

MINUTES OF THE MEETING
OF THE
BOARD OF DIRECTORS

THE STATE OF TEXAS §

COUNTY OF HAYS §

HAYS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2 §

The Board of Directors (the “Board”) of Hays County Water Control and Improvement District No. 2 (sometimes referred to herein as the “District”) met in regular session, open to the public, on the 20th day of August, 2020, by Zoom video/audio conference to mitigate the spread of COVID-19 pursuant to the 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, and the roll was called of the members of the Board of Directors, (herein referred to as the “Board”) to-wit:

Royce Wachsmann	President
Samantha E. Bethke	Vice President
Sean McGillicuddy	Secretary
William Carroll Kelly IV	Treasurer/Asst. Secretary
Bill Harris	Asst. Secretary

All members of the Board participated in the meeting via Zoom video with Director Wachsmann present at Belterra Centre participating via Zoom. The record shall reflect that all directors voted on all matters that came before the Board. Additionally participating in the meeting at Belterra Centre were Matt Kutac of the law offices of Matthew B. Kutac, PLLC and Kristi Hester with Inframark, the District’s general management and operations contractor. In addition participating via audio conference were Andy Barrett with Andy Barrett & Associates, PLLC, Judy McAngus, paralegal with Winstead PC, Chris Lane of SAMCO Capital Markets, Inc., the District’s financial advisor, Lauren Barzilla with CMA Engineering (“CMA”), the District’s engineers and Allen Douthitt with Bott & Douthitt, the District’s bookkeepers. In addition, Chris Calvisi with WLE, the District’s landscape service company, joined for a portion of the meeting.

Matt Kutac explained a few guidelines for the video/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. The Board first called for public communications and comments. Hearing no comments, the Board moved on to the next item on the agenda.

2. It was noted that Chris Lane had provided a summary chart detailing the bids received in connection with the sale of District's \$6,270,000 in Unlimited Tax Utility Bonds, Series 2020 ("Series 2020 Bonds"), which detailed and summarized the four (4) bids received and included various bid options from each of the bidders and the estimated cost of issuance of from the low bidder and resulting estimated savings between the two bids, as attached hereto as **EXHIBIT "A"**. Ms. Lane noted that the difference between the proposed 10 and 15 year maturity options as bid resulted in a difference in anticipated surplus funds remaining after issuance, with the lower 10 year bid coming in at an estimated surplus bond funds of \$552,098.00 over the lowest 15 year bid and its estimate of surplus bond funds of \$530,391.00. Ms. Lane summarized that the savings and thus bond surplus funds was mainly due to the fact that through the private placement of the bonds, the District did not have to pay the typical bond discount of 3%, and the District had also been able to save on issuance costs in general. In addition, she explained that the greater amount of surplus funds reflected savings of developer interest to be paid from the bond proceeds, which is tied to the rate of interest the bonds sold at rather than the initial projected rate of interest the Texas Commission on Environmental Quality had approved. Also, she noted that she had visited with Allen Douthitt and confirmed that even though the annual debt service payments would be higher with the 10 year maturity, the 10 year maturity would fit in the current proposed budget. Also, she noted that the 10 year low bid from BOKF, NA (Bank of Texas) of 1.39% has a non-callable or make whole anytime option that probably would never be used in that the District would have other higher rate bonds to choose from in any future refunding scenario.

Following further discussion and upon motion by Director Harris, seconded by Director Wachsmann and unanimously carried, the Board awarded the sale to BOKF, NA in accordance with the Bid Form, attached hereto as **EXHIBIT "B"** and the Private Placement Letter, attached hereto as **EXHIBIT "C"**.

3. Nancy Hagquist next reviewed the contents of an Order Authorizing the Issuance of the \$6,270,000 Hays County Water Control and Improvement District No. 2 Unlimited Tax Utility Bonds, Series 2020; Prescribing the Terms and Provisions thereof; Making Provision for the Payment of the Interest thereon and the Principal thereof; Authorizing the Sale thereof; Entering into a Paying Agent/Registrar Agreement, and Containing other Provisions Relating to the Subject. Following a full review and discussion of such Order, upon motion by Director Wachsmann seconded by Director McGillicuddy and unanimously carried, the Board approved and authorized the execution of said order, a copy of which is attached hereto as **EXHIBIT "D"**.

4. Ms. Hagquist noted that BOKF, NA would be acting as paying agent/registrar for the Series 2020 Bonds. Ms. Hagquist next reviewed the form of a Paying Agent/Registrar Agreement between the District and BOKF, NA. Following a review of such document, upon motion by Director Bethke, seconded by Director Harris and unanimously carried, the Board approved said agreement. In addition, upon motion by Director Wachsmann, seconded by Director Kelly and unanimously carried, the Board approve, a General and No-Litigation Certificate and other bond-related certificates and affidavits in connection with such sale. Finally, upon motion by Director McGillicuddy, seconded by Director Harris and unanimously carried, the Board authorized the filing and processing of the Transcript of Proceedings for the Series 2020 Bonds with the Attorney General and subsequent registration of the bonds with the State Comptroller. It was noted items relating to the approval of a final Closing Statement and

an Agreed Upon Procedures Report relating to reimbursements that will be funded from the proceeds of the Series 2020 Bonds be included on the Board's regular September meeting agenda. Ms. Hagquist excused herself from the meeting at this point.

5. It was noted that the Minutes from the Board's July 16, 2020 regular meeting and August 6, 2020, special meeting would be available for review at the Board's next meeting.

6. The Board recognized Allen Douthitt to present the Bott & Douthitt's Accounting Report dated August 20, 2020, which included director and vendor payments, and wire transfers between District accounts as described therein, including upcoming bond payments and the financial statements through June 30, 2020, such report being attached hereto as **EXHIBIT "E"**. The Finance Committee confirmed that it had reviewed such report in detail with Mr. Douthitt in advance of the meeting. The Board followed along with such report, reviewing the various wire transfers, the detailed listing of the cash/investment activity in the District's Bancorp accounts and TexPool accounts, the District's collateral analysis schedule, tax collection reconciliation, including current proposed expenditures for approval at the current meeting.

In addition, Mr. Douthitt noted that Bott & Douthitt were gradually moving more funds over to TexPool to take advantage of the interest earnings, even if minor at this point.

Following a thorough discussion of the report and related matters and upon motion by Director McGillicuddy, seconded by Director Wachsmann and unanimously carried, the Board approved the above-referenced Accounting Report including checks and wires listed thereon.

7. It was noted that the Finance Committee had met with Allen Douthitt, Kristi Hester and Chris Lane last Thursday and that based on such input, Bott & Douthitt had prepared the Proposed Budget (covering the budget for October 1, 2020 through September 30, 2021 and projected annual budgets through fiscal year 2024). Mr. Douthitt reviewed the proposed budget with the Board, it being noted that this initial proposed budget was in preliminary form and with today's bond sale and other factors to still be taken into consideration, he would be revising certain figures into a final, proposed budget for the Board's consideration and final adoption at the September meeting. It was noted that Directors Harris and McGillicuddy (the Finance Committee) had been working towards being able to present a budget that would allow for a slight reduction in the overall tax rate in 2020, and intended to review any reduction closely thereafter to begin a slow but responsible trend of finding ways to begin reducing the tax rate while balancing the District's operation and maintenance expenditures and debt service payments. Mr. Douthitt noted that for purposes of this initial proposed budget, he had used a \$0.1750 proposed operations and maintenance tax rate, as well as a \$0.7000 debt service rate for the same total tax rate as in 2019. Kristi Hester noted that she was working with CMA to perhaps remove a large number of operations items that might fall better into future budgets rather than the next year's budget. With regard to the District's parks and trails budget, it was discussed that most likely the planning, design and bidding would be done in the upcoming 20/21 budget with expenditures falling into next year's budget. Director McGillicuddy recapped and confirmed that the Finance Committee feels there appears to be room for a one-half cent reduction but that he felt until the final variables are put into place, it would most likely be best to keep the proposed total tax rate at the \$0.8750 presented in the August 20th proposed budget for purpose of the 2020 tax rate hearing.

8. Matt Kutac confirmed that the form of Tax Rate Worksheet now required under Senate Bill 2 required a signature of the person preparing such worksheet. In prior years he noted that Chris Lane with SAMCO had prepared a similar tax rate worksheet, but that under the various securities rules and regulations her firm is regulated by, she was not allowed to sign off on such worksheet. With that in mind, Judy McAngus, had contacted David Patterson, a principal with Assessments of the Southwest, Inc. (“ASW”) out of Houston, whose firm serves as tax advisors for a great number of entities across the state as tax collector and tax advisor for special districts. He further explained that ASW had provided an Agreement for Services of Tax Advisor, a copy of which is attached hereto as **EXHIBIT “F”**. Matt Kutac confirmed that he had reviewed such contract and, that as noted therein, for a fee of \$300 annually, ASW would perform the annual calculations, complete the new form of Water District Tax Rate Worksheet and form of Water District Notice of Public Hearing on Tax Rates, and provide the necessary signature required on the worksheet. In that such worksheet had to be prepared in advance of the meeting and was tied to the Tax Rate Summary and recommendation that Chris Lane would be presenting, upon motion by Director Harris, seconded by Director Bethke and unanimously carried, the Board approved said agreement.

9. The Board next focused on a review of the 2020 Tax Rate Summary, as prepared by Chris Lane and attached hereto as **EXHIBIT “G”**, Ms. Lane reviewed such summary in detail, noting that she would advise that the Board adopt a proposed total tax rate of \$0.8750 (i.e. a proposed debt service tax rate of \$0.7000 and maintenance and operations rate of \$0.1750). She then explained that next month the final budgets would be presented for review and approval following the tax rate hearing to be conducted at the beginning of the meeting and before the board formally adopts its 2020 tax rates. A brief discussion ensued as to the nature of the upcoming tax rate hearing, with Mr. Kutac and Ms. McAngus noting that the hearing was not clearly identified as included within the laws suspended by the Office of the Governor due to COVID-19, and that the Office of the Attorney General had suggested that such hearings needed to occur in person. The Board opted to hold the hearing in person for those that would like to attend the tax rate hearing, but to also provide a dial in number due to COVID-19 for those that might wish to participate in the hearing but not want to attend in person.

Following a full discussion of the Tax Rate Summary and review and consideration of such matters, upon motion by Director Wachsmann, seconded by Director Harris and unanimously carried, the Board approved the Water District Notice of Public Hearing on Tax Rate and the proposed total tax rate for 2020 of \$0.8750 per \$100 valuation and authorized the required publication and posting of such Notice and related tax rate data. A copy of said final Notice is attached hereto as **EXHIBIT “H”**.

10. Chris Calvisi with WLE reviewed the monthly WLE Landscaping Service Report as had been provided in advance to Inframark and posted on the Board’s Google Drive. No actions was deemed necessary.

11. Lauren Barzilla next reviewed CMA’s WWTP and 210 Reuse Irrigation Report with the Board, a copy of which report is attached hereto as **EXHIBIT “I”**. The report included a summary of important dates provided by the contractor related to the drum screen replacement project and ended with a proposed final completion date for the project of December 25, 2020.

She provided a copy of the Kubota Product Warranty as issued April 23, 2020 with regard to the Membrane installation at the WWTP for the Board's information. Ms. Barzilla noted that Hays County WCID No. 1 had approved CMA's Amendment No. 1 to Task Order 60 in connection with such drum screen project. She confirmed that there was no action needed by the Board with regard to the project.

12. Next, Ms. Barzilla presented the CMA general engineering monthly report, a copy of which is attached hereto as **EXHIBIT "J"** and reviewed such report with the Board.

Under item II. of such report, Ms. Barzilla noted that the Brentwood Drainage project is now complete, with the exception of revegetation, stating she had reached out to WLE to request that they reseed the area again.

With regard to item III the ESD Station project that is being constructed within the District, Ms. Barzilla noted that utility installation is ongoing and that the Hays County Emergency Services District No. 6 had reevaluated its needs and may need additional water and wastewater for the project.

Regarding item IV., Ms. Barzilla reported with respect to the Naples Sidewalk Extension project that they waiting to hear from the Board as to whether there were additional trails to be added prior to finalizing the scope of the project.

With respect to item V of such report, Ms. Barzilla reviewed various options for water exhibits for the proposed update to the District's Drought Contingency Plan with the Board deciding to go with two separate maps (which will be attached to the plan adopted later on in the meeting). In addition, Ms. Barzilla referred the Board to various water usage charts that she had prepared and posted on the Google Drive and briefly reviewed the historical water usage with the Board.

Ms. Barzilla confirmed that there were no action items needed on the CMA general report and state that she would not be available for the Board's September meeting but noted that Robby Callegari would be present for the meeting.

Following the review of such reports, upon motion by Director McGillicuddy, seconded by Director Wachsmann and unanimously carried, the Board approved both the CMA WWTP and 201 Reuse Irrigation Report and the General District Engineering Report.

13. Matt Kutac next reviewed with the Board a copy of a proposed Non-Standard Retail Water and Wastewater Services Agreement between the District and the Hays County Emergency Services District No. 6 and reviewed the terms of such agreement. He was noted that most likely there would be a few minor changes in view of the recent request for additional water, but following a discussion, upon motion by Director Harris, seconded by Director Wachsmann and unanimously carried, the Board authorized Matt Kutac to finalize such agreement by confirming the final requested water needed and confirming such availability and authorized the approval of such final agreement and execution of same by the Board's officers. A copy of such final agreement will be attached hereto as **EXHIBIT "K"**.

14. Matt Kutac reviewed a proposed form of Order Adopting Amended Water Conservation and Drought Contingency Plan, calling for any comments from the public. Hearing none and following a brief discussion and motion by Director McGillicuddy, seconded by Director Kelly and unanimously carried, the Board approved said Order, a copy of which is attached hereto as **EXHIBIT “L”**.

15. Kristi Hester reviewed Inframark’s monthly General Manager’s Report beginning with the General Manager’s executive summary memorandum, which is included below and a full copy of such report is attached hereto as **EXHIBIT “M”**.

1) **Wastewater Treatment Plant**

- a) 9,901,000 Gallons Treated @ 64% Capacity
- b) All facilities are in compliance

2) **Re-Use Water System - Drip System**

- a) 10,569,000 Irrigated
- b) Approved irrigation report for repairs \$2,532.50
- c) HCESD No. 6 contractors have damaged the irrigation main lines estimate from WLE for temp fix \$1,362.50

3) **Distribution System – Billing**

- a) 235 AMI meters installed 38 users on portal
- b) Installed 19 AMI meters in July
- c) 48 transfer of services in July
- d) Installation of master meters are underway expect completion this month
- e) Notice from the West Travis County Public Utility Agency (“WTCPUA”) on water rate changes
- f) Notice from the WTCPUA on WTCPUA Tier 2 treatment violation
- g) Discuss with Financial Committee options on waving credit card and e payments fees
- h) Security fee of \$3.00 will be on upcoming water bill

4) **Collection System**

- a) Bi-Annual preventive maintenance completed on pumps and motors lift stations

5) **Drainage/Ponds**

- a) Annual infrared preventive maintenance completed on storm water ponds
- b) Concerns from residents regarding the number of ducks at pond

6) **Parks – Trails**

- a) Committee has reviewed possible future trails and parks

7) **Construction**

- a) 172 Builder inspections completed in July
- b) Testing and inspections on going at the HCESD No. 6 Fire Station
- c) Issues with Cody pools construction on Mesa Verde
- d) Construction debris had to be cleaned out of the main in at 12134 Mesa Verde due to open sewer cleanout

8) Customer Care

- a) New signs should be installed this week
- b) Discuss lease options for Belterra Centre
- c) Received another resident request for crosswalk from Seneca across Belterra - gave them the County contact

9) Infrastructure Committee

- a) Assigned irrigation RFP
- b) Reviewed single day water schedule
- c) Reviewed collection system and manhole survey

With regard to the WTCPUA increase noted in item 3)e), Allen Douthitt noted that the increase takes the base rate from \$23,793 to \$25,773 commencing on 10/1/20. Matt Kutac noted that he had reviewed the current contract between the District and the PUA and that the increase appears to be track the build out and is consistent with anticipated increases in such contract.

With respect to item 3)g), Ms. Hester noted that some districts are considering waiving the credit card processing fees (about 3% or a total of \$1,000 to \$1,200) to make it easier on customers to pay on time – and noted that she would get with the Finance Committee on such matter for a verification of those numbers and further discussion.

With regard to item 6)a), the Board discussed a possible trail extension that could provide a panoramic view of the hill country and might include a small pavilion and perhaps a picnic table noting that it could be tied into the Mesa Verde trail and end near Belterra Drive and Sawyer Ranch Road. Board members that had not been able to view such area were encouraged to meet with Ms. Hester and view such area for a potential nature trail expansion (planning in the 20/21 budget year). It was noted that there appears to be plenty of space for such a project, but that Ms. Hester and Lauren Barzilla would be meeting soon to take a closer look at the 210 irrigation in such area with regard to possible trail placement to avoid any concerns with regard to such areas. Also, Matt Kutac noted that about 20 years ago the developer had an archeological study that was required at the time so as to avoid development in certain areas and noted that the old plan would need to be reviewed and certain areas avoided. Director McGillicuddy noted that he felt the area had great potential and that the Parks Committee would continue looking into such proposed project.

In addition to the Parks and Trails item, Director Bethke, noted that she felt the Board needed to discuss the landscaping project that appears to have been completed at the Mesa Verde entrance noting that the enhancements added by WLE do not appear to meet the caliber of the other District neighborhood entrances. Chris Calvisi with WLE joined in the conversation noting that the proposal back in May/June had simply been to refresh and fill in holes in vegetation at such entrance and that the estimated \$4,100 for such work included 7 or 8 total areas. In that area he noted that WLE had not moved any existing agaves but simply filled in a few holes in the existing landscape. Director Bethke noted that what remained has no symmetry or structure and just looks overgrown. Mr. Calvisi noted that he would review the entrance another time and get with the Parks Committee on some additional recommended improvements in hopes of bringing an additional proposal back to the Board for consideration.

With regard to item 7)c), Ms. Hester noted an incident with Cody Pools pertaining to a hydraulic leak on the roadway and noted that she had referred such matter to Hays County.

With respect to 8)c), she noted that she referred another resident to Hays County with respect to a request for a crosswalk to be installed at Seneca across Belterra Boulevard as the county maintains the roadways.

16. In furtherance of Customer Care matters and as relate to any action needed with respect to services provided by Touchstone District Services, ("Touchstone"), Ms. Hester confirmed that the District's Facebook page and updated website has not gone LIVE yet but that she is continuing to work closely with Director Bethke on that and that they will continue to work with Touchstone on the launch of the Facebook page within the next week. Director Bethke noted that it would be good for the Board to consider establishing trail names which could later be added to the web site information. Matt Kutac thanked Director Bethke and Kristi Hester for their hard work for working on such project.

Ms. Hester briefly recapped certain additional items included in the General Manager's Report regarding operations.

17. With regard to possible action related to continued use of Belterra Centre for meetings, Kristi Hester note that the Board's Infrastructure Committee (Directors Harris and Kelly) had met with the Building Committee of Hays County WCID No. 1 (Directors Botts and Robison) and have a recommendation for unlimited use for an unlimited use of the facility for \$1,800 per month (which would be a flat fee and not include additional sharing of operational costs, utilities or pass through costs, or costs related to improvements that had occurred since Hays County WCID No. 1 acquired the Belterra Centre). Matt Kutac confirmed, should such proposal meet with the Board's approval, that he would prepare a simple agreement between the two districts, under such proposed \$1,800 flat fee arrangement, which would allow either district to get out of the agreement at any time.

Director Harris confirmed that it was explained during the joint committee meeting, that the monthly expenses (utilities, etc.) to operate the Belterra Centre were estimated at \$600 per month and he further explained that a large number and costly maintenance related improvements had been made by Hays County WCID No.1 over the past few years, including costs of a new roof, replacement and installation of anew HVAC system, purchase and installation of an audio-video system and security-fire alarm system.

Following initial discussions, Directors Harris and Kelly noted that they liked the single flat-fee approach. Director Bethke expressed the view that \$1,800 a month (or approximately \$22,000 annually) seemed very high without additional information and understanding of the costs that Hays County WCID No. 1 sought to recoup. Director Wachsmann noted that the Board could move its Board meetings and committee meetings back to the CMA Engineering officers most likely for no cost. Director Kelly noted that he liked the \$100 an hour option, and perhaps ½ payment towards utilities. Director McGillicuddy noted that he had no problem with meeting at the CMA offices with Director Kelly and Director Harris noting that they felt it would be better for the entire community if the Board could reach an agreement to allow future meetings for each District to be conducted at the same location and where Inframark handles customer service for residents of both Districts.

Director Bethke noted that she had an issue with regard to possibly moving meetings back over to the CMA offices due to the limited amount of space that residents would have to attend and participate and wondered if a viable option might be for the District to conduct its Board and individual committee meetings at the Belterra Amenity (sometimes called by the community “Recreation”) Center. Initially, it was noted that the meeting room at the Amenity Center might not be available when needed for certain District regular or special meetings and is also more limited in size than Belterra Centre (though perhaps not as much as the CMA office conference room).

Director Kelly noted that perhaps the Board could agree to another arrangement more close to the middle of the initial proposal – say \$100 per hour – minimum of \$400 a month for the shared resources available at Belterra Centre, plus ½ of the monthly costs of utilities.

Matt Kutac clarified that the Belterra Center was not provided to Hays County WCID No.1 for free, noting that Hays County WCID No. 1 had to agree to modify its reimbursement agreement, which resulted in reimbursing the developer for approximately \$500,000 to \$1,000,000 that otherwise could have been disputed, in exchange for the transfer of the building over to Hays County WCID No. 1.

It was recapped that one of the other options would simply to counter with an offer of \$1,000 monthly or the \$100 per hour plus ½ of the monthly utility costs. Director Harris agreed to get with the Belterra HOA manager to see if the Board could permanently conduct its Board meetings on the 3rd Thursday of each month at the Belterra Amenity Center (though, it was noted that that was the existing Food Truck night at the Amenity Center). He was tasked with finding out whether such facility would be available for the 2nd Tuesday or Wednesday of each month, it being noted that the Board might need to select a new meeting date. Director Harris noted that he would explore such possibility further prior to meeting again with the Hays County WCID No. 1 Building Committee to explore further options regarding Belterra Centre usage.

On another note, Director Bethke noted that she did not appreciate Hays County WCID No. 1’s decision (without first talking with the District’s Customer Care committee) to move forward on authorizing the preparation of a Request for Proposal (“RFP”) with respect to their district’s landscaping maintenance and the WWTP 210 irrigation maintenance. Director Kelly noted his concern over these issues resulting in acrimony between the Boards, and felt that such feelings were not in the best interest of the community as a whole. it was noted that there was some confusion over numbers presented by Hays County WCID No. 1, as a flat fee of between \$1,500 and \$2,000 had been discussed at the most recent committee meetings, and Director Harris stated that at the very outset (first joint committee meeting) he recalled a monthly all-inclusive amount of \$1,200 being discussed.

After some discussion of Director Kelly’s suggestion of paying half of the utility costs and an hourly rate, the Board requested that Ms. Hester present two proposals to Hays County WCID No. 1: the District would pay \$100 per hour for the District’s usage of Belterra Centre; or the District would pay ½ of the Belterra Centre utility costs for unlimited usage. The Board confirmed such counter offer. Director Harris again confirmed he would check with the Belterra HOA to confirm their rental policies, any related cost and availability for usage as a backup option for the Board for the Board’s consideration. Also, the Board inquired with respect to what others pay for using Belterra Centre. Matt Kutac responded that really only the HOA had

used the Centre for their annual Christmas gathering mainly for the children and families of Belterra, and that he did not think that the HOA had been charged a rental fee per say for such usage since it benefited the Belterra Community.

18. Mat Kutac reviewed the terms of a proposed set of updated system rules and regulations with the Board noting that a recent change in the Service Rate Order regarding swimming pool fees had necessitated a corresponding update to the current rules. Following a motion by Director Wachsmann, seconded by Director McGillicuddy and unanimously carried, the Board approved an Order Adopting Amended Rules and Regulations (dated August 20, 2020), a copy of such Order being attached hereto as **EXHIBIT “N”**.

19. With regard to item 21 on the posted agenda, Matt Kutac noted that such item regarding the “consideration and possible action regarding possible request for proposals for landscaping and irrigation service” had been added to the agenda to allow the Board to discuss such matter in view of Hays County WCID No. 1’s decision to propose that a Request for Proposal (“RFP”) be prepared for landscaping proposals for both their regular district landscaping services and also their WWTP 210 irrigation service and maintenance of such systems. Kristi Hester reiterated that the Hays County WCID No. 1 Board mainly decided to proceed with such an RFP not due to the level of service provided by WLE, but mainly due to the fact that overall such services are a very big expense under their annual budget and they had never bid such work before. A detailed discussion ensued as to how a change in service providers by Hays County WCID No. 1 would impact the District, it being noted that it was Ms. Hester’s understanding that the RFP would be structured to allow bidders to submit bids for one or both of such services (i.e, district landscape and park maintenance as well as 210 irrigation maintenance). Initially the impact, should the District not care to be participate in the RFP process along with Hays County WCID No. 1, might just be that the District may have a separate service provider handling the 210 maintenance that falls within the District (since the 210 system is owned by Hays County WCID No. 1). Following further discussion, it was determined that the District was comfortable with the landscaping services currently being provided by WLE to the District and, as such, did not care to participate in the costs associated with a joint RFP. Mr. Kutac confirmed that such item would be removed from the District’s agenda.

20. Matt Kutac confirmed he had no additional update since the last meeting but noted that Maxwell Locke & Ritter were still working to finalize their report with regard to the certain questionable bookkeeping transactions from the two most recent fiscal years. He noted that they were hoping to finalize the report in September and that, depending on that date, he may suggest a special meeting to review such matter.

21. With regard to updates to matters relating to the Lower Colorado River Authority or WTCPUA, Matt Kutac noted that he had no updates on such matters other that the previously discussed WTCPUA rate increase.

22. The Board confirmed that its next regular meeting would be scheduled for Thursday, September 17, 2020, and it was noted that Kristi Hester would confirm all upcoming committee meetings with the committee members.

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

APPROVED AND ADOPTED this 14th day of October, 2020.




Sean McGillicuddy, Secretary