

**MINUTES OF MEETING OF BOARD OF DIRECTORS OF  
LAKESIDE MUNICIPAL UTILITY DISTRICT NO. 3**

**March 11, 2020**

THE STATE OF TEXAS           §  
  §  
COUNTIES OF WILLIAMSON   §  
                                  AND TRAVIS   §

The Board of Directors of Lakeside Municipal Utility District No. 3 met in regular session, open to the public, on March 11, 2020, at the offices of Gray Engineering, Inc., 8834 North Capital of Texas Highway, Suite 140, Austin, Texas, pursuant to notice duly given in accordance with law. A copy of the Certificate of Posting of said Notice is attached hereto as **Exhibit “A”**.

The roll was called of the members of the Board, to-wit:

J.D. Scott	-	President
John Sutton	-	Vice President
David Cotton	-	Secretary
Laura Olszeski	-	Treasurer
Michael Zeniecki	-	Assistant Secretary/Treasurer

and all of said Directors were present, thus constituting a quorum. Also in attendance at the meeting were Mary Bott with Bott & Douthitt, P.L.L.C.; David Gray and Steven Minor with Gray Engineering, Inc.; Steve Bertke with Lennar Homes of Texas Land and Construction, Ltd. (“*Lennar*”); Kevin Flahive with Armbrust & Brown, PLLC; and Sherry Scales and Cristina Sahoo, residents of the District.

Director Scott called the meeting to order at 6:00 p.m. and stated that the Board would first receive citizens communications and Board member announcements. There being none, the Board next considered approval of the minutes of the February 12, 2020 regular meeting. Mr. Flahive pointed out corrections to be made to the minutes. Upon motion by Director Zeniecki and second by Director Olszeski, the Board voted unanimously to approve the minutes, as corrected.

The Board next discussed landscaping, maintenance, signage, drainage and repair items in the District. Director Scott stated that all projects approved by the Board had been completed. Director Olszeski then stated that the street trees located along the eastern boundary of Commons Parkway near the intersection with Rowe Lane appeared to be diseased or dying. After discussion, Director Scott stated that he would investigate the matter and report back to the Board.

Director Scott then recognized Ms. Bott to provide the accountant’s report. Ms. Bott referred the Board to the updated cash activity report, attached as **Exhibit “B”**. She reviewed with the Board the Director per diem and vendor payments and three transfers. Ms. Bott then referred the Board to the January financials, stating that the District had collected 98% of its ad valorem taxes and was running a positive budget to actual variance of approximately \$66,000. Upon motion by Director Olszeski and second by Director Sutton, the Board voted unanimously to approve payment of the per diems and vendor payments and the three transfers, as presented.

The Board next received the engineer's report from Mr. Gray. He referred the Board to his report, attached as **Exhibit "C"**, and reviewed the report. Mr. Gray handed out an illustration of the items on the punchlist that had been provided to Lennar with respect to The Commons at Rowe Lane, Phases IVB and VB. He reviewed the illustration with the Board and stated that Mr. Minor had visited the site earlier in the day and observed that progress had been made on many of the punchlist items. Mr. Bertke stated that believed that all punchlist items had been addressed, with the exception of some mowing and revegetation, but confirmed that all bare areas had been re-seeded. After discussion among the Board, Mr. Gray and Mr. Bertke regarding the status of the punchlist items, Mr. Gray recommended that one or two Board members meet on-site with a representative of his office and Mr. Bertke to walk the site and determine any outstanding punchlist items requiring further action. After discussion, Director Scott, Mr. Gray and Mr. Bertke agreed to tentatively schedule the site visit at 2:30 p.m. on Wednesday, March 18. Mr. Gray then continued reviewing his report and stated that development of The Commons at Rowe Lane Phase VIB was ongoing, but he had no pay estimates for the Board's consideration. He then stated that he understood from Texas Commission on Environmental Quality ("TCEQ") staff that the Public Water System ID would be issued in the near term, but would be conditional based on the District being removed from Manville's water Certificate of Convenience and Necessity. Mr. Gray then discussed recent communication with Texas Public Utility Commission ("TPUC") staff, wherein the staff person stated that there exists an overlap of the District's boundaries and Lakeside MUD 2C's boundaries. He stated that his office was investigating the matter and he would work with TPUC staff and Lakeside MUD 2C's engineer on the issue. Mr. Gray concluded his report by stating that he anticipated completing both bond applications authorized at the Board's February 12 meeting for presentation to the Board for consideration at the April 8 regular Board meeting.

Director Scott then recognized Mr. Bertke to provide the developer's report. Mr. Bertke stated that sales were going very well. He stated that Lennar's contractor paved the streets within The Commons at Rowe Lane Phase VIB the prior weekend and he expected to have a walk-through of the subdivision with Williamson County staff within the next two weeks, followed by a walk-through of the subdivision with Mr. Gray's office one week thereafter.

Director Scott then asked if there were any other matters to come before the Board. Mr. Gray discussed with the Board the recent inquiry that he had received from the owner/developer of the westernmost commercial tract located between the District's southern boundary and the Rowe Lane right-of-way. He stated that he was not sure whether the owner/developer would seek water and/or wastewater service or whether the request would be for out-of-district service or pass-through service. Mr. Gray stated that he did provide a copy of the District's Annexation and Out-of-District Service Policy to the owner/developer. He then discussed a recent inquiry from the owner/potential purchaser of the easternmost commercial tract located between the District's southern boundary and the Rowe Lane right-of-way. Mr. Gray stated that he advised the owner/potential purchaser of the availability of water utility service from Manville WSC and wastewater utility service from the City of Pflugerville and did not anticipate that a request would for either utility service would be submitted to the District. Ms. Sahoo then asked Mr. Gray whether he knew the intended use of the westernmost commercial tract. Mr. Gray replied that he did not.

The Board then discussed its future meeting schedule and elected to next meet on April 8, 2020 and adjourned the meeting at 6:29 p.m.

(SEAL)

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David Cotton, Secretary  
Board of Directors

Date: April 8, 2020