

THE STATE OF TEXAS §
COUNTY OF HAYS §
HAYS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2 §

Samantha E. Bethke	President
Lynn J. Lee	Vice President
Sean McGillicuddy	Secretary
William Carroll Kelly IV	Treasurer/Assistant Secretary
Vacant	Assistant Secretary

1. PUBLIC COMMENT: Mr. Kutac called for public communications and comments from any person and 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 responses are limited to statements of fact, recitation of current policy, clarifying questions and requesting that items be added to a future Agenda.

Mr. Dennard, a resident in the District, thanked Ms. Barzilla for the trail plan that she forwarded to him. He also thanked the board for moving the trail further away from the houses. He also noted that he received more signatures against installing the trail and mentioned that the residents do not want the trail, especially the residents directly affected. Mr. Kutac called for further public comment. Hearing none, the Public Comment session was closed and the Board proceeded to the next item of business

4861-1430-8122v.2

3. LANDSCAPING: No Brightview representative was in attendance so Ms. Olsen gave an update. Mr. Kutac noted that Brightview is continuing service until the end of the month when Sunscape will assume the duties; Ms. Olsen had three items to discuss:

- (i) With respect to the branch trimming where Brightview left the branches on the trail, Brightview told her that the branches were removed three weeks ago and the trail inspected. Per Director McGillicuddy and Director Bethke, there are still branches on the Mesa Verde trail about 10 minutes past the granite area;
- (ii) With respect to mulching, mulching is one of the services that occurs in March and is included in Brightview's contract and is part of their annual fee. Ms. Olsen spoke to J. Carmen about the mulching and he said that he has to ask the Branch Manager but he thinks they can get it done before April 15th. The Board would like a contingency plan in the event Brightview does not complete this service. Per Ms. Olsen, Brightview should complete all of the services required by their contract through the end of March. Ms. Olsen gave them a punch list of items to complete; and
- (iii) With respect to trail maintenance, the maintenance includes grading. Ms. Olsen spoke to Sunscape and they are completing the trail grading. After they are finished with the trail, they can install the 5 trees that Brightview submitted a proposal on back in November or December. Sunscape gave a quote of \$7,300 to install the trees. The Board reviewed the Sunscape proposal for the 5 trees.

4. ENGINEERING:

- a) WWTP Joint Facility Report: Ms. Barzilla presented CMA's monthly Joint Wastewater Treatment Plant ("WWTP") and 210 Reuse Irrigation engineering report. A summary of her report is as follows:

I. Potential action items for the meeting: None

II. EQ Tank Blower Replacement:
a) See construction schedule below.

III. 100 Acre 210 Warranty Items:
a) Sunscape has evaluated the area and created a list of items that need to be repaired. This list has been submitted to Brightview and a review is ongoing.

II. Wastewater Summary:
a) Average Daily Wastewater Usage (January 2021) = 289,000 gpd
b) 75% of Permitted Capacity= 375,000 gpd
b) Number of consecutive months over 75% - 0
c) 90% of Permitted Capacity= 450,000 gpd
d) Number of consecutive months over 90% - 0

Wastewater Treatment Plant Construction Project Status - March 2021

Project	Status	Estimated Completion Date
Drum Screen Replacement Project - CMA Task Order 60	97%	We are waiting on the stairs to be fabricated and delivered. This is expected to happen in May. The contractor expects to be ready for Final Completion at the June Board Meeting.
EQ Blower Replacement - CMA Task Order 65	10%	The blowers and piping modifications have been ordered by Inframark, however the manufacturer does not know when they will be delivered due to shipping delays as a result of the recent winter storm. We are also waiting on the electrical engineer to finish their design, before we start working on construction plans and contract documents.
EQ Tank Rehab and Diffuser Installation - Inframark	98%	The Handrails and catwalk installation needs to be finished. Additionally, the painting of the outside of the tanks needs to be completed. It is estimated this project will be complete on 3/24/2021.

A summary of the ongoing WWTP projects was presented as follows:

Wastewater Treatment Plant Project Status - January 2022

Project	Status	Budget Amount	Amount Billed	Project Status
Drum Screen Replacement Project - CMA Task Order 60	100%	\$ -	\$ 680,233.00	Project was complete June 2021
EQ Blower Replacement - CMA Task Order 65	30%	\$ 125,000.00	\$ 103,156.06	The enclosures for the have been delivered and the project is scheduled to be complete on April 15, 2022
Weir Overflow - CMA Task Order 67	0%	\$ 80,000.00	\$ 26,502.50	On Hold
EQ Tank Rehab and Diffuser Installation - Inframark	100%	\$ 25,000.00	\$ 360,174.00	Project was complete June 2021
Replacement of Dissolved Oxygen meters at the EQ Tank and the MBR - Inframark	0%	\$ 36,000.00	\$ 25,944.00	The DO meters have been purchased and will be installed once the EQ Blowers are replaced.
Drip Field Inspection - Inframark	0%	\$ 20,000.00	\$ -	On Hold

WWTP EQ Tank Blower Replacement Schedule

	Belterra WWTP	Duration	Start	Finish
1	Belterra WWTP EQ Tank Blower Replacement	105d	08/23/21	01/14/22
2	NTP (8/23/2021)	1d	08/23/21	08/23/21
3	Substantial Completion (12/16/2021)	1d	12/16/21	12/16/21
4	Final Completion (1/15/2022)	1d	01/15/22	01/15/22
5	Additional time	66d	01/16/22	04/15/22
6	Startup of new blowers and VFDs	1d	03/15/22	03/15/22
7				
8	Mechanical			
9	Demo wall / Install galvanized angle for interior and exterior	8d	10/15/21	10/26/21
10	Demo existing blower #1 and piping	2d	11/18/21	11/19/21
11	Install new blower #1 and piping	5d	11/18/21	11/24/21
12	Demo existing blower #2 and piping once VFD panel is installed	2d	03/23/22	03/24/22
13	Install new blower #2 and piping	2d	03/23/22	03/24/22
14	Overhead door install	2d	11/29/21	11/30/21
15				
16	Electrical			
17	Demo and remove associated item with blower #1	2d	10/25/21	10/26/21
18	Demo and remove associated item with blower #2	2d	03/21/22	03/22/22
19	Install VFD control panel	4d	03/16/22	03/21/22
20	Route associated raceways overhead	3d	03/21/22	03/23/22
21	Pull wire and terminate blower #1	3d	03/23/22	03/25/22
22	Pull wire and terminate blower #2	3d	03/23/22	03/25/22
23				
24	Submittals/Delivery			
25	Overhead door shipping date	3d	11/24/21	11/26/21
26	VFD control panel drawing	45d	09/08/21	11/09/21
27	VFD control panel submittal review	5d	10/22/21	10/28/21
28	VFDs received	1d	11/12/21	11/12/21
29	VFD enclosure shipping date (updated 1/4)	5d	02/12/22	02/17/22
30	Fabricate VFD control panel	19d	02/17/22	03/15/22

Ms. Barzilla noted that with respect to the EQ Tank Blower Replacement, the contractor had been waiting on a panel, but it has arrived and they will start working on the installation. Ms. Barzilla also mentioned that she met with Sin Jon at Sunscape and he gave her a list of irrigation items that need to be corrected under warranty and she will give it to Brightview.

- b) District Report: Ms. Barzilla then moved on to CMA's general District Engineering Report. A summary of her report is as follows:

I. Potential action items for meeting: None.

II. Fire Station (ESD):

- a) Revegetation updates; and
- b) Buried Manhole.

Ms. Barzilla stated that they are still waiting on the sewercoating for the manholes. Mr. Kutac stated that the Board had authorized its consultants resolve the issue if the ESD did not complete the work. Mr. Kutac will follow-up with the Fire Station to see about the status. The Board also noted that the vegetation looks good as you drive by, but no one has walked it to see it up close. Ms. Barzilla stated that she will walk it in a couple of weeks in order to give spring a chance to allow more growth.

III. Trail Extension Project:

- a) Project update:
 - (i) Hays County – Driveway Permits have been approved;
 - (ii) City of Dripping Springs – Project has been approved; and
 - (iii) TCEQ – Application is currently under review (expecting a response by the beginning of April).

With respect to the Trail extension, Ms. Barzilla noted that they are still waiting for the TCEQ comments but she is not expecting any changes. Director Bethke and Director McGillicuddy would like to set up a meeting with the residents to discuss. No action was taken.

IV. District Water Tracking:

- a) Approximate Max Daily Usage (January 2022) = 520,000 gpd.
- b) Max allowed = 1,137,024 gpd.

- c) Action Items: Upon motion by Director Bethke, seconded by Director Lee and unanimously carried, the Board accepted the engineering report dated March 24, 2022.

Let the record reflect that Mr. Douthitt joined the meeting.

5. FINANCIAL:

- a) Accounting Report: The Board recognized Allen Douthitt who presented Bott & Douthitt's Accounting Report dated March 24, 2022, which included a review of the Cash Activity Report including subsequent activity through March 24, 2022 and expenditures to be approved at this Board Meeting. Such Cash Activity Report included director and vendor payments, fund transfers and the Financial Statements for January 31, 2022 for review and approval by the Board. Mr. Douthitt then gave a brief update with respect to the Cash/Investment Activity Report, the Governmental Funds Balance Sheet and the

Statement of Revenues, Expenditures and Changes in Fund Balance. With respect to transfers, Mr. Douthitt noted that the following transfers need approval:

Approve transfers as follows:

- Approve funds transfer from BancorpSouth Operating Account to BancorpSouth Manager's Account (check #5357): \$9,400.00.
- Approve funds transfer from BancorpSouth Operating Account to TexPool Operating Account: \$400,000.00.
- Approve funds transfer from TexPool Tax Account to TexPool Operating Account: \$205,260.13.
- Approve funds transfer from TexPool Tax Account to TexPool Debt Service Account: \$600,000.00.
- Approve funds transfer from TexPool Operating Account to Hays County WCID No. 1 TexPool Operating Account: \$43,962.99.
- Approve funds transfer from TexPool Operating Account to BancorpSouth Manager's Account (LCRA/PUA): \$45,768.06.

Mr. Douthitt noted that Director Lee attended the finance meeting last month. He also noted that he forgot to include the payment to HCWCID No. 1 for the use of the Belterra Centre. He and Mr. Kutac will discuss the timeliness of the payment.

- b) Administrative Items: Upon motion by Director McGillicuddy, seconded by Director Bethke and unanimously carried, the Board approved the above-referenced Accounting Report, and authorized all disbursements and transfers set forth therein.

6. MANAGEMENT AND OPERATIONS: Director Bethke mentioned that Ms. Hester had resigned earlier in the month and that Ms. Olsen has stepped in admirably. Director Bethke also mentioned that she and Director Lee attended the HCWCID No. 1 meeting where Mr. Steelman attended and gave an update to the Board with respect to Ms. Hester's resignation. Director Bethke stated that Mr. Steelman explained that Inframark had adopted a new operating model and explained the details of the model. He also noted that Inframark's Houston and El Paso regions had adopted the new model, but due to key personnel issues, Austin had not adopted the new model. Mr. Steelman requested that the HCWCID No. 1 and the District give the model a chance to work. He stated that morale amongst Inframark employees is improving. Director Bethke also noted that HCWCID No. 1 would like to have a special joint meeting with the District. Ms. Olsen noted that Inframark has offered to reimburse the District for the per diems for the special joint meeting. She also noted that Inframark would like to attend so they can answer any questions but she understands if the Boards would like privacy.

Ms. Olsen then reviewed Inframark's General Manager's Report, and in particular, the executive summary memorandum for the month of March 2022. Ms. Olsen gave the following updates:

- **Wastewater Treatment Plant:**
 - a) All the facilities were compliant for the Month of February. Total flows of 7.6 million gallons with daily average flows of 272,000 gpd at 54% capacity.

- **Distribution System – Billing:**
 - a) 93% water accountability for the Month of February; and
 - b) 36 delinquent letters mailed; 25 Red Tags hung; 1 disconnect.
- **Collection System:** Nothing to report.
- **Reuse and Drip System:** Nothing to report.
- **Drainage/Ponds:** Nothing to report.
- **Parks /Trails/Customer Care:**
 - a) Mesa Verde Drive and Catalina Lane sidewalks (new) – Repair estimates were attached to the report and reviewed with the Board;
 - b) Mesa Verde Drive home (new) – A welder started small fire during Lift Station gate repair. The homeowner was contacted and the sod was replaced a few days later;
 - c) WLE (new) – Kay & Brightview are reviewing remaining Action Items (contract ends 3/31)
 - i. Installing mulch;
 - ii. Trail maintenance, including regrading; and
 - iii. Branch trimming, haul off debris along trails, especially in Mesa Verde and Valley Oaks sections
 - d) Sunscape:
 - i. Finishing trail work now (update);
 - ii. 5 replacement trees (update) – Previous Board approval was for Brightview to install 3 (45-gallon) Crepe Myrtles in Pinnacle median + 2 Red Buds outside Cove gates. Sunscape provided new quote and will install ASAP; and
 - iii. Welcome Centre sublease (update).
 - e) Park equipment (update) – Kay checking into orders of benches, playground bolt-on seats, trash cans, and drinking fountains. Will schedule a tour with Parks Committee to confirm locations.
- **Infrastructure Committee:** Nothing to report.
- **Customer Care:**
 - a) Security contracts (update)
 - i. February Security Report; and
 - ii. Ms. Olsen speaking with Constable Hood regarding adjusted hours.
- **Construction:** Nothing to report.
- **Other:**
 - a) Inframark staffing changes (new);
 - i. Inframark will provide centralized model document and updated personnel chart prior to Special Board Meeting;

- ii. Dedicated Field Tech – Cody Scales will be succeeded by Zach Rodriquez;
 - iii. Can schedule regular Committee Meetings, if desired; and
 - iv. Ms. Olsen will be in the office at the Welcome Centre on Tuesdays and Thursdays.
- b) Contract Amendments (update) – Inframark legal counsel reviewing;
 - c) Mail Kiosk lease (update) – Lease ready for signature (attached); and
 - d) Boy Scout Zach Johnson's Eagle Project (update) – District 2 matching funds.

Topics discussed during the General Manager's Report included the following:

Ms. Olsen noted that because Ceejay Jackson is so dedicated, disconnections are lower since her arrival. Ms. Jackson reminds the residents when payments are due and works with the residents to establish payment plans.

With respect to sidewalk repairs, the Board reviewed pictures of the sidewalk that a resident complained about. The Board discussed the pictures and determined that some of it looks like it could be corrected by leveling the existing sidewalk, not replacing it. Ms. Olsen stated that she will do some research. The Board also asked that Ms. Olsen initiate the annual sidewalk survey in the District to determine if any of the sidewalks require repair. Ms. Olsen confirmed that she will look into it.

With respect to the park equipment, Ms. Olsen will get up to speed. Mr. Kutac noted that the District has historically worked with a park improvement contractor called Fun Abounds through its contract with Buyboard, which is a statutorily authorized co-op that allows the District to obtain equipment without going through the ordinary bidding process.

Ms. Olsen mentioned that a resident called and believes that the pond at Belterra Drive and Trinity Hills has been poisoned because there are dead turtles, ducks and fish in the pond. Ms. Olsen did some research and noted that some of the residents do not understand that the fountain was replaced with an aerator and that the aerator is working well. She does not think the residents understand that the original fountain was continuously breaking down and costing the District a lot of money to repair it. In addition, she mentioned that Scott Erwin, who consults with Inframark on the District's ponds, told her that the aerator should improve conditions for wildlife. In her research, she also discovered that duck droppings are detrimental to water quality. She would like to add an article in the newsletter explaining. Mr. Kutac suggested that he review the newsletter before posting.

The Board discussed Constable Hood's report from February. Director Bethke noted that the Board wants someone to patrol hours other than early morning hours. Director Bethke also noted that the Constable has changed the time schedule a little and that he is working with the parents who are picking up kids. The Board would also like to have 2 or 3 nights per week with varied hours.

Ms. Jackson reminded the Board that a few of the deputies come in at night to work at the Belterra Centre so there is a police presence in the District on some evenings.

The Board then discussed scheduling committee meetings and how often the meetings should be scheduled. Mr. Kutac noted that the Parks Committee has ordinarily met on an ad hoc basis; the

Infrastructure Committee is supposed to have a joint meeting with HCWCID No. 1 on a quarterly basis; the Finance Committee normally meets one time a month.

With respect to the legal amendments, Ms. Olsen noted that she is hoping the amendments will be signed by next week. She thinks the Inframark Agreement requires one minor change. Inframark would like to revise the amendment to provide that they will monitor social media, but are only required to monitor social media accounts to which they have access. Director McGillicuddy mentioned that Ms. Jackson is going on vacation and wished her a great vacation, but thinks the Board needs to discuss a back-up for social media when Ms. Jackson is out of the office. Both Director McGillicuddy and Director Bethke stated that they would be ok with being a back-up. The Board determined that this issue should be discussed in more depth at a joint Customer Care committee meeting. Ms. Olsen then stated that when Ms. Jackson is out, Ms. Olsen and/or Missy Roberts will also handle back-up.

Director McGillicuddy noted that the calendar on the website is not correct. Ms. Jackson stated that she has been attempting to take the calendar off the website, but has been unsuccessful and she will contact Touchstone to take care of it.

The Board then asked about the status of the Sludge Box purchase from Reunion Ranch. Ms. Olsen stated that the purchase is complete. It was also noted during the discussion that the extra sludge box would be located at the site of the contractor that rotates the sludge boxes.

The Board then discussed the propane tanks and Ms. Olsen confirmed that one tank has been dropped off in the District and that the other two tanks were in HCWCID No. 1.

Director Bethke asked about the AMR meters. Ms. Jackson stated that there are 373 manual reads at this point but this number includes meters without end points which are delayed due to pandemic issues and shipping issues.

Action Items:

Vendor	Amount	Budgeted	Description	Work Order #
Inframark	\$3,301.44		Mesa Verde Drive sidewalk repairs	
Inframark	\$3,301.44		Cataline & Sand sidewalk repairs	
Sunscape	See Google Drive		5 replacement trees	

a) Upon motion by Director Bethke, seconded by Director McGillicuddy and unanimously carried, the Board approved matching Sunscape's proposal to install 5 trees, conditioned upon the total amount not to exceed \$7,500; and

b) Upon motion by Director McGillicuddy, seconded by Director Bethke and unanimously carried, the Board authorized signature of the Inframark amendment with the revision discussed earlier that Inframark will only be responsible for monitoring social media to which they have access.

7. ADMINISTRATIVE AND LEGAL:

- a) Water Items: Per Mr. Kutac there are no updates;
- b) Legal Matters:
 - i) Mr. Kutac noted that the lease of District Improvements to the Belterra Community Association is awaiting signature by the Belterra Community Association.
 - ii) Mr. Kutac confirmed that Sunscape had signed the Landscaping Agreement and that they would start on April 1st.
 - iii) The Board reviewed the annual Arbitrage Rebate and Yield Restriction Compliance Service Program and related Rebate Summary. Mr. Kutac gave a short explanation regarding the purpose of this report. Upon motion by Director McGillicuddy, seconded by Director Bethke and unanimously carried, the Board acknowledged receipt of the Arbitrage report.
 - iv) Mr. Kutac discussed the board vacancy and asked the Board if they wanted to take a formal or informal approach to filling the vacancy. After a brief discussion, the Board decided they would prefer to take an informal approach. Mr. Kutac informed them that if they know anyone that is interested in being a Director on the Board, they should get a letter from interest from that person and forward it to Mr. Kutac for distribution to all directors for consideration prior to the meeting.

8. CALENDARING: The Board discussed convenient times to have the joint Board Meeting with HCWCID No. 1. The Board also discussed whether they should move the regular monthly meeting back to the 3rd Thursday of the month. Ultimately it was determined that for the April meeting, the Board will meet on April 24, 2022 but in May, the Board may move the Board Meetings back to the third Thursday of the month. In addition, Director Bethke and Director McGillicuddy decided that they would like to meet April 19th with the residents to discuss the installation of the trail extension from 5:30 p.m. to 7:00 p.m.

9. EXECUTIVE SESSION: With regard to 7(b)(iv), upon motion by Director McGillicuddy, seconded by Director Bethke and unanimously carried, the Board retired, along with Matt Kutac to Executive Session at 7:33 p.m. Following such Executive Session, upon motion by Director McGillicuddy, seconded by Director Lee and unanimously approved the Board reconvened in public session at 7:58 p.m. Mr. Kutac stated that no action was taken by the Board. He also noted that the Board would request biographies from the 3 individuals who expressed interested in being on the Board. Mr. Kutac then noted that he will circulate the biographies and the Board can either make a decision in April or May.

10. ADJOURNMENT: There being no further business to conduct, Director McGillicuddy moved that the meeting be adjourned, which motion was seconded by Director Lee and unanimously approved, and the Board adjourned until further call.

APPROVED AND ADOPTED on the 28th day of April 2022.


Sean McGillicuddy, Secretary

(DISTRICT SEAL)