

MINUTES OF REGULAR MEETING  
OF  
SOUTH BUDA WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

STATE OF TEXAS           §  
  §  
COUNTY OF HAYS         §

A regular meeting of the Board of Directors of South Buda Water Control and Improvement District No. 1, open to the public, was held at 12:00 p.m. on September 15, 2021 at 8834 Capital of Texas Highway, Suite 140, Austin, Texas 78759, pursuant to notice duly given in accordance with law.

1. CALL TO ORDER

The meeting was called to order.

2. ROLL CALL OF DIRECTORS

A roll call of the Directors was taken. The Directors present were:

Marvin Morgan - President  
Sean Denton – Vice President  
Dante Angelini – Secretary  
Jeff Barton – Assistant Secretary  
John Fowler – Assistant Secretary

thus constituting a quorum. All Directors were present.

Also, present at the meeting were Matt McPhail, Jeniffer Concienne and Hunter Hudson with Willatt & Flickinger, PLLC, Herb Edmonson with Gray Engineering, Inc., David Berrier with Berrier & Company, P.C., Lisa Torres with Crossroads Utility Services, LLC, Melanie Hronek with Gehan Homes.

3. PUBLIC COMMENTS

No public comments were made.

4. MINUTES OF PRIOR MEETINGS

President Marvin Morgan entertained a motion for approval of the Minutes. Motion was made by Jeff Barton and seconded by John Fowler to approve the August 18, 2021 meeting Minutes as presented. The motion carried unanimously.

5. PUBLIC HEARING ON TAX RATE

President Marvin Morgan opened the public hearing on the tax rate. Hearing no comments, the public hearing was closed.

6. ORDER APPROVING BUDGET FOR 2021/2022

7. ORDER APPROVING THE DISTRICT'S APPRAISAL ROLL AND SETTING THE DISTRICT'S TAX RATE FOR 2021

Attorney Matt McPhail discussed Items 6 and 7 together. Today consideration will include approving a budget and setting the District's tax rate.

President Marvin Morgan stated that the budget looked good. After discussion, President Marvin Morgan entertained a motion. Motion was made by Sean Denton and seconded by John Fowler to approve the budget without the legal notice line item. The motion carried unanimously. Motion was then made by Sean Denton and seconded by John Fowler to approve the legal notice line item in the budget as presented. Jeff Barton abstained from the vote. The motion carried.

Attorney Matt McPhail discussed the tax rate with the Board. The tax rate will be reduced from last year. The M&O is \$0.1950 and the debt is \$0.6950, for a total of \$0.89. After discussion, President Marvin Morgan entertained a motion. Motion was made by Sean Denton and seconded by John Fowler to approve the Order Approving the District's Appraisal Roll and Setting the District's Tax Rate for 2021. The motion carried unanimously.

8. AMENDED INFORMATION FORM

Attorney Matt McPhail explained that since the tax rate change, the Amended Information Form will need to be amended. After discussion, motion was made by Sean Denton and seconded by John Fowler to approve the Amended Information Form as presented and authorize it filing with the TCEQ and Hays County Clerk. The motion carried unanimously.

9. DEVELOPER'S REPORT ON STATUS OF CONSTRUCTION WITHIN THE DISTRICT, DEVELOPMENT ENTITLEMENTS, PROVISION OF WATER, WASTEWATER AND DRAINAGE SERVICE WITHIN THE DISTRICT, SALES OF LOTS TO BUILDERS, HOMEBUILDING WITHIN THE DISTRICT, STATUS OF DEVELOPMENT LOANS AND ACTIONS OF THIRD PARTIES OPPOSING OR SUPPORTING DEVELOPMENT WITHIN THE DISTRICT

a. Status of Robert S. Light Boulevard culvert clean up

Melanie Hronek reported that there are 10 units left in Phase 1. All construction has started in Phase 2 and they will have a model unit ready by the end of the year. The amenity center is scheduled to be complete by October. There was discussion of the size of the units. Ms. Hronek and the Board also discussed the water usage within the subdivision and meter availability.

10. BOOKKEEPER'S REPORT ON THE FINANCIAL AFFAIRS OF THE DISTRICT, INCLUDING AUTHORIZATION OF PAYMENT OF INVOICES AND TRANSFER OF FUNDS

Bookkeeper David Berrier discussed the financials with the Board. President Marvin Morgan discussed the tap fees paid to Monarch. After discussion of the financials, President Morgan entertained a motion. Motion was made by Jeff Barton and seconded by John Fowler to approve the financials. The motion carried unanimously. Motion was then made by Sean Denton and seconded by John Fowler to approve payment of the invoices and per diems as presented. The motion carried unanimously.

11. ENGINEER'S REPORT ON STATUS OF CONSTRUCTION WITHIN THE DISTRICT, DEVELOPMENT ENTITLEMENTS, PROVISION OF WATER, WASTEWATER AND DRAINAGE SERVICES WITHIN THE DISTRICT, SALES OF LOTS TO BUILDERS, HOMEBUILDING WITHIN THE DISTRICT AND PAST, PRESENT AND FUTURE BOND ISSUES

Herb Edmonson discussed the engineer's report as included in the agenda package.

Mr. Edmonson reported that a pre-construction meeting will be held with QT today.

There is not much change in connection with the Marlstone Retail Center over in Stonefield.

Mr. Edmonson discussed the Emergency Preparedness Plan that is now required. There will be submissions to the TCEQ and PUC. Mr. Edmonson will need some information from Monarch Utilities. The PUC deadline is November 1<sup>st</sup> and the TCEQ deadline is in March 2022. They are reviewing all the requirements associated with this plan and will report back to the Board with the findings.

12. PROPOSALS FOR LANDSCAPE MAINTENANCE SERVICES IN THE DISTRICT

Herb Edmonson discussed the bids that were received in connection with the District's mowing and landscaping maintenance contract. The District's current landscape maintenance contract with Sunscape will end on October 31, 2021. Attorney Matt McPhail will notify Sunscape that the District will not extend the contract. ECO Systems Landscape Services was the low bidder. Mr. McPhail will work with the contractor on a contract with the District. There was discussion of the terms of the contract. After discussion, President Marvin Morgan entertained a motion. Motion was made by Jeff Barton and seconded by John Fowler to accept the ECO Systems Landscape Services as the low bidder and authorize the Board President to negotiate and sign the contract with ECO Systems Landscape Services. The motion carried unanimously.

13. ALL ACTIONS AND DOCUMENTS NECESSARY OR CONVENIENT, OR BOTH, FOR THE DISTRICT'S 10<sup>TH</sup> BOND ISSUE

In connection with the unlimited tax bond issue, Gray Engineering is still waiting on comments from the TCEQ.

14. USE OF SURPLUS BOND PROCEEDS PURSUANT TO TCEQ RULE 293.83(c)(3)(A); TRANSFER OF FUNDS

Attorney Matt McPhail prepared a letter to transfer the surplus bond proceeds to the District's general fund. This transfer will reimburse its costs associated with the construction of the lift station project. After discussion, motion was made by Jeff Barton and seconded by Sean Denton to approve the transfer as written. The motion carried unanimously.

15. REQUESTS FOR "PASS-THRU" WASTEWATER SERVICE FROM OUT-OF-DISTRICT CUSTOMERS

This item was not discussed.

16. APPROVAL OF CONSTRUCTION PLANS AND PAY ESTIMATES, CHANGE ORDERS AND ACCEPTANCES OF COMPLETION WITH RESPECT TO CONSTRUCTION CONTRACTS

This item was not discussed.

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

This item was not discussed.

18. MANAGER'S REPORT ON WATER AND WASTEWATER SERVICE WITHIN THE DISTRICT, INCLUDING NUMBER OF CONNECTIONS, DELINQUENT ACCOUNTS AND MATTERS PERTAINING TO THE AGREEMENT FOR WATER SERVICE WITH MONARCH UTILITIES I, L.P. AND THE AGREEMENT FOR WASTEWATER SERVICE IN THE CONSENT AND DEVELOPMENT AGREEMENT WITH THE CITY OF BUDA; DISTRICT'S BILLING CYCLE AND EXCHANGE OF METER READINGS WITH MONARCH; SYSTEM MAINTENANCE REPAIRS, UPGRADES TO FACILITIES, MAINTENANCE OF PONDS AND RELATED PROPOSALS

Manager Lisa Torres discussed the Manager's Report with the Board.

There was discussion of the water loss within the District. President Marvin Morgan discussed the prior issue in Section 4A. Mr. Marvin believes the water loss issue is a metering problem again. Ms. Torres reported on the metering for the fire hydrants. One will be pulled due

to showing no usage for over a year. The other only shows 4,000 gallons being used. Ms. Torres has provided the usage to President Morgan for his review.

The District's solid waste contract with Texas Disposal expires in November. Ms. Torres is working with the committee on this matter.

The District has 741 connections.

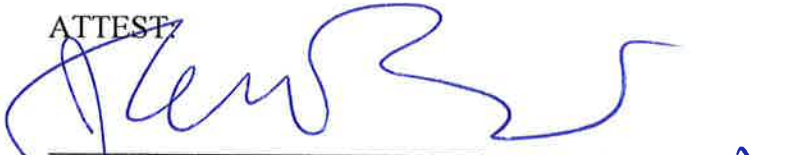
19. ADJOURN

President Marvin Morgan adjourned the meeting.



Marvin B. Morgan, President  
South Buda WCID No. 1

ATTEST

~~Dante Angelini, Secretary~~ Jeff Barton, AS  
South Buda WCID No. 1

[SEAL]