

MINUTES OF MEETING
OF
BOARD OF DIRECTORS

THE STATE OF TEXAS

COUNTY OF TRAVIS

LAKESIDE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

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The Board of Directors of Lakeside Water Control and Improvement District No. 1 ("District" or "Lakeside WCID No. 1") met in regular session, open to the public, outside the boundaries of the District, at the Blackhawk Amenity Center, 3111 Speidel Drive, Pflugerville, Texas, at 7:00 p.m. on October 8, 2019. A copy of the notice of meeting along with associated certificates of posting are attached hereto as Exhibit "A".

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

Jeff Stivers	President
Thomas Arndt	Vice President
James Laughlin	Secretary/Treasurer
Brian Kinney	Assistant Secretary
Travis Piccolin	Assistant Secretary

All members of the Board were present, except Director Kinney, thus constituting a quorum of the Board of Directors. All Directors present voted on all matters that came before the Board. Also in attendance were Jeff Monzingo of Montoya & Monzingo, LLP; Maris Chambers, Attorney and Fred Castro, Paralegal, of Lloyd Gosselink Rochelle & Townsend, P.C.; and Joshua Miller and Michael Reyna, property owners.

Director Stivers called the meeting to order and announced that a quorum of the Board was in attendance. Director Stivers stated that the Board would first consider the approval of the minutes of the September 10, 2019 regular meeting and September 25, 2019 special meeting. After discussion, upon motion by Director Stivers, seconded by Director Arndt, and unanimously carried, the Board approved the minutes of the September 10, 2019 regular meeting, as presented. Upon motion by Director Arndt, seconded by Director Stivers, and unanimously carried, the Board approved the minutes of the September 25, 2019 special meeting, as presented.

The next item to come before the Board was to receive public comment. The Board recognized Mr. Miller, who inquired about the status of activities by the District's Amenity Center Subcommittee. Director Arndt noted that the Amenity Center Subcommittee had not met recently. He noted that he had issues with the most recent invoice received by PLACE Designers, the District's consultant engaged to provide civil engineering, architectural and building design, and landscape design services for the District in connection with the District's new amenity center. He noted that there were discrepancies in what work was being performed, which needed to be addressed before moving forward.

Director Stivers stated that the Board would next receive a report from the District's Engineer. The District's Engineer was not present. Mr. Monzingo noted that the District's Engineer had provided him with invoices from Aquatic Features, Inc. for work related to the maintenance of water retention ponds located at Harrier Flight Trail and the north and south sides of Speidel Drive, which would be addressed during the payment of invoices.

Director Stivers stated that the Board would next receive recreational facilities reports and take action as necessary concerning the same, including but not limited to, maintenance and/or improvements related to existing recreational facilities. Mr. Monzingo presented recreational facilities reports from the Associations operating the District's recreational facilities, copies of which are attached hereto as Exhibit "B". Mr. Monzingo noted that the reports from the Park at Blackhawk and Lakeside Homeowners Association and the Reserve at Westcreek Owners Association, Inc. provided brief updates on the status of its current projects. Mr. Monzingo stated that no requests for action by the Board were being presented at this time.

The next item to come before the Board was to take action concerning a proposal for a change in accounting fees, submitted by Montoya & Monzingo, LLP, a copy of which is attached hereto as Exhibit "C". Mr. Monzingo noted that at the Board's last meeting, the Board took action to change his firm's contract for providing bookkeeping services for the District from a flat fee to an hourly rate with his assistant's time to be billed at \$90 per hour and his rate to be billed at \$150 per hour, plus a \$25 service fee. Mr. Monzingo presented his firm's engagement letter formalizing this arrangement. Upon motion by Director Stivers, seconded by Director Laughlin, and unanimously carried, the Board approved the above-referenced engagement letter, submitted by Montoya & Monzingo, LLP.

Director Stivers stated that the Board would next consider the payment of invoices and bookkeeper's report. Mr. Monzingo provided a list of invoices to be paid, a copy of which is attached hereto as Exhibit "D". Mr. Monzingo requested that the Board void Check No. 4445, payable to Director Kinney, due to his absence from the meeting. Mr. Monzingo requested that the Board add Check No. 4449, payable to Texas Municipal League Intergovernmental Risk Pool for the payment of District insurance premiums. After discussion, Director Arndt suggested that that approval of the invoice presented by PLACE Designers for \$25,185.63 be postponed to allow him the opportunity to review the invoice with a PLACE Designers representative. Director Arndt stated that he would assume responsibility for informing PLACE Designers that the Board did not approve the payment of their invoice, as submitted. Upon motion by Director Arndt, seconded by Director Laughlin, and unanimously carried the Board approved the list of invoices, as amended, with the exception of the invoice submitted by PLACE Designers.

Director Stivers stated that the Board would next consider the annual review of the District's Investment Policy. Ms. Chambers noted that the Board is required to review and approve the District's Investment Policy on an annual basis. She noted that upon review of the District's Investment Policy by her firm, Ms. Chambers recommended that amendments to the District's Investment Policy be made at this time to remain consistent with amendments to the Texas Public Funds Investment Act made in the 86th Texas Legislative Session. Ms. Chambers presented a resolution approving the District's Investment Policy, as amended, a copy of which is attached

hereto as Exhibit "E". Ms. Chambers noted that the recommended change to the District's Investment Policy was to add Bond Proceeds and Pledged Revenue, to the extent permitted under the Public Funds Investment Act, as another type of investment authorized under the District's Policy. She noted that Pledged Revenue is defined under the revised policy as money pledged to the payment of or as security for: (1) bonds or other indebtedness issued by the District; (2) obligations under a lease, installment sale, or other agreement of the District; or (3) certificate of participation in a debt obligation described by Section 15 (1) or (2) of the Policy." After discussion, upon motion by Director Laughlin, seconded by Director Arndt, and unanimously carried, the Board adopted a resolution regarding its annual review of the District's Investment Policy.

The next item to come before the Board was to consider action concerning landscape and irrigation improvements. Ms. Chambers noted that action in connection with this item was not needed as the developer had informed her that no landscape or irrigation improvements had been installed within the District.

The next item to come before the Board was to take action as necessary concerning the amenity center site and project, including but not limited to: (i) consideration of the contract with Counsilman-Hunsaker for the swimming pool feasibility study; and (ii) Agreement with PLACE Designers for foundation and paving recommendations from a geotechnical engineer. Director Laughlin stated that he, in association with District's General Counsel, discussed the District's edits to the Counsilman-Hunsaker contact with a Counsilman-Hunsaker representative, which were agreed upon by Counsilman-Hunsaker. Ms. Chambers noted that all edits were accepted with the exception of one, that ownership of drawings and documents generated by PLACE Designers would remain intellectual property solely owned by PLACE Designers. She noted that PLACE Designers agreed that the District could release this information if requested under a Public Information Act request.

Director Laughlin requested direction with regard to the format in which Counsilman-Hunsaker's final work product should be provided to the Board. Ms. Chambers noted that the cost associated with Counsilman-Hunsaker's presentations to the Board in PDF and PowerPoint formats were included in Counsilman-Hunsaker's initial contract. Director Laughlin noted that should the Board desire a written report that is of archival quality in PDF format, that he suggested include internal bookmarks and/or hyperlinks, can also be provided at an additional cost to the District of \$1,500. After discussion, upon motion by Director Laughlin, seconded by Director Arndt, and unanimously carried, the Board approved the contract with Counsilman-Hunsaker for the swimming pool feasibility study presented to include a written report of archival quality in PDF format, that includes internal bookmarks and/or hyperlinks at an additional cost of \$1,500. A copy of the Counsilman-Hunsaker contract is attached hereto as Exhibit "F".

Next, Director Stivers stated that the Board would consider the agreement with PLACE Designers for foundation and paving recommendations for a geotechnical engineer. Director Arndt stated that he had discussed the agreement with Director Kinney and concluded that the cost associated with the work was reasonable for the work being performed. Director Arndt recommended that the Board take action to approve the above-referenced agreement. Upon motion by Director Laughlin, seconded by Director Stivers, and unanimously carried, the Board

approved the agreement with PLACE Designers for foundation and paving recommendations for a geotechnical engineer, a copy of which is attached hereto as Exhibit "G".

Director Stivers stated that the Board would next take action as necessary concerning District website design and management. Director Laughlin informed the Board that no action had been taken in connection with this item since the update he provided to the Board at its last meeting. He noted that he had been provided with a listing of information from Ms. Chambers prior to the meeting that provided a listing of what information must be maintained on the District's website. After discussion, the Board took no action in connection with this item.

After discussion, there being no further business and upon motion by Director Stivers that was seconded by Director Piccolin, which was unanimously carried, the meeting was adjourned at 7:47 p.m. until further call.

PASSED, APPROVED AND ADOPTED THIS 12th day of November, 2019.




James Laughlin, Secretary