

MINUTES OF THE MEETING
OF THE
BOARD OF DIRECTORS
November 15, 2021

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 Special Session, on November 15, 2021 at the Belterra Recreation Center, 801 Belterra Dr, Austin 78737 and the roll was called to-wit:

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

All members of the Board were present for the commencement of the meeting. It should be noted for the record that all Board members present voted on all matters that came before the Board. Also present were Matt Kutac of the law offices of Matthew B. Kutac, PLLC, Andy Barrett of Andy Barrett & Associates, Chris Lane of Samco Capital, the District's financial advisor, Kristi Hester and Ceejay Jackson of Inframark, the District's general management and operations contractor, Lauren Barzilla of Burgess & Niple ("BN"), the District's engineers, J. Carmen Avila-Flores of Brightview, the District's landscape service provider and Vicki Hahn, paralegal with Winstead PC.

1. Mr. Kutac confirmed that members of the public had signed up for public comment in advance of the meeting by submitting an email. 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.

Stephanie Dennard, Dustin Denard, Patty Lepore, Royce Wachsmann, Jane Heckler., Tim Foxe., Bryan Branner, Sonny Krause, Conrad Torres, and Jay Johnson provided public comment. All of the residents (except Mr. Wachsmann) voiced their opposition to the proposed trail extension denoted in green on the graph below. The majority of residents stated that the proposed trail would potentially cause safety, security, privacy and drainage issues. Other comments and concerns included but were not limited to the following:

- If the District plans to move forward with the proposed trail then they would like it stopped at Pinnacle.

- Would prefer that the Board use the money they planned on spending on the proposed trail to fix grading issues, etc. on the current trails because the current trails are not in good shape.
- Bought their home because of the greenbelt views and privacy. The proposed trail would invade their privacy.
- Would prefer that the District consider putting a barrier up that would keep people on the trail and away from the homes.
- Ensure that the trail is pushed back behind the trees to give more privacy.
- Some residents already have an issue with unleashed dogs, kids and people coming to the fence and gawking.
- Inquired as to whether the Board has walked behind the barbed wire fence and who owns the land behind the barbed wire fence. The Board confirmed that the District owns the land all the way to the school property.
- There are still dead trees and the area doesn't look good so please add some trees. (Director McGillicuddy noted in response that the District is planning to replace some of the trees that died during the winter storm and were removed.)
- On resident stated that there is a creek behind his property and it is very muddy around the creek. He noted that his garage has flooded two times already.
- There is someone that is dumping trash out there already. Ms. Hester mentioned that the dumping is not legal and it is trespassing and requested that residents please e-mail Inframark if this happens again.
- A Builder has bull dozed some trees in the greenbelt. The Board noted that they could fine the builder for bull dozing the trees.
- It was noted that the Board met with the residents of the Cove and decided not to proceed with the proposed trails that were planned to go through the greenbelt behind the Cove, and concerns were expressed that the Board is not concerned with the residents that are here tonight. Members of the Board confirmed that they are concerned with the residents in attendance. Director McGillicuddy and Director Kelly noted that the Board is still discussing where the trail will go, that the route is not set in stone, and that efforts will be made to work with the residents for a good solution.
- An inquiry was made as to how many people in the District have a trail behind their house. Per Director McGillicuddy, this question was not part of the survey so the District doesn't know the answer to this question.

For convenience or reference, below is a diagram of the proposed trail extension project (green line only) as presented at the meeting. For the record, the District is not proceeding with the proposed Trail Extensions denoted in red and yellow.

transfer of \$53,284.47 from the TexPool Operating Account to the Hays County WCID No. 1 TexPool Operating Account; and (iii) transfer of \$60,524.19 from the TexPool Operating Account to the BancorpSouth Manager's Account for the LCRA/PUA payments.

Director McGillicuddy noted that he would like a credit on the WLE invoice for missing the mowing in September due to the Labor Day holiday. He does not want a third mowing in November because it isn't needed. He asked that Brightview be notified that the District wants the credit versus an extra mowing.

Upon motion by Director Bethke, seconded by Director Harris and unanimously carried, the Board approved the above-referenced Accounting Report, and all disbursements and transfers set forth therein.

4. The Board recognized J. Carmen Avila from Brightview. Mr. Avila noted that he and Cody (an employee of Inframark) met in the field. They looked at the trees on Pinnacle that need to be replaced. He mentioned that they started installing the fall color which are snap dragons. The Board then discussed the current trails and that it would like to see the polymer with concrete installed on the trails. The Board noted that there will be a Parks Committee meeting to discuss this issue further and it will meet on November 23rd at 11:00. Director McGillicuddy is unable to attend that committee meeting so it was determined that Director Harris, who is the alternate, will attend in his place.

Mr. Avila then presented his proposal to replace the trees on Mesa Verde. Director Kelly mentioned mowing the 210 area and Director McGillicuddy warned Mr. Avila to be careful and not hit the sprinkler heads. A resident noted that there are two dead trees on Lavaca Heights and Mendocino. The resident then noted that he has seen people looking at the trees but nothing has been done. It was determined that the Parks Committee will review all of the Brightview proposals next week.

5. 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:** Approval of EQ Tank Blower Replacement Change Order No. 1 for \$2,414.00. It was noted that this Change Order is for the Sound Wall. When they were preparing to install the new rolling "garage" door, they realized that the concrete blocks were hollow. The blocks needed to be filled in in order to anchor the new door. Hays County WCID No. 1 approved this Change Order at their November 9th Board Meeting.
- II. **EQ Tank Blower Replacement:**
 - a) See construction schedule below;
 - b) Recommend approval of Change Order No. 1 for \$2,414.
- III. **Belterra Wastewater Treatment Plant Weir Overflow:** See WWTP Project Status below.

IV. **Wastewater Summary:**

- a) Average Daily Wastewater Usage (September 2021) = 355,000 gpd
- b) 75% of Permitted Capacity= 375,000 gpd
- c) Number of consecutive months over 75% - 0
- d) 90% of Permitted Capacity= 450,000 gpd
- e) Number of consecutive months over 90% - 0

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

Wastewater Treatment Plant Project Status - November 2021				
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	7%	\$ 125,000.00	\$ 32,459.46	The project schedule can be found on the google drive.
Weir Overflow - CMA Task Order 67	0%	\$ 80,000.00	\$ 26,502.50	This project is on hold until January 2022 at the direction of the Board. It will be revisited at this time to decide if the project should be re-bid.
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	\$ -	Work in progress
Drip Field Inspection - Inframark	0%	\$ 20,000.00	\$ -	Work in progress

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				
6	Mechanical			
7	Demo wall / Install galvanized angle for interior and exterior	8d	10/15/21	10/26/21
8	Demo existing blower #1 and piping	2d	10/25/21	10/26/21
9	Install new blower #1 and piping	5d	10/27/21	11/02/21
10	Demo existing blower #2 and piping once VFD panel is installed	2d	11/30/21	12/01/21
11	Install new blower #2 and piping	2d	12/01/21	12/02/21
12	Overhead door install	2d	11/29/21	11/30/21
13				
14	Electrical			
15	Demo and remove associated item with blower #1	2d	10/25/21	10/26/21
16	Demo and remove associated item with blower #2	2d	11/30/21	12/01/21
17	Install VFD control panel	4d	11/27/21	12/01/21
18	Route associated raceways overhead	3d	12/02/21	12/06/21
19	Pull wire and terminate blower #1	3d	12/06/21	12/08/21
20	Pull wire and terminate blower #2	5d	12/09/21	12/15/21
21				
22	Submittals/Delivery			
23	Overhead door shipping date	3d	11/24/21	11/26/21
24	VFD control panel drawing	45d	09/08/21	11/09/21
25	VFD control panel submittal review	5d	10/22/21	10/28/21
26	VFD shipping date	7d	11/09/21	11/17/21
27	Fabricate VFD control panel	10d	11/15/21	11/26/21

6. 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:

- a) Revegetation updates;
- b) Buried Manhole; and
- c) Trees near public wastewater line.

Ms. Barzilla noted that she reached out to the Chief. He told her that they are working on the above issues but there is no progress yet. Mr. Kutac mentioned that he spoke to the Fire Station's Attorney and the Chief and they are planning to work on it. They need a special contractor to do the work.

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 has been withdrawn and will be resubmitted.
- b) Discuss alignments for the trail extension.

Ms. Barzilla noted that the TCEQ will perform a completeness check on the proposed trail and they will e-mail Lauren with the results.

Upon motion by Director McGillicuddy, seconded by Director Harris and unanimously carried, the Board approved the monthly Engineering Reports.

7. There were no updates concerning the proposed trail project at this time. No additional discussions or actions were required.

8. Ms. Hester reviewed Inframark's General Manager's Report, and in particular, the executive summary memorandum dated October 2021. Ms. Hester gave the following updates:

- **Wastewater Treatment Plant:**

- a) All the facilities were in compliance for the Month of October;
- b) Daily average flows are 364,000 gallons a day, 73% capacity;
- c) Repaired polymer system;
- d) Removed solids from WWTP due to polymer system under repair;
- e) Replaced time/programmer on generator #1;
- f) Rewired MBR Blower #3;
- g) VFD on MBR Blower #3 needs to be replaced. It is running on a spare blower; and
- h) Replaced CLF chemical feed lines.

- **Distribution System – Billing:**

- a) Badger endpoint arrived on November 11th. Inframark will schedule to install before the end of the year. The District still has \$50,000 remaining in the budget to install the meters;
- b) Informed several customers of potential leaks on their internal systems – eye on water; and
- c) Peak water day for October was 855,000 gallons – Max 1.2.

- **Collection System:**

- a) Purchased signage for control panels at all lift stations;
- b) Will need to replace gaskets on control panel LS #7;

- c) Generator preventative maintenance completed – no issues were found; and
 - d) Completed quarterly grease trap inspection at the Fire Station.
- **Reuse and Drip System:**
 - a) Replaced ARV – air release valve on re-use Pump No. 1.
- **Drainage/Ponds:**
 - a) Inframark met at Mesa Verde to review the drainage areas. Inframark will be cleaning the stormwater pipes and pumping down the pond to remove sedimentation build-up. See below.



- **Parks /Trails/Customer Care:**
 - a) Scheduling meeting with Brightview on November 23rd to review trail repairs, benches, drinking fountains and fall color;

- b) Note that in November the District goes to every other week level 1 mowing;
- c) Meeting with Triton Public Communication is set for November 17th;
- d) Cleaned up pond access point on Mesa Verda; and
- e) Repaired lights at Mesa Verde and Sawyer Ranch.

• **Construction:**

- a) Conducted 125 inspections – builder, pool and irrigation combined.

• **Infrastructure Committee:**

- a) Scheduling meeting with Texas Community Propane on Wednesday to discuss winter storage capacity options; and
- b) Submitted critical load information to PEC and TCEQ per SB 3.

• **Other:**

- a) Brightview is behind schedule on installing the ADA ramps at Nutty Brown and Trinity – County has completed the road striping;
- b) Hays County indicated that road striping has not been completed on Belterra Drive from 290 to Trinity because they are planning to repave from curb to curb; and
- c) Cybersecurity shared with legal.

Topics discussed during the General Manager's Report:

Winter preparation for the WWTP will be completely different this year. She noted that Inframark is having trouble getting materials.

Inframark had a call on Sunday to notify them that a sprinkler was going full blast. Ms. Hester sent someone out to fix it. The valve was stuck. It has been fixed.

There will be a Parks/Trails/Customer Care Committee meeting on November 17th with Triton.

If she cannot get Brightview out to do the ADA ramps within a couple of days, she will contact Terrain, another contractor that performs projects for the District from time to time, and have them do it.

Director McGillicuddy mentioned that since the last rain, the grass in the 210 irrigation areas referenced by Mr. Wachsmann during public comment is very high. He mentioned it in the Board meeting last month but Brightview still has not mowed the area. Mr. Kutac stated that if Brightview will not mow the areas, Ms. Hester can ask the new landscaper for Hays County WCID No. 1 to do it.

With respect to Cybersecurity, Ms. Hester mentioned that she sent Inframark's policies to Mr. Kutac to review.

Ms. Hester brought up the flooding in Mr. Torres' garage. They took video and pulled some of the storm manholes to see what was causing the flooding. The level of water in the manhole was the same level as the pond. Inframark will drain the pond and clean the lines out. When Inframark was on site looking at the problem, they noticed a lot of sedimentation. There is not particular cause for sedimentation, but it is more prevalent during times when more construction is occurring. Mr. Torres mentioned that there is a lot of mud going into the drainage system. Ms. Hester then noted that Inframark does a weekly erosion control report. She mentioned that the Toll Brothers have been fined several times for these issues, but they should be done building soon so there should be some improvement in the near future. In the meantime, Inframark will complete the actions previously discussed.

Ms. Hester mentioned that she is working on the bench proposals and will have a proposal for the Board to consider at the December Board meeting.

Action Items:

Vendor	Amount	WO#	Budget	Description
Airco	\$9,823	Yes - Hays 1	Yes Additional	Replace AC system in reuse pump building
WWTS	\$7,798	Yes - Hays 1J	Yes Additional	Sludge hauling - due to polymer system
Hach	\$40,000	Yes - Hays 1J	Yes - Maint Cap \$40,000	DO Meters EQ and MBR
WWTP	\$50,000	Yes - Hays 1J	Yes - Maint Cap \$125,000	Clean Off Spec Tank
Eaton	\$8,000	Yes - Hays 1J	Yes Additional	VFD MBR Blower # 3

a) Upon motion by Director McGillicuddy, seconded by Director Harris, the Board approved the five action Items above.

b) Upon motion by Director Kelly, seconded by Director McGillicuddy and unanimously carried, the Board accepted the General Manager's Report.

9. With respect to Touchstone, Ms. Hester mentioned again that the Customer Care Committee is meeting with Triton on November 17th. Mr. Kutac reminded everyone that they need to keep in mind that if the Board at some point desires to contract with a new provider, they first have to terminate the existing contract with Touchstone. Director Bethke noted that Touchstone has been billing for a daily check, but the Board did not get a heads up when Facebook posts were made by residents about trucks blocking the road. She observed that Touchstone does not seem to catch issues like this, or if they do, they are not notifying the District. Director Bethke mentioned that there may be a connection between Touchstone and Triton. She will do some research to see what, if any, connection exists between the two companies.

10. Mr. Kutac reminded the Board that Inframark's contract provides for an annual Consumer Price Index ("CPI) increase to the base fee for services. He explained that the relevant CPI increase 3.5 percent from August 2020 to August 2021, which is the time period for measuring the CPI increase. Consequently, Inframark's base fee will be increased 3.5 percent this year. Mr. Kutac asked the Board to review drafts of the fee adjustment statements posted on Google drive and noted that the News Release from the Bureau of Labor Statistics related to the CPI increase is on the Google Drive for the Board's review.

11. LCRA and WTCPUA Updates: Mr. Kutac noted that he had no updates.

12. Scheduling with respect to the next Board Meeting: It was noted that the regularly scheduled Board Meetings which would occur on December 23rd would be re-scheduled for December 14, 2021 due to the Christmas holiday.

13. Executive Session: No additional Executive Session was required.

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

APPROVED AND ADOPTED on the 14rd day of December 2021.



Sean McGillicuddy, Secretary