

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 WCID No. 1 was held at 12:00 noon on June 16, 2021 by remote access only in accordance with the March 16, 2020 Order by Governor Abbott temporarily suspending certain requirements of the Texas Open Meetings Act to advance the goal of limiting face-to-face meetings to slow the spread of COVID-19. The meeting was open to the public and notice was given as required by the Texas Open Meetings Act and as modified by the Governor's Order.

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. Secretary Dante Angelini was absent.

Also, present at the meeting were Bill Flickinger, Matt McPhail and Jeniffer Concienne with Willatt & Flickinger, PLLC, David Gray and Herb Edmonson with Gray Engineering, Inc., David Berrier with Berrier & Company, P.C., Grant Gist with The Meadows at Buda, Lisa Torres with Crossroads Utility Services, LLC, Dan Wegmiller with Specialized Public Finance Inc. and resident Patrick Moore.

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 Sean Denton to approve the May 19, 2021 meeting Minutes as presented. The motion carried unanimously.

5. 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

Grant Gist reported that he has a contract underway on the 4-acre commercial tract. This tract will be used for a medical facility. A portion of the tract is in the District and the other portion is out of the District. It is in the due diligence stage as of now. Engineer David Gray advised that the District will serve this property.

Mr. Gist stated that he is still working with the City of Buda on cleaning of the culvert at Robert S. Light Boulevard.

Melanie Hronek was unable to attend the meeting. Therefore, Jeniffer Concienne reported on the status of the townhome project. In regard to Harvest Meadows Phase 1, 60 units were sold in 2021. All Units have been started and there are 25 units remaining to be sold. In Phase 2, the model is nearing completion. There are 82 units under construction at this time. Construction has commenced at the amenity center. The grading and pool excavation is underway. The amenity center is scheduled to be complete at the end of the year.

6. ANNUAL INSURANCE RENEWAL DOCUMENTATION SUBMITTED BY AJ GALLAHER

Jeniffer Concienne reported that this item is not yet ready for consideration.

7. 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. Mr. Berrier reported that there are some issues with the books and meter inventory. There were extra meters discovered. Mr. Berrier will order checks on the BBVA account so that funds can be transferred.

There was discussion of the delay by Monarch in cashing the District's checks. President Marvin Morgan asked Mr. Berrier to double check the address for billing. Vice President Sean Denton advised that the check should be sent by FedEx due to the amount.

After discussion of the financials, President Morgan entertained a motion. Motion was made by Sean Denton and seconded by John Fowler to approve the financials, invoices and per diems. The motion carried unanimously.

8. 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

Financial Advisor Dan Wegmiller reported on the possibility of a refunding bond opportunity. This refunding would be for the District's 2014 issue. Mr. Wegmiller is estimating a 2.5% savings which equates to \$219,000. This refunding would be callable in August. There was discussion of the delegation order being presented at the July board meeting for consideration. The delegation would be good for 6 months. If the market does not appear to make sense, then all work will stop and there will be no cost incurred by the District.

Engineer David Gray discussed his report as included in the agenda package.

Mr. Gray reported that he is surprised that he has not received any comments from the TCEQ on the District's surplus bond proceeds application that was filed in March.

The Stonefield pond fencing improvements will get underway tomorrow. A new fence will be installed around Stonefield Section One detention pond.

9. RESOLUTION AUTHORIZING APPLICATION TO THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY FOR APPROVAL OF ENGINEERING PROJECT AND SOUTH BUDA WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 BOND ISSUE

Engineer David Gray discussed the Resolution Authorizing Application to the TCEQ. The bond amount was updated to \$2,495,000 after discussion with Grant Gist. Mr. Gray stated that the application will be filed with the TCEQ soon. This issue is anticipated to be the District's last bond issue.

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

This item was not discussed.

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

This item was not discussed.

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

This item was not discussed.

13. 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.

The District has 733 connections.

Ms. Torres reported the District had a 20.23% water loss. There was a main break on May 14th due to a contractor hitting a waterline. The main line break caused a service interruption and a boil water notice was issued. That notice was lifted on May 17th.

Monarch was billed for work done at the elevated storage tank. The master meter vault was submerged in water. The pump will need to be repaired or replaced.

Ms. Torres discussed the need to treat the grass and weeds in the Stonefield pond. The cost for that maintenance is approximately \$350. After discussion, President Marvin Morgan entertained a motion. Motion was made by Jeff Barton and seconded by Sean Denton to authorize the expenditure to treat the Stonefield pond as discussed above. The motion carried unanimously.

14. LEGISLATIVE UPDATE

Attorney Bill Flickinger introduced Attorney Hunter Hudson to the Board. Hunter started at Willatt & Flickinger last month.

Mr. Flickinger discussed the upcoming legislation and advised that he would have a detailed memorandum at the July board meeting to discuss the new laws.

15. REQUEST FOR RECOMMENDATION BY THE DISTRICT FOR WILLATT & FLICKINGER, PLLC

Attorney Bill Flickinger asked the Board to consider providing a letter of recommendation for his firm. After discussion, President Marvin Morgan entertained a motion. Motion was made by Sean Denton and seconded by John Fowler to authorize President Marvin Morgan to provide a letter of recommendation for Willatt & Flickinger, PLLC. The motion carried unanimously.

16. ADJOURN

President Marvin Morgan adjourned the meeting.



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

ATTEST:



Dante Angelini, Secretary
South Buda WCID No. 1

[SEAL]