amending Chapter 2256); and Investment Policy and Strategies set



Hays County W.C.I.D. No. 1
Accountant's Compilation Report
September 30, 2020

The District is responsible for the accompanying financial statements of the governmental activities of Hays County W.C.I.D. No. 1, as of and for the twelve months ended September 30, 2020, which collectively comprise the District's basic financial statements – governmental funds in accordance with the accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The District has omitted the management's discussion and analysis, the Statement of Net Assets, and Statement of Activities that the Governmental Accounting Standards Board required to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historic context.

In addition, the District has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and components required by GASB 34 were included in the financial statements, they might influence the user's conclusions about the District's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Accounting principles generally accepted in the United States of America require that budgetary comparison information be presented to supplement the basic financial statements. Such information is presented for purposes of additional analysis and, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. The required supplementary information was subject to our compilation engagement. We have not audited or reviewed the required supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

Supplementary Information

The supplementary information contained in the schedules described in the Supplementary Information Index is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to our compilation engagement, however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

We are not independent with respect to Hays County W.C.I.D. No. 1.



BOTT & DOUTHITT, P.L.L.C.

November 5, 2020
Round Rock, TX

Hays County W.C.I.D. No. 1

Governmental Funds Balance Sheet

September 30, 2020

	Governmental Funds			Governmental Funds Total
	General Fund	Debt Service Fund	Capital Projects Fund	
Assets				
Cash and Cash Equivalents				
Cash	\$ 960,139.95	\$ 15,023.76	\$ -	\$ 975,163.71
Cash Equivalents	4,344,499.20	1,121,438.66	746,267.77	6,212,205.63
Receivables				
Service Accounts, net of allowance for doubtful accounts of \$ -	207,116.83	-	-	207,116.83
Accrued Service Revenue	150,923.47	-	-	150,923.47
A/R - Other	36,324.12	-	-	36,324.12
Property Taxes	6,339.62	8,840.92	-	15,180.54
Prepaid Expense	1,386.87	-	-	1,386.87
Interfund	14,860.72	-	-	14,860.72
Intergovernmental	50,435.30	-	-	50,435.30
Plan and Review Fees	128,575.10	-	-	128,575.10
Prepaid Maintenance CAP	90,309.10	-	-	90,309.10
Total Assets	\$ 5,990,910.28	\$ 1,145,303.34	\$ 746,267.77	\$ 7,882,481.39
Liabilities				
Accounts Payable	\$ 348,734.30	\$ -	\$ -	\$ 348,734.30
Retainage Payable	1,630.00	-	-	1,630.00
Due to TCEQ	8,439.30	-	-	8,439.30
Customer Deposits	216,375.00	-	-	216,375.00
Unclaimed Property	2,768.99	-	-	2,768.99
Interfund Payable	-	14,860.72	-	14,860.72
Total Liabilities	577,947.59	14,860.72	-	592,808.31
Deferred Inflows of Resources				
Property Taxes	6,339.62	8,840.92	-	15,180.54
Total Deferred Inflows of Resources	6,339.62	8,840.92	-	15,180.54
Fund Balance				
Fund Balances:				
Restricted for -				
Debt Service	-	1,121,601.82	-	1,121,601.82
Capital Projects	-	-	746,267.77	746,267.77
Unassigned	5,406,623.07	-	-	5,406,623.07
Total Fund Balances	5,406,623.07	1,121,601.82	746,267.77	7,274,492.66
Total Liabilities and Fund Balances	\$ 5,990,910.28	\$ 1,145,303.46	\$ 746,267.77	\$ 7,882,481.51

See Accountants' Report.

Hays County W.C.I.D. No. 1
Statement of Revenues,
Expenditures & Changes in Fund Balance-Governmental Funds
October 1, 2019 - September 30, 2020

	Governmental Funds			Governmental
	General Fund	Debt Service Fund	Capital Projects Fund	Funds Total
Revenues:				
Property taxes, including penalties	\$ 1,612,686.47	\$ 2,103,318.81	\$ -	\$ 3,716,005.28
Service revenues, including penalties	2,254,950.25	-	-	2,254,950.25
Tap connection fees	175,610.96	-	-	175,610.96
Inspection fees	40,436.08	-	-	40,436.08
Interest income	40,002.87	18,751.35	174.52	58,928.74
Rental Income	42,030.00	-	-	42,030.00
Sales Tax (SPA)	102,371.30	-	-	102,371.30
Operating Adjustment	510,785.00	-	-	510,785.00
Miscellaneous Income	1,720.84	-	-	1,720.84
Total Revenues	4,780,593.77	2,122,070.16	174.52	6,902,838.45
Expenditures:				
Current -				
District Facilities -				
Water Purchases	525,674.13	-	-	525,674.13
Operations - Base Fee	396,886.16	-	-	396,886.16
Maintenance - CAP	342,824.38	-	-	342,824.38
Meter Expense	16,336.62	-	-	16,336.62
Pond Maintenance	7,714.00	-	-	7,714.00
Landscape Maintenance	252,145.41	-	-	252,145.41
Landscape Maintenance - Mowing	6,900.00	-	-	6,900.00
Security Expense	37,042.17	-	-	37,042.17
Utilities	362,103.72	-	-	362,103.72
Telephone/Internet	8,337.72	-	-	8,337.72
Lab Fees	433.47	-	-	433.47
Permit Expense	2,045.75	-	-	2,045.75
Belterra Centre Expenses	47,238.27	-	-	47,238.27
Joint Facilities -				
Operations - Base Fee	331,349.16	-	-	331,349.16
Maintenance - CAP	88,917.85	-	-	88,917.85
Repairs & Maintenance - Irrigation	36,046.19	-	-	36,046.19
Drum Screens	8,340.71	-	-	8,340.71
Security Expense	198.00	-	-	198.00
Landscape Maintenance - Mowing	17,221.51	-	-	17,221.51
Permit Fees	600.23	-	-	600.23
Utilities	37,379.07	-	-	37,379.07
Telephone/Internet	672.30	-	-	672.30
Engineering Fees	54,700.01	-	-	54,700.01
Administrative Services -				
Director Fees, including payroll taxes	36,114.13	-	-	36,114.13
Tax Appraisal/Collection Fees	11,440.39	14,915.72	-	26,356.11
Insurance	21,172.00	-	-	21,172.00
Public Notices	34.00	-	-	34.00
Election Expense	98.82	-	-	98.82
Bond Issue Expens	-	47,125.00	393,793.75	440,918.75
Miscellaneous Expense	5,153.29	77.00	-	5,230.29
Professional Fees -				
Legal Fees	234,917.93	-	-	234,917.93
Accounting Fees	18,185.00	-	-	18,185.00
Engineering Fees	77,891.36	-	-	77,891.36
Audit Fees	18,000.00	-	-	18,000.00
Debt Service				
Bond Interest	-	435,906.50	-	435,906.50
Bond Principal	-	1,625,000.00	-	1,625,000.00
Arbitrage Review Fees	-	4,450.00	-	4,450.00
Paying Agent Fees	-	1,450.00	-	1,450.00
Capital Outlay	839,547.50	-	5,240,113.00	6,079,660.50
Total Expenditures	3,843,661.25	2,128,924.22	5,633,906.75	11,606,492.22
Excess/(Deficiency) of Revenues over Expenditures	936,932.52	(6,854.06)	(5,633,732.23)	(4,703,653.77)
Other Sources (Uses)				
Bond Proceeds	-	-	6,380,000.00	6,380,000.00
Bond Refunding Proceeds	-	1,925,000.00	-	1,925,000.00
Payments to Refunding Agent	-	(1,872,516.60)	-	(1,872,516.60)
Operating Transfer	664.71	-	(664.71)	-
Total Other Sources (Uses)	664.71	52,483.40	6,379,335.29	6,432,483.40
Excess/(Deficiency) of Revenues and Other Sources of Expenditures and Other Uses	937,597.23	45,629.34	745,603.06	1,728,829.63
Fund Balance, October 1, 2019	4,469,025.84	1,075,972.48	664.71	5,545,663.03
Fund Balance, September 30, 2020	\$ 5,406,623.07	\$ 1,121,601.82	\$ 746,267.77	\$ 7,274,492.66

ITEM NO. 5(c)

CMA Engineering, Inc.

Firm Registration No. F-3053

Robert P. Callegari, P.E.
Felix J. Manka, P.E.

November 13, 2020

Hays County Water Control & Improvement District No. 1
Board of Directors
C/o Winstead PC
401 Congress Ave, Suite 2100
Austin, Texas 78701

Re: Engineering Services Agreement
Hays County Water Control & Improvement District No. 1
Revised Billing Rates for Professional Services
CMA Job Number 1141

Dear Board of Directors:

CMA Engineering, Inc., proposes to amend its existing Engineering Services Agreement, dated September 23, 2010, with the Hays County Water Control & Improvement District No. 1 in connection with the development and operation of the District's water, wastewater, drainage, water quality, storm water facilities, and park and trail facilities in Hays County, Texas. CMA will continue to provide General Engineering Services to the District regarding its water, wastewater, drainage, water quality, storm water facilities, and park and trail facilities.

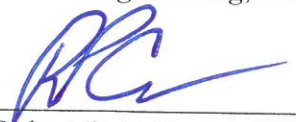
We are requesting that the 2015 Billing Rates for Professional Services be revised to reflect our 2020 Billing Rates for Professional Services (attached). All other provisions of the September 23, 2010 contract will remain the same. We are proposing that the new rates would be in effect after November 23, 2020 for all active and future task orders.

If this Amendment is satisfactory to the District, please sign both copies of the letter in the space provided below and return one copy to us.

Very truly yours,

CMA Engineering, Inc.

Hays County WCID No. 1



Robert P. Callegari, P.E.
Principal

Doug Botts, President

Accepted this _____ day of _____, 2020.

REVISED ATTACHMENT A – Rates
2020 Billing Rates for Professional Services

Principal	\$215.00/hour
Project Engineer II (More than 15 years of experience)	\$200.00/hour
Project Engineer I (Less than or equal to 15 years of experience)	\$180.00/hour
Assistant Engineer II (More than 5 years of experience)	\$155.00/hour
Assistant Engineer I (Less than or equal to 5 years of experience)	\$140.00/hour
Senior Engineering Technician	\$160.00/hour
Engineering Technician	\$115.00/hour
Field Construction Representative II	\$140.00/hour
Field Construction Representative I	\$105.00/hour
Administrative Assistant	\$ 55.00/hour
Copies	\$ 0.10/copy
24" x 36" Bond Plots (black and white)	\$ 1.00/sheet
Bond Plots (color)	\$ 2.00/square foot
24" x 36" Mylar Plots	\$ 12.00/sheet
CMA/personnel vehicle mileage	max allowed by IRS

ITEM NO. 5(d)

**HAYS COUNTY WCID NO. 1 - ENGINEERING REPORT
FOR THE NOVEMBER 12, 2020 BOARD MEETING**

**GENERAL DISTRICT ENGINEERING
AGENDA ITEM**

- I. Potential action items for the meeting:
 - A. Approval of Pad X Site Plan (*Report Item V*)

- II. Commercial Tract Development – No update from last month
 - 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, and Hotel
 - C. Plans currently under review –Pad X
 - D. Grease Traps currently under review – none
 - E. Water LUE determination review – none

- III. Belterra Village Multifamily
 - A. There are a few minor items left on the punch list that will have to be completed before acceptance.
 - B. Final completion date for the entire project is set for June 2021.

- IV. Hotel Site – No update from last month
 - A. The hotel has paused construction due to COVID-19 concerns.

- V. Pad X
 - A. All comments have been cleared. The site plan approval letter and the most to date set of plans can be found on the google drive.

- VI. Building S
 - A. Construction Update – punch list has been issued, there are minor items.

- VII. Landscaping Exhibit
 - A. The most up to date landscaping exhibit can be found on the google drive.



**HAYS COUNTY WCID NOS. 1 AND 2 – WWTP AND 210 REUSE IRRIGATION
ENGINEERING REPORT
FOR THE NOVEMBER 2020 BOARD MEETINGS**

AGENDA ITEM

- I. Potential action items for the meeting:
 - A. Approval of Pay Application No. 2 (\$34,650.70) – Drum Screen Replacement and Site Plan Revisions (*Report Item II.B*)
- II. Drum Screen Replacement
 - A. Construction updates
 - 1. The piers have been poured and the contractor is currently working on the pedestal foundation.
 - B. Recommend approval of Pay Application No. 2 - \$34,650.70 which can be found on the google drive
 - C. Change Order
 - 1. We are waiting on pricing options for the bar screen removal as well as fencing prices.



ITEM NO. 6.



Hays County Water Control and Improvement District No.1
General Manager Reports for the month of
October 2020
Board Meeting: November 12th, 2020

Reviewed By: Kristi Hester
Date: 10/05/2020



Inframark LLC
 14050 Summit Drive, #103 Austin,
 TX 78728
 United States
 T: +1 512 246 0498
www.inframark.com

Current Items Requiring Board Approval

Vendor	Amount	WO#	Budget Amount	Description
S.Kanetzky Engineering LLC	\$125,000.00		Yes - Cap \$125,000	Upgrade EQ Blowers and Air Diffusers
Precision Pump	\$4,900.00		Yes - Cap Fan 06'07 \$5,000	1 Spare Pump/Submersible Mixer
Austin Generator	\$3,500.00		Yes - Cap FAN 1109.1110 \$5,000	Repair Transfer Switch on Generator
Atlas	\$50,000.00		Yes - Cap \$100,000	AMI Meter Inventory

Memorandum for: Board of Director's Hays WCID

From: Kristi Hester

Subject: General Manager's Executive Summary Report

Below is a summary of activities since the last board meeting:

1) Wastewater Treatment Plant

- a) All facilities are in compliance for the Month of October
- b) Clarifier and EQ Basin Rehab Underway 60% complete expect completion be end of Nover
- c) Blower Upgrade is underway meeting scheduled onsite Tuesday Nov. 10 to review the deta

2) Re-Use Water System - Drip System

- a) Nothing significant to report

3) Distribution System – Billing

- a) 300 AMI meters installed 52 users on portal
- b) Installed 12 AMI meters in October

4) Collection System

- a) Retesting of the 2 collection system areas noted in survey are under review

5) Drainage/Ponds

- a) Duck pond fountain damage to pump due to fishing line - repairs are underway
- b) Several ponds are on the schedule for cleaning in November

6) Parks – Trails

- a) Parks Committee to review updated landscaping map - will present to Board
- b) Benches have arrived

7) Construction

- a) Several inspections for the commercial
- b) 38 construction inspections completed in September
- c) MI Homes received fines for improper erosion control measures

8) Customer Care

- a) Facebook article on Winter Averages went out 11.4.2020
- b) Facebook article on Fall Yard Waste went out 11.9.2020

9) Infrastructure Committee

- a) Will be meeting prior to Board to review EQ tank project and Blower Repairs

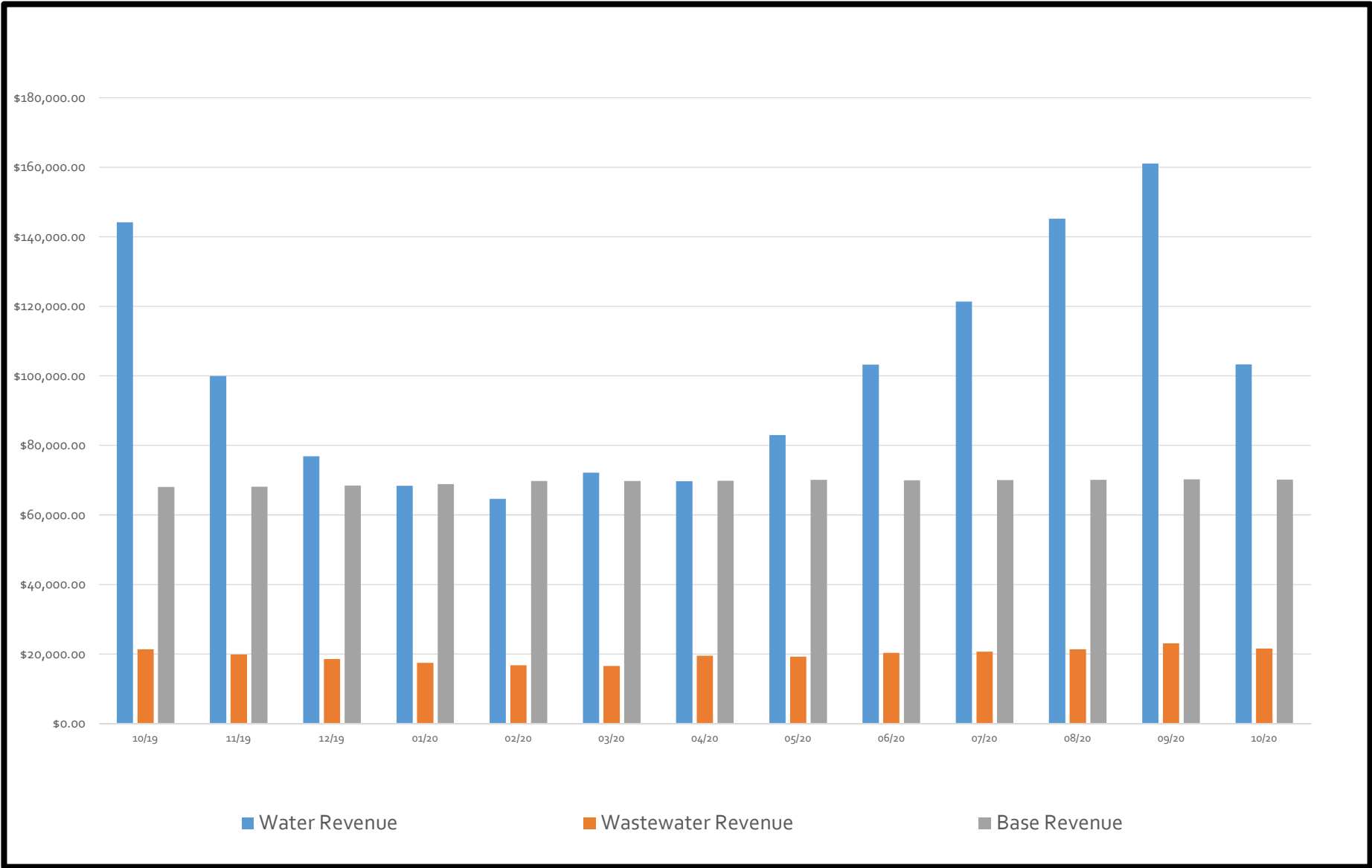
9) Facility Committee

- a) Committee is working on bids for LED sign

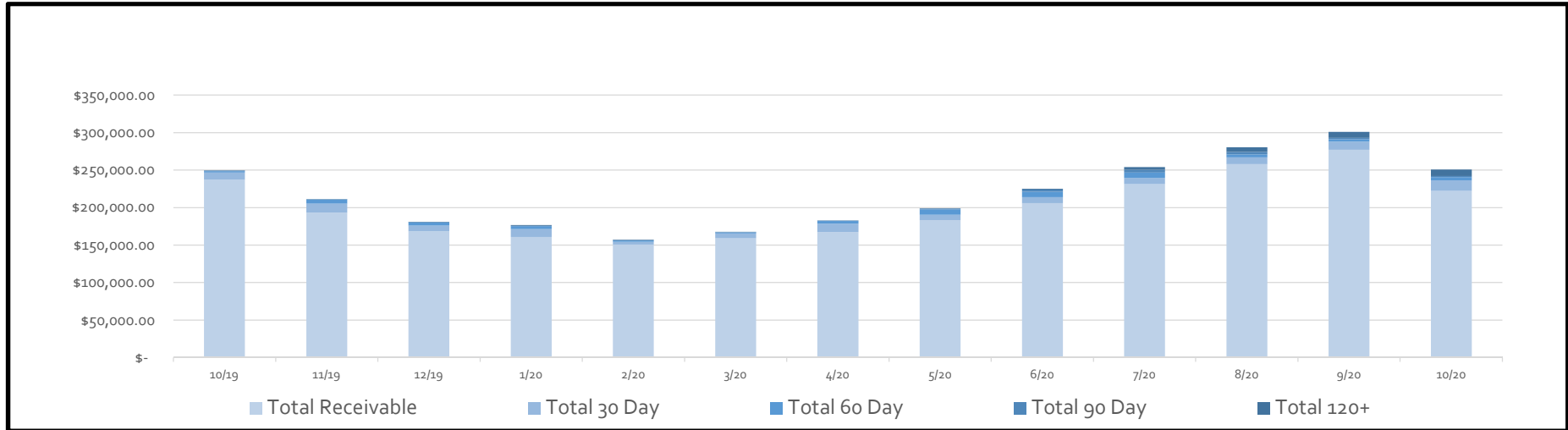


Description	Connections	
	Oct-19	Oct-20
Residential	897	931
Commercial	26	27
Hydrant	3	3
Tracking	11	11
Reclaimed	8	0
Total Number of Accounts Billed	945	972
	Consumption	
Residential	15,472,900	10,924,100
Commercial	1,511,000	1,141,000
Hydrant	510,000	15,000
Tracking	537,000	345,000
Reclaimed	1,388,000	-
Total Gallons Consumed	19,418,900	12,425,100
	Average Consumption	
Residential	17,250	11,734
Commercial	58,115	42,259
Hydrant	170,000	5,000
Tracking	48,818	31,364
Reclaimed	173,500	-
Avg Water Use for Accounts Billed	20,549	12,783
Total Billed	\$ 239,334	\$ 201,346
Total Aged Receivables	\$ (2,182)	\$ 20,832
Total Receivables	\$ 237,152	\$ 222,178

12 Billing Month History Revenue by Category



12 Month Accounts Receivable and Collections Report



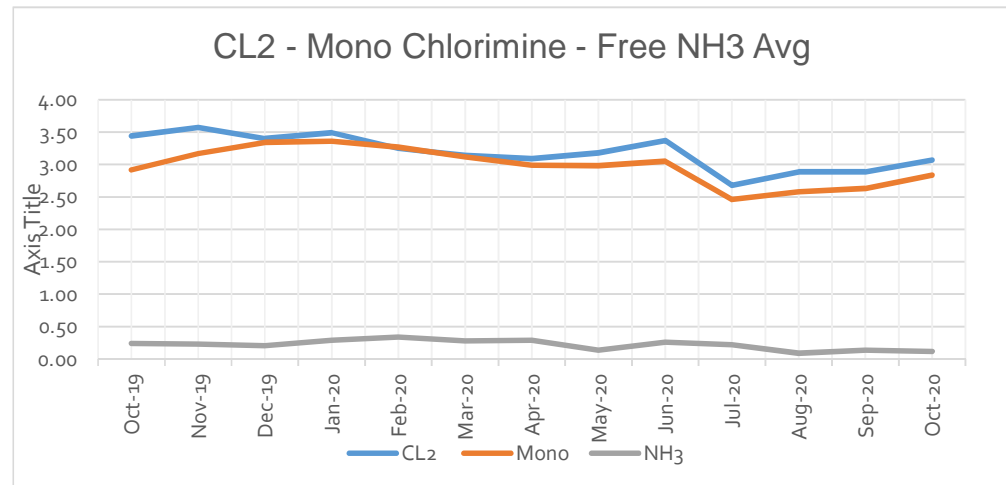
Date	Total Receivable	Total 30 Day	Total 60 Day	Total 90 Day	Total 120+
10/19	\$ 237,152.27	\$ 9,553.13	\$ 1,966.92	\$ 610.73	\$ 592.83
11/19	\$ 193,448.45	\$ 11,719.89	\$ 5,566.02	\$ 153.95	\$ 601.99
12/19	\$ 168,283.80	\$ 7,917.01	\$ 3,668.13	\$ 870.46	\$ 374.59
1/20	\$ 160,967.65	\$ 10,336.22	\$ 3,853.98	\$ 540.02	\$ 957.43
2/20	\$ 150,894.52	\$ 3,359.92	\$ 1,965.38	\$ 242.17	\$ 858.28
3/20	\$ 159,114.28	\$ 6,575.82	\$ 1,400.76	\$ 178.48	\$ 232.45
4/20	\$ 167,385.62	\$ 11,083.31	\$ 3,843.03	\$ 227.74	\$ 232.45
5/20	\$ 183,243.68	\$ 7,277.39	\$ 7,298.55	\$ 815.40	\$ 372.16
6/20	\$ 205,941.32	\$ 7,957.79	\$ 7,145.93	\$ 3,160.20	\$ 831.34
7/20	\$ 231,110.42	\$ 8,584.16	\$ 6,999.98	\$ 3,891.37	\$ 3,331.70
8/20	\$ 258,033.99	\$ 9,182.61	\$ 3,810.38	\$ 3,135.24	\$ 6,064.06
9/20	\$ 277,323.60	\$ 10,844.48	\$ 3,133.55	\$ 1,894.06	\$ 7,833.33
10/20	\$ 222,178.27	\$ 14,030.20	\$ 4,465.40	\$ 1,504.94	\$ 8,779.30

Board Consideration to Write Off	\$0.00
Board Consideration Collections	\$0.00
Delinquent Letter Mailed	34
Delinquent Tags Hung	N/A
Disconnects for Non Payment	N/A

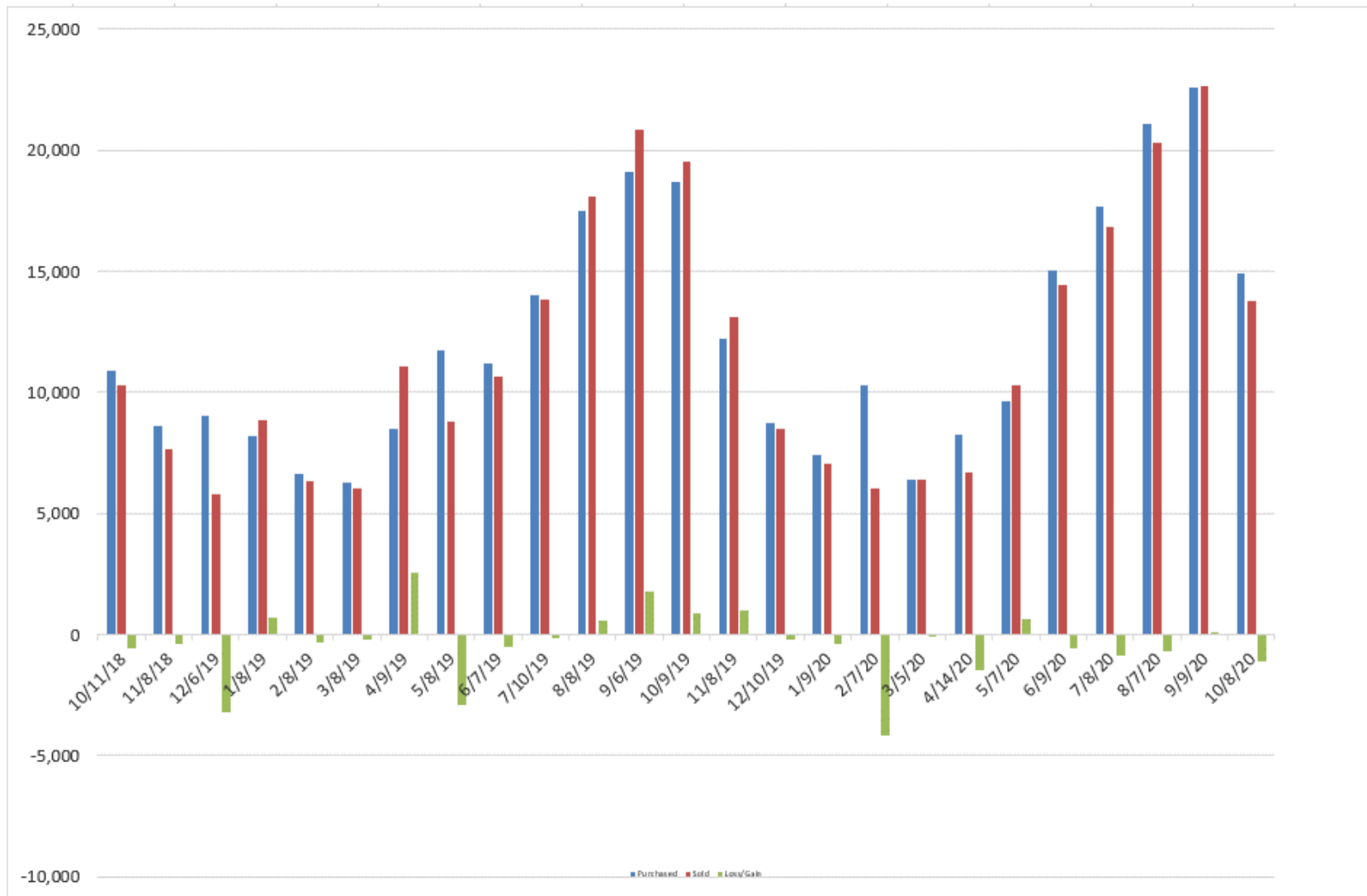
Water Quality Monitoring

Current Annual CL2 Avg 3.19

Requirements	Min .50		
Date	CL2	Mono	NH3
Oct-19	3.44	2.92	0.24
Nov-19	3.57	3.17	0.23
Dec-19	3.40	3.34	0.21
Jan-20	3.49	3.36	0.29
Feb-20	3.25	3.27	0.34
Mar-20	3.14	3.12	0.28
Apr-20	3.09	2.99	0.29
May-20	3.18	2.98	0.14
Jun-20	3.37	3.05	0.26
Jul-20	2.68	2.46	0.22
Aug-20	2.89	2.58	0.09
Sep-20	2.89	2.63	0.14
Oct-20	3.07	2.84	0.12

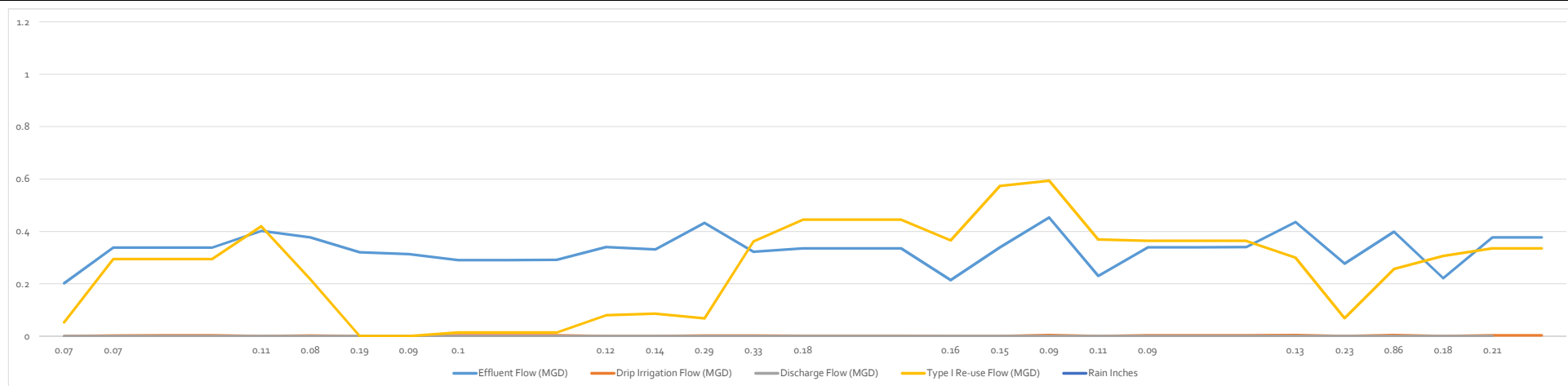


Water Accountability Report



Month	Read Date	Connection Total	Purchased (1000)	Sold (1000)	Flushing	Gal.s Loss (-)	Accounted For %	Running
								Accounted For %
October 18	10/11/2018	906	10,881	10,321	6	(554)	94.9%	101.49%
November 18	11/8/2018	911	8,634	7,630	6	(998)	88.4%	101.77%
December 18	12/6/2018	912	9,040	5,782	62	(3,196)	64.7%	100.11%
January 19	1/8/2019	919	8,165	8,845	19	669	108.6%	100.69%
February 19	2/8/2019	921	6,622	6,318	6	(298)	95.5%	99.85%
March 19	3/8/2019	921	6,245	6,045	11	(189)	97.0%	100.26%
April 19	4/9/2019	921	9,913	11,050	20	1,157	111.7%	102.86%
May 19	5/8/2019	921	10,096	8,778	8	(1,310)	87.0%	102.65%
June 19	6/7/2019	925	11,189	10,658	33	(498)	95.5%	99.92%
July 19	7/10/2019	932	13,990	13,833	10	(148)	98.9%	99.30%
August 19	8/8/2019	932	17,501	18,067	16	581	103.3%	99.92%
September 19	9/6/2019	933	19,105	20,849	8	1,751	109.2%	100.37%
October 19	10/9/2019	945	18,710	19,551	14	855	104.6%	101.38%
November 19	11/8/2019	947	12,232	13,092	112	972	107.9%	102.31%
December 19	12/10/2019	948	8,733	8,488	14	(232)	97.4%	104.43%
January 20	1/9/2020	954	7,430	7,043	5	(382)	94.9%	103.68%
February 20	2/7/2020	955	10,275	6,061	22	(4,192)	59.2%	100.85%
March 20	3/5/2020	957	6,419	6,370	7	(42)	99.5%	100.96%
April 20	4/14/2020	966	8,235	6,698	42	(1,496)	81.8%	96.05%
May 20	5/7/2020	972	9,657	10,320	-	663	106.9%	98.49%
June 20	6/9/2020	979	15,049	14,429	49	(570)	96.2%	98.48%
July 20	7/8/2020	978	17,654	16,816	-	(838)	95.3%	98.06%
August 20	8/7/2020	978	21,065	20,324	35	(706)	96.7%	97.27%
September 20	9/9/2020	982	22,607	22,669	21	83	100.4%	96.28%
October 20	10/8/2020	981	14,887	13,750	31	(1,106)	92.6%	94.91%

Wastewater Flows for the Month of October



Wastewater Treatment Permit Summary - Month of October

		DISCHARGE	RE-USE	DRIP FIELD	ACTUAL	COMPLIANT	PERCENT
Avg. Treated Flow	MGD	0.5			0.331	Yes	66.2%
Avg. Discharge Flow	MGD	0.35			0.000	Yes	0.0%
Avg. Drip Field Flow	MGD	0.15			0.002	Yes	1.3%
Avg. Re-Use Flow	MGD	0.35			0.262	N/A	74.9%
Avg. Other Flow					0.067	N/A	
Avg. cBOD	mg/L	5	5	20	1.0	Yes	
Avg. TSS	mg/L	5		20	1.0	Yes	
Avg. Ammonia Nitrogen NH ₃	mg/L	2			1.44	Yes	
Avg. Total Nitrogen T-Nit	mg/L	6				Yes	
E. coli Bacteria	CFU	126	20	126	4.4	Yes	
Avg. Turbidity	NTU		3		0.18	Yes	
MIN. PH	STD UNITS	6.0			7.38	Yes	
MAX. PH	STD UNITS	9.0			7.44	Yes	

Hays County WCID Wastewater Flow Historical

Date	Connections			Total Flows	Average	Avg Flow Per Connection	WWTP Capacity %	Drip Irrigation Flow	Type I Re-use Flow
	Hays 1	Hays 2	TOTAL						
Oct-20	981	1099	2080	10,271,000	331,000	159	66%	48,000	8,136,000
Sep-20	982	1089	2071	10,058,000	335,000	162	67%	28,000	11,066,000
Aug-20	978	1085	2063	10,091,000	326,000	158	65%	5,000	9,562,000
Jul-20	978	1082	2060	9,901,000	319,000	155	64%	11,000	10,569,000
Jun-20	979	1075	2054	9,605,000	320,000	156	64%	8,000	7,760,000
May-20	972	1071	2043	9,988,000	322,000	158	64%	20,000	10,087,000
Apr-20	966	1061	2027	9,817,000	327,000	161	65%	22,000	8,738,000
Mar-20	957	1045	2002	9,703,000	313,000	156	63%	78,000	9,128,000
Feb-20	955	1043	1998	8,823,000	304,000	152	61%	51,000	8,265,000
Jan-20	954	1034	1988	9,365,000	302,000	152	60%	10,000	9,273,000
TOTALS				97,622,000	319,900.00	157	64%	281,000	92,584,000
Dec-19	948	1028	1976	9,439,000	304,000	154	61%	24,000	8,890,000
Nov-19	947	1018	1965	8,684,000	289,000	147	58%	3,000	9,070,000
Oct-19	945	1017	1962	9,277,000	299,000	152	60%	20,000	9,445,000
Sep-19	933	1010	1943	8,923,000	297,000	153	59%	29,000	6,559,000
Aug-19	932	988	1920	8,986,000	290,000	151	58%	15,000	10,549,000
Jul-19	932	987	1919	8,626,000	278,000	145	56%	34,000	7,416,000
Jun-19	925	979	1904	8,511,000	284,000	149	57%	102,000	8,398,000
May-19	921	966	1887	10,701,000	345,000	183	69%	4,439,000	5,459,000
Apr-19	921	956	1877	9,181,000	306,000	163	61%	2,865,000	5,862,000
Mar-19	921	949	1870	8,817,000	284,000	152	57%	3,263,000	4,006,000
Feb-19	921	932	1853	8,254,000	295,000	159	59%	4,050,000	3,473,000
Jan-19	919	924	1843	9,880,000	319,000	173	64%	4,546,000	6,038,000
TOTALS				109,279,000	299,166.67	157	60%	19,390,000	85,165,000
Dec-18	912	913	1825	9,747,000	314,000	172	63%	3,670,000	3,797,000
Nov-18	911	905	1816	8,781,000	293,000	161	59%	2,254,000	5,501,000
Oct-18	906	899	1805	9,892,000	319,000	177	64%	225,000	7,596,000
Sep-18	905	892	1797	9,120,000	372,000	207	74%	24,000	8,032,000
Aug-18	904	887	1791	8,031,000	259,000	145	52%	9,000	7,442,000
Jul-18	900	879	1779	8,090,000	261,000	147	52%	4,000	7,546,000
Jun-18	898	869	1767	8,059,000	269,000	152	54%	29,000	8,928,000
May-18	898	862	1760	8,511,000	275,000	156	55%	1,710,000	6,429,000
Apr-18	887	842	1729	7,902,000	263,000	152	53%	1,136,000	4,447,000
Mar-18	885	832	1717	8,172,000	264,000	154	53%	3,975,000	3,437,000
Feb-18	884	826	1710	7,151,000	255,000	149	51%	2,027,000	4,439,000
Jan-18	870	821	1691	7,855,000	253,000	150	51%	2,597,000	3,936,000
TOTALS				101,311,000	283,083	175	62%	17,660,000	71,530,000

ITEM NO. 8(a)

Hays County Water Control and Improvement District No. 1 Hays County, Texas

Rules and Regulations

Adopted ~~October 10, 2019~~ November 12, 2020

- (b) **Failure to Comply.** If a Customer fails to comply with the terms of the Customer Service Agreement, the District shall, at its option, either discontinue Service or properly install, test, and maintain an appropriate backflow prevention assembly at the Service Connection Location. Any expenses associated with the enforcement of the Customer Service Agreement will be charged to the Customer.

Rule 3.10 Swimming Pool Installation Requirements.

- (a) **Pre-Construction Requirements.** The District has approved and adopted an “In-Ground Pool Construction Request” form to be completed prior to initiation of the construction or installation of any in-ground swimming pool within the District. Prior to installation of any in-ground swimming pool, the Customer shall contact the General Manager or designee

and submit any plans, specifications and other items requested by the General Manager in connection with the General Manager's review of the swimming pool project and required inspections. A partially-refundable deposit in the amount ~~of \$1,500.00~~ set forth in the Service Rate Order shall also be submitted to the General Manager. This deposit will be refunded less inspection fees ~~of \$50~~ as required in the Service Rate Order for each inspection required hereunder, and any civil penalties or damages resulting from the swimming pool project. **Access through a District Park or greenbelt for swimming pool construction or installation is strictly prohibited.**

- (b) **Basic Design Requirements.** Swimming pools must incorporate a backflow prevention assembly as required in Rule 3.04, and all swimming pools must drain into a greenbelt area or into the District's storm drainage system. No swimming pool may drain into the Wastewater Collection System.
- (c) **Initial Inspection.** The first inspection by the General Manager is required once the swimming pool area has been excavated, the forming has been built, and the plumbing has been installed, but prior to pouring or installation of any concrete, gunite or other swimming pool surface material. The inspection includes the backflow and swimming pool drainage systems, which must comply with these Rules. The plumbing must be completed and open for inspection. If the inspection is failed, the Customer will be responsible for correction of the unapproved items, and a reinspection will be conducted at an additional charge ~~of \$50~~. When the swimming pool project passes the initial inspection, the Customer will receive written notice from the General Manager to continue work, which will be sent within 48 hours via e-mail and regular mail. Work on the swimming pool project shall not proceed until such notification has been received.
- (d) **Final Inspection.** When the swimming pool project has been completed, the District's Operator will conduct a final inspection to determine if the swimming pool has been built according to the approved specifications and in accordance with these Rules. Failure to schedule a final inspection may result in forfeiture of the remainder of the ~~\$1,500~~ deposit.

Rule 3.11 Water Conservation and Drought Contingency Plan.

- (a) **Compliance Required.** All Customers shall comply with the District's most recently adopted Water Conservation and Drought Contingency Plan, as may be amended from time

ITEM NO.8(b)

LAW OFFICE OF MATTHEW B. KUTAC

a Professional Limited Liability Company

Matt Kutac
512.615.0503
mkutac@mbkfirm.com

MAILING ADDRESS:
3321 Bee Caves Road, Suite 203
Austin, TX 78746

November 6, 2020

Via Email

Hays County WCID No. 1 Board of Directors
Attn: Mr. Doug Botts, President
151 Trinity Hills Drive
Austin, Texas 78737
Email: dbotts@hayswcid.org

Via Email

Hays County WCID No. 2 Board of Directors
Attn: Mr. Royce Wachsmann, President
151 Trinity Hills Drive
Austin, Texas 78737
Email: royce.wachsmann@gmail.com

Re: Common representation as an intermediary in connection with Belterra Centre use; Informed Consent;

Directors:

As you are aware, this firm represents both Hays County Water Control and Improvement District No. 1 ("District 1") and Hays County Water Control and Improvement District No. 2 ("District 2") (collectively, the "Districts") as general counsel. District 1 and District 2 have engaged in recent discussions concerning District 2's continued use of the Belterra Centre building, which is owned by District 1. After committee members from each District's Board of Directors (each a "Board") were unable to reach an agreement on such matters, the undersigned representative of this firm contacted one member of each Board to determine whether there was any common ground with respect to said matter.

After initial discussions, it now appears that there is a possibility to develop a mutually beneficially arrangement between the Districts, though additional details must be negotiated and resolved. To facilitate such an arrangement, I have offered to serve each District as an intermediary with respect to such matter. As an intermediary between clients, a lawyer seeks to reconcile divergent interests as an advisor, and to a limited extent, serves as a spokesperson for each client. A lawyer's role does not include that of partisanship ordinarily expected in other circumstances. Instead, the lawyer seeks to resolve potentially conflicting interests by developing the parties' mutual interests, rather than obtaining separate representation, and risking additional costs, complication or even litigation. This letter is to confirm the consent of each Board to common representation of each District by this firm.

Because common representation involving substantially related matters can lead to, or be perceived as, a conflict of interest for any attorney, the firm requests the informed written consent of the Board of each District as to its representation of District 1 and District 2 as an intermediary in connection with the foregoing matters. I believe there to be little risk of material prejudice to either District, that each District will be able to make adequately informed decisions, that representation of both District 1 and District 2 can and will be undertaken impartially and without improper effect on other responsibilities to either client, and that the matter can be resolved without the necessity of contested litigation on terms compatible with each Districts' best interests.

Further, I believe that the proposed representation will be of benefit to both Districts, and that it will reduce potential costs related to these matters, while continuing to allow each District to make adequately informed decisions with respect thereto. Among other considerations, the firm is familiar

with the general positions of each Board, the history of the acquisition of the Belterra Centre building, and its existing uses and constraints. As a result, I believe that the firm is uniquely positioned to serve as an intermediary in the tasks contemplated. However, the Districts are each hereby advised that the attorney-client privilege may not attach to communications with members of each Board, although the firm will be required to maintain confidentiality of information related to the representation, except as to members of each Board. In addition, the role of the firm will be to serve each District equally in facilitating resolution of their divergent interests, as opposed to providing partisan advocacy.

Please be advised that the firm has an equal duty of loyalty to each District, and that each District has the right to be informed of matters that might affect either District's interest. Absent mutual agreement, if either District requests that the firm not disclose information relevant to this common representation to the other District, the firm will withdraw from the common representation contemplated herein. In addition, in the event that I or either of the Districts determine the firm can no longer represent each District with the diligence and loyalty due to each of them, the firm will withdraw from such common representation.

By authorization and execution of this letter of consent, each District's Board of Directors acknowledges that it has been informed of the firm's common representation of the Districts as an intermediary and the nature and possible consequences thereof, and hereby waives any conflict of interest that may exist.

Thank you for the opportunity to be of service.

Sincerely,

LAW OFFICE OF MATTHEW B. KUTAC
a Professional Limited Liability Company

By: _____
Matthew B. Kutac

Hays County WCID No. 1:

Hays County WCID No. 2:

Doug Botts, President

Royce Wachsmann, President

Date: _____

Date: _____