

MINUTES OF REGULAR MEETING OF BOARD OF DIRECTORS
OF TRAVIS COUNTY WCID – POINT VENTURE

February 16, 2019

STATE OF TEXAS §
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COUNTY OF TRAVIS §

The Board of Directors of the District met in regular meeting, open to the public, at the WCID Office located at 18606 Venture Drive, Point Venture, Texas 78645, on the 16th day of February, 2019 at 9:00 a.m., with the Directors present being Fred Marshall, Carolyn Cook, Brian Probst, Barry Pasarew and Cindy Clemons.

Also present were Scott Swiderski, P.E. of Trihydro, Matt McPhail of Willatt & Flickinger, PLLC, Brett Lanham, Mike Bamer, and Kathy Lanham of AWR Services, Inc., and Frank Engels, President of the Point Venture POA. There were eight (8) District residents in attendance.

1. CALL TO ORDER

Board President Fred Marshall called the meeting to order.

2. ROLL CALL OF DIRECTORS

Director Marshall took the roll call of Directors. All Directors were present.

3. CITIZEN COMMENTS

Elizabeth (Liz) Wells, resident at 200 Golf View, spoke regarding the annual inspection and the grinder pump maintenance fees she has been charged for 2018. Ms. Wells stated she had not received the “annual inspection”. Because the annual inspection was never completed, she requested a refund of all grinder pump fees paid in 2018. President Marshall indicated the Board would consider her request and contact her through the District office.

Carolyn Cook, Vice President of the Board, read a statement to the Board resigning her position as Board member. Ms. Cook provided a written, signed statement to President Marshall submitting her resignation. President Marshall, on behalf of the Board, thanked Director Cook for her service to the District. A motion to accept Director Cook’s resignation was made by Director Clemmons; seconded by Director Pasarew. The motion carried unanimously.

Lance Bass, resident at 18612 Champion Circle, inquired about the solid waste transfer station hours/dates of operation, and when will it re-open. Mr. Bass requested a weeks’ notice if the station is opened again in the future. President Marshall indicated the station is an operation of the Village of Point Venture. The WCID owns the property, however it does not operate the facility. The Village has control over garbage and solid waste disposal.

President Marshall informed Mr. Bass the District is currently negotiating a new interlocal agreement with the Village, which includes these services. It was the Board's understanding the Village Council meeting was next Wednesday and these services may be discussed.

Mr. Bass also reported the wastewater disposal sprinklers were seen running for an extended period near his property, and in his opinion, was causing pooling which could result in the breeding of unwanted mosquitos. President Marshall informed Mr. Bass the District is working closely with the POA/Golf Course to ensure irrigation of the treated effluent was being irrigated efficiently. Treated effluent disposal levels increase during the winter months, however, the District is required to dispose of the treated effluent on the 45-acres of designated disposal area, which includes the golf course. President Marshall informed Mr. Bass there are other options to dispose of treated effluent, however such options which include wastewater hauling to reduce tank levels, could cost \$10,000 per day or more. President Marshall assured Mr. Bass the District is reviewing all possible options to improve the treated effluent irrigation process. Director Barry Pasarew also commented the District must adhere to TCEQ rules regarding disposal of treated effluent.

Carol Curry, 18610 Champions Circle, spoke to the Board in opposition to the irrigation on the golf course, and believed the ponding near her home was related. Mrs. Curry stated because of her concern; she closed the effluent disposal valve near her property as she was concerned about possible ponding and asked the irrigation in these areas be moved to another area. President Marshall stated the District, POA/Golf Course staff are working together to dispose of the treated effluent as effectively as possible.

4. The JANUARY 19, 2019 MINUTES OF THE REGULAR MEETING

The proposed minutes of the January 19th meeting were presented for approval. A Motion was made by Director Brian Probst to approve the minutes as presented, seconded by Director Barry Pasarew. The motion carried unanimously.

5. ENGINEER'S REPORT – TRIHYDRO ENGINEERING

Mr. Scott Swiderski presented the Engineer's Report. Mr. Swiderski reported the Water Line Project has two (2) outstanding items: one (1) concrete collar is loose near the entrance to the village, and one (1) area in Phase I is cracking. Mr. Swiderski stated the contractor, Prota Construction, indicated they would address the areas and make any necessary repairs. A walkthrough with the Engineer was conducted and the Engineers are awaiting the final completion letter and anticipate final pay estimate to be presented at the next Board meeting.

Mr. Swiderski stated there is a section where no build out has been completed that the contractor did not connect to the new water line near Cedar Circle to a 2" line. Mr. Swiderski indicated there were two (2) solutions to add the line.

(1) To add the "T" into the new road and tie in, which would require road excavation; and (2) tie through a property easement to connect which would not damage the new roadway. These costs may be added to the Warranty Bond from the contractor.

Mr. Swiderski then addressed the new Water Treatment Plant. All systems are in place, pumps and blowers are on order, however some were not operating properly and are being repaired by the contractor. The plant is ready for operation with some fine turning of the project in coordination with AWR. A final walkthrough is needed with Keystone and required plans to be provided by the contractor for final inspection and TCEQ approval.

6. APPROVAL of CONSTRUCTION PLANS & PAY ESTIMATES, CHANGE ORDERS & ACCEPTANCE OF COMPLETION WITH RESPECT TO CONSTRUCTION CONTRACTS

Mr. Swiderski said a Pay application from the contractor, Keystone Construction, has been submitted for 50% of the High Service Pumps. They were paid for one (1) HSP previously, and the second is now online. The contractor was requesting payment of other 50% retainage. A Motion to pay Keystone Construction was made by Director Probst; seconded by Director Pasarew. The motion carried unanimously.

President Marshall appointed Director Pasarew to an Engineer subcommittee with Director Probst due to Director Cook's resignation. Director Probst provided an Engineering Subcommittee Report. Director Probst discussed the Engineer had received approval from Board for additional engineering costs and tabled these costs until the end of the project. An additional \$52,088 in fees have been incurred by the Engineer, and a portion of these costs is being requested by the Engineer. Part one (1) of these costs is additional contractor oversight due to lack of supervisory support from contractor. A new contractor supervisor was put into place and the project improved. Part two (2) was the proper amount of capital required for the overall project from Engineering, which was higher than initially anticipated by River City Engineering. The request was tabled for discussion amongst the Engineering Subcommittee, and the Subcommittee anticipates bringing recommendations and or an update to the next Board meeting.

Director Probst also discussed the Engineering Fees Budget. He indicated the only item over the budget is the Engineering fees discussed of \$52,088. All other financial aspects of the budget are in alignment.

7. ADVERTISEMENT FOR BIDS AND APPROVAL, AWARD, RECOMMENDATION AND ADMINISTRATION OF CONSTRUCTION CONTRACTS

As discussed by the Engineer and Director Probst, a section where no build-out has been completed and not connected near Cedar Circle. There should be a tie to a 2” line and the line was not tied in by the contractor.

*** President Marshall moved to Agenda Item No. 15. ***

15. WATER CONSERVATION PLAN PUBLIC HEARING

President Marshall opened the public hearing at 10:15am. President Marshall addressed those present that The Water Conservation Plan (“WCP”), required every five years, needs to be filed with LCRA. District Attorney Mr. McPhail reviewed the WCP and provided his comments. President Marshall asked for community comments; there were none. President Marshall closed the Public Hearing at 10:20am.

16. RESOLUTION APPROVING WATER CONSERVATION PLAN

Director Probst made the motion to adopt the Water Conservation Plan; Director Pasarew Seconded the motion. The motion carried unanimously.

17. PUBLIC HEARING on DROUGHT CONTINGENCY PLAN

President Marshall opened the Public Hearing at 10:22 a.m. on the Drought Contingency Plan (“DCP”). A public comment from District resident Mr. Lance Bass inquired what action can be taken if customer violates the watering restrictions, according to the Drought Contingency Plan, and can the Plan be enforced, and the customer be fined by the WCID if found to be out of compliance with the DCP. President Marshall confirmed the WCID is able to track water use and levy fines for doing so which is described in the DCP. President Marshall asked for any further public comment, hearing none, President Marshall closed the Public Hearing at 10:32 a.m.

President Marshall entertained a motion regarding approval of the Drought Contingency Plan as presented. A motion was made by Director Probst; second by Director Pasarew. The motion carried unanimously.

*** President Marshall moved to Agenda Item No. 8. ***

8. MANAGER’S REPORT – AWR SERVICES, INC.

Brett Lanham of AWR Services, Inc. (“AWR”) presented the Manager’s Report. Mr. Lanham the report covered operations, maintenance and repairs performed within the WCID for January 8, 2019 thru January 31, 2019. Mr. Lanham reported customer billing and collections activities were normal using the District’s existing billing software.

Mr. Lanham discussed AWR’s Facilities Start-Up Evaluation of Water Treatment Plant and the Wastewater Treatment Plant. The existing Water Treatment Plant (“WTP”) “A” repairs

& maintenance, AWR responded to ten (10) after-hours alarm calls from the WTP-A requiring on-site response. AWR is currently working with contractors to assess repairs needed to one (1) booster pump that feeds the Elevated Storage Tank ("EST"). AWR conducted clarifier & weir cleaning; installed a new WTP raw sampling tap, assessed a Stand Pipe Leak at the EST, made adjustments and installation changes to the chemical feed pumps, and conducted filter backwash valves repair after discussions with President Marshall and Director Probst during start-up.

New Trident Water Treatment Plant "B". Mr. Lanham reported AWR personnel are working with contractors and District's Engineer and have initiated start-up of the WTP-B. AWR is conducting operational support and are working with contractors for final modifications to facility to place it into service. Mr. Lanham indicated the Engineer had received the Contact Time ("CT") Study from the Engineer and are documenting operations of WTP-B for regulatory documentation submittal to TCEQ. As reported by the Engineer, final components are anticipated to be installed soon; and a bacteriological sample was taken for analysis by an independent lab, the final phase prior to activation of WTP-B.

A total of six (6) water related service calls were responded to by AWR Operations personnel, as reported by Mr. Lanham.

Mr. Lanham reported on Wastewater Treatment Plant repairs and maintenance. AWR addressed seven (7) separate items during routine operations of the facility. Each was described and defined in the Manager's Report presented to the Board of Directors. Mr. Lanham reported Wastewater Lift Station repairs and maintenance included the Whispering Hollow Lift Station, which had been reported to AWR as experiencing inflow and infiltration, and AWR was authorized to conduct repairs using Lewis Concrete Restoration. Repairs are now complete, which required diversion of influent flows to a temporary station, and once the seal and concrete materials installed cure, the Lift Station will be placed back in service. Mr. Lanham explained inflow and infiltration issues experienced at this station are likely due to the age of the Station combined with the highly corrosive nature of wastewater.

AWR personnel responded to eight (8) wastewater system Customer Service Calls and Grinder Pump Repairs. Four (4) new Water and Wastewater taps were installed during this reporting period, with additional taps being installed during February 2019.

At the direction of the Board's Subcommittee regarding Village of Point Venture responsibilities, AWR personnel provided temporary assistance to operate the Solid Waste Transfer Station. At the present time, the Solid Waste Transfer Station is closed, pending a new Interlocal Agreement with the Village of Point Venture.

Director Pasarew asked about the improvements made to the WWTP. President Marshall addressed details of the improvements completed by AWR as items that were discussed and approved by President Marshall and Director Probst.

President Marshall reported to the Board he had observed visible improvements to the facilities and complemented AWR staff on their professional and courteous operations of the District's facilities.

Upon a motion by Director Probst; seconded by Director Pasarew, the Board of Directors unanimously approved AWR's Manager's Report.

*** President Marshall moved to Agenda Item No. 9. ***

9. BOOKKEEPER'S REPORT ON THE FINANCIAL AFFAIRS OF THE DISTRICT, INCLUDING AUTHORIZATION OF PAYMENT OF BILLS – BOTT AND DOUTHITT

Mr. Allen Douthitt, of the accounting firm of BOTT & DOUTHITT was introduced at the meeting along with his Executive Assistant, Jessica Benson, Accounting Manager. Mr. Douthitt reported he met with Director Probst prior to the meeting and reviewed the invoices & payables of the District. Mr. Douthitt also secured the bank records for the District to date and began the process of reviewing the District books/accounts; reviewing the budget and amending the budget process.

The date to complete the Annual audit for the District was 02/12/19. Mr. Douthitt reported he requested an extension and will make best efforts to complete the audit by 03/15/19 citing the operational changes the District had undertaken and would submit the report to TCEQ once approved. All payables will be routed to Bott & Douthitt. The 1099's and W-2's were completed except for one contractor, and Mr. Douthitt is awaiting their return call.

Ms. Benson reported the Texas Unemployment payment needs to be paid electronically. Mr. Lanham indicated he may can assist Ms. Benson with obtaining the credentials from District records so the filing could be completed.

Upon a motion by Director Probst; seconded by Director Pasarew, the Board of Directors unanimously approved the Bookkeeper's Report.

10. GRINDER PUMP MAINTENANCE AGREEMENT PLAN

Mr. Lanham reported there were three (3) areas of the existing plan the Board may consider taking action on in the future. Board discussion ensued regarding Elizabeth Wells request of maintenance fee funds to be refunded. Mr. McPhail recommended the Board consider various options for Ms. Wells, which were discussed. Ultimately, the Board determined the WCID would provide Ms. Wells \$48, if Ms. Wells wants to be removed from the annual grinder pump maintenance program.

A motion was made by Director Clemmons to refund \$48 to Ms. Wells if she wishes to be removed from the Grinder Pump Maintenance Plan going forward, seconded by Director Pasarew. The motion was unanimously approved.

11. TAP FEE REFUND REQUEST FROM DEVELOPER

Mr. McPhail reported a request was made to the Board from the Developer to refund tap fees that had not been used. Mr. McPhail had discussed the request with the Developer and reported the request was made due to less construction and the Developer had a reduced need for taps purchased. They have asked for a credit or refund regarding future construction. Mr. McPhail suggested prior approving the Developer's request, the Board consider adjustment to the existing Rate Order and Tap Fees which includes multiple categories for various types of customers. The current Rate Order and Tap Fees are based on pricing from some time ago, and the fees should be calculated based on current actual costs associated with the tap connection, meter, etc. Changes to the Rate Order to update these costs should be considered. President Marshall recommended that a sub-committee of Director Probst, President Marshall, Mr. McPhail and Mr. Hal Lanham and Mr. Brett Lanham to discuss necessary changes to the Rate Order. Currently the developer is amicable to using his existing fees paid towards other new projects in the District and did not request immediate action. No further action was taken.

12. TEMPORARY WASTEWATER SYSTEM CONTROLS

The Engineer is currently reviewing temporary controls which could be used at the WWTP.

13. INTERLOCAL AGREEMENT BETWEEN WCID POINT VENTURE and VILLAGE of POINT VENTURE

President Marshall reported to the Board the District's Subcommittee Members President Marshall, Mr. McPhail, Director Probst, Mr. Hal Lanham and Mr. Brett Lanham and Mayor Love to continue discussions regarding a new inter-local agreement. Mr. McPhail provided a draft letter to the Village Mayor formalizing cancellation/termination of the Interlocal agreement and the need for a new Interlocal agreement. Upon a motion by Director Clemmons to send the Mayor the letter from the District's Counsel notifying the Village and acting in good faith to negotiate a new inter-local agreement, seconded by Director Pasarew, the motion passed unanimously. The letter dated February 16th was to be sent to the Mayor electronically.

14. DISPOSAL of EFFLUENT and GOLF COURSE IRRIGATION

POA President Frank Engels reported to the Board that the POA and golf course personnel were working with AWR and President Marshall to implement ways to improve irrigation of treated effluent in the disposal areas including the golf course. Mr. Engels was complimentary of AWR's assistance and thanked the District for their efforts to work together towards improvements to effluent disposal.

Golf course staff along with AWR have made repairs to multiple areas, and the POA is soliciting bids for repairing drainage on Holes #9, #10, #11. Repairs AWR were assisting the POA with had been approved by President Marshall and Director Probst. Mr. Engles reported the POA and golf course personnel area moving irrigation sprinklers as necessary to help evenly distribute the treated effluent in the disposal areas.

*** President Marshall moved to Agenda Item No. 19. ***

19. EXECUTIVE SESSION – PERSONNEL MATTERS

President Fred Marshall announced that the Board of Directors will now go into closed session for consultation with the District's attorney pursuant to Sections 551.071 of the Texas Government Code regarding matters related to Agenda Item No. 19. The Board went into closed session at 12:59 p.m. The Board entered into Executive Session at 12:59 p.m.

At 2:04 p.m., President Marshall announced that the Board of Directors has concluded its closed session and is returning to open meeting, and that no action was taken during the closed session.

20. SETTLEMENT AND RELEASE AGREEMENT for DISTRICT PERSONNEL

A motion was made by Director Probst, seconded by Director Pasarew to pay Cristin Cecala \$950.47 for past due reimbursement, mileage, vacation and sick time. The motion passed unanimously.

A motion was made by Director Probst, seconded by Director Pasarew to ratify and approve the severance agreement presented to Jean Cecala under the same terms as presented to other District employees. The motion passed unanimously.

21. TEXAS COUNTY DISTRICT RETIREMENT SERVICE PLAN TERMINATION

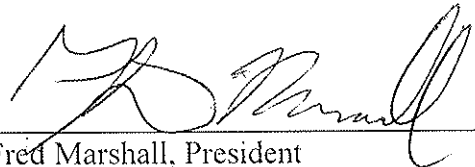
Mr. McPhail reported that he will work with the Board President to complete forms required to terminate the District's retirement service plan as the District no longer has in-house staff.

22. RATE ORDER

President Marshall reported the subcommittee along with AWR and District Counsel would work together to update the District's Rate Order to be considered by the Board of Directors.

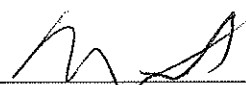
23. ADJOURN MEETING

Motion was made by Director Pasarew to adjourn the meeting, seconded by Director Clemmons. The motion carried unanimously. The Board meeting was adjourned at 2:38 p.m.



Fred Marshall, President
Travis County WCID – Point Venture

ATTEST:



Brian Probst, Secretary/Treasurer
Travis County WCID – Point Venture

[DISTRICT SEAL]