

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

July 17, 2019

STATE OF TEXAS           §

COUNTY OF TRAVIS       §

The Board of Directors of the District met in a special meeting, open to the public, at the WCID Office located at 18606 Venture Drive, Point Venture, Texas 78645, on the 17<sup>th</sup> day of July, 2019, at 12:00 p.m., with the Directors present being Fred Marshall, Chris Lippe, Brian Probst, Barry Pasarew, and Cindy Clemons.

Others in attendance were Jerry Kyle and Ben Morse of Orrick, Herrington & Sutcliffe, Scott Swiderski of Trihydro Corporation, Matt McPhail of Willatt & Flickinger, Dan Wegmiller of Specialized Public Finance Inc., and Hal and Brett Lanham, and Amanda Rodriguez representing AWR Services. Four property owners were also in attendance.

1. CALL TO ORDER.

Board President Fred Marshall called the meeting to order.

2. ROLL CALL OF DIRECTORS.

Jean Cecala called roll of Directors. All Directors were present.

3. CITIZEN COMMENTS:

No citizen comments were made.

AGENDA ITEMS RELATED TO ELECTION  
PUNTOS DEL ORDEN DEL DIA RELATIVOS A ELECCIONE

4. DISCUSS AND CONSIDER MATTERS RELATED TO POTENTIAL DISTRICT BOND ELECTION TO BE HELD ON NOVEMBER 5, 2019 (THE "ELECTION"), INCLUDING ENGINEERING, FINANCIAL, LEGAL AND OTHER MATTERS RELATED THERETO.

DEBATIR Y CONSIDERAR ASUNTOS RELACIONADOS CON LA POTENCIAL ELECCIÓN DE BONOS DEL DISTRITO A CELEBRARSE EL 5 DE NOVIEMBRE DE 2019 (LA "ELECCIÓN"), INCLUSO ASUNTOS DE INGENIERÍA, FINANCIEROS, LEGALES Y DEMÁS EN RELACIÓN CON ESTO.

Trihydro Corporation Engineer, Scott Swiderski, addressed the Board of Directors. He had provided the Board with the draft bond authorization report prepared by Trihydro Corporation engineers for Travis County WCID – Point Venture. He said that once he received final authorization by the Board of how it wants to proceed, it will be modified accordingly and presented for Board approval at the next meeting.

Jerry Kyle reminded the Board of the August 19, 2019 deadline to call the election and all the details, including approving the engineers report, need to be final before that date.

Mr. Swiderski went over the highlights of the report as follows:

**Wastewater Treatment Plant Improvements** – The District’s Wastewater Treatment Plant (“WWTP”) Improvements include installation of a new WWTP and facility rehabilitation to address the anticipated increase in wastewater flows and deficiencies in organic loading treatment and effluent quality. The plant may consist of components such as screens, equalization basin, biological and tertiary treatment, and sludge management. The estimated construction costs are approximately \$5,520,000, excluding engineering, contingencies, inflation, and incidental expenses.

**Water and Wastewater Conveyance and Other Improvements** – Certain portions of the District’s water and sanitary sewer systems are aging, deficient, and are anticipated to require inspection, rehabilitation, inflow and infiltration reduction, and maintenance. The estimated construction costs are approximately \$1,850,000, excluding engineering, contingencies, inflation, and incidental expenses.

**Reclaimed Water System Improvements** – To meet TCEQ’s requirements of effluent disposal and address an increase of wastewater flows, the current irrigation system will need to be upgraded and expanded. Improvements to the District’s effluent disposal system include installation of effluent piping, irrigation pumps, and spray and drip irrigation systems. The estimated construction costs are approximately \$2,050,000, excluding engineering, contingencies, inflation, and incidental expenses.

**Miscellaneous Drainage System Improvements** – Certain areas under the District’s control within the Village of Point Venture are susceptible to collecting and ponding water and require runoff collection and grading improvements. The estimated construction costs are approximately \$190,000, excluding engineering, contingencies, inflation, and incidental expenses.

Mr. Swiderski asked the Board to look at Table 1 in the report which gave a description and estimated construction and design costs. Items one through four of the construction and improvements stated above for a total of approximately \$9,610,000. A contingency factor of 20 percent is applied at \$1,900,550. Inflation is also factored in a 5 percent estimate for the life of the project and another 12 percent for engineering cost of approximately \$1,153,200. In addition to these figures legal and other administrative fees equated to approximately \$1,355,750 for a total estimated bond issuance requirement of \$14,500,000.

Mr. Swiderski further explained that the proposed new WWTP would be rated to process 150,000 gallons per day (“gpd”). The District is already approved by the Texas Commission on Environmental Quality (“TCEQ”) to process that volume each day. Therefore, no new or additional permit would be required. TCEQ would only need to be notified that the District is building a new plant. After the new plant is put into service, the old plant would go off line but be in reserve for future rehabilitation if additional treatment capacity is needed in the District.

The new plant will produce Type 1 effluent. The current plant produces Type 2. The District is in phase 2 of its permit with TCEQ and allowed to irrigate an average of 100,000 gpd. In order to go to the final phase of the permit, Type 1 effluent is required so the District can incorporate drip irrigation. The permit, in its final phase, requires approximately 36 acres for spray irrigation and 16 acres for drip irrigation.

Board members had concerns and asked questions about different portions of the proposed improvements. Mr. Swiderski and Hal and Brett Lanham of AWR Services addressed these.

The district’s financial advisor, Dan Wegmiller, presented three bond scenarios which included \$14.5 million bond issue and an approximate 19.5 cent per \$100 of tax increase, \$13.5 million and an approximate 17.8 cent per \$100 tax increase and, finally, \$12.5 million and an approximate 15.1 per \$100 tax increase. All tax increases are using estimated property values and will be refined as certified values are released from the appraisal district. Also, the tax impact will ultimately be calculated after the fiscal year 2020 Budget is completed and the final tax rate decision is made.

Board Directors were in agreement that property owners must be made fully aware of the project, what it entails, and its impact on them. Mr. Lanham of AWR Services said a series of newsletters with the information will be coming out in the very near future. President Marshall said that public forums would also be held for relaying the facts and answering questions. He also said it benefits the District to get information out and inform the public. A resident asked if a larger facility than the District's board room could be utilized for these information forums and was told that other locations within the District are available and will be considered for such events.

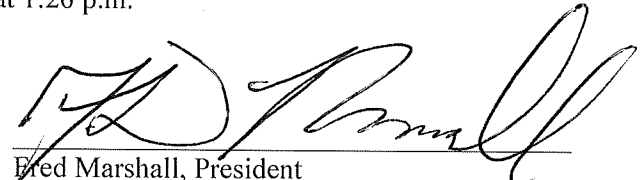
5. CONSIDER APPROVAL OF ENGINEER'S REPORT FOR THE ELECTION; AUTHORIZE FILING OF APPROVED ENGINEER'S REPORT IN THE DISTRICT'S OFFICE AND ANY OTHER NECESSARY OR APPROPRIATE ACTIONS RELATED TO THE ELECTION.

CONSIDERAR LA APROBACIÓN DE UN INFORME DEL INGENIERO PARA LA ELECCIÓN; AUTORIZAR LA PRESENTACIÓN DE UN INFORME DEL INGENIERO APROBADO EN LA OFICINA DEL DISTRITO Y CUALQUIER OTRA MEDIDA NECESARIA O ADECUADA EN RELACIÓN CON LA ELECCIÓN.

Jerry Kyle then gave the Board the necessary steps to call a bond election which included finalizing the engineer's report and drafting and approving an election order. He and Mr. Swiderski said both could be ready by the July 20 regular meeting.

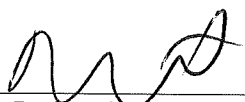
6. ADJOURN THE MEETING.

Motion was made by Director Pasarew to adjourn the meeting. The motion was seconded by Director Probst. The motion carried unanimously. Meeting adjourned at 1:26 p.m.



Fred Marshall, President  
Travis County WCID – Point Venture

ATTEST:



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

(SEAL)