

MINUTES OF MEETING
OF
BOARD OF DIRECTORS

THE STATE OF TEXAS

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COUNTY OF TRAVIS

LAKESIDE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

The Board of Directors of Lakeside Water Control and Improvement District No. 1 (“District” or “Lakeside WCID No. 1”) held a regular meeting, by a two-way toll-free telephonic conference call, at (866) 899-4679 and entering code 329-656-853 open to the public, on July 14, 2020, at 7:00 p.m. (in person meetings are typically held at the Blackhawk Amenity Center, 3111 Speidel Drive, Pflugerville, Texas). A copy of the notice of meeting along with associated certificates of posting are attached 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
Joshua Miller	Assistant Secretary

All members of the Board participated by telephone, thus constituting a quorum of the Board of Directors. All Directors who participated by telephone voted on all matters that came before the Board. Also participating by telephone were Jeff Monzingo of Montoya & Monzingo, LLP; Keith Collins of Randall Jones Engineering, Inc.; John Barganski of Specialized Public Finance, Inc.; David Klein and Maris Chambers, Attorneys, and Fred Castro, Paralegal, with Lloyd Gosselink Rochelle & Townsend, P.C.; and Michael Reyna, property owner.

Mr. Klein stated this meeting was being held under the Governor’s March 16, 2020 proclamation, as extended, suspending certain Texas Open Meetings Act laws in response to the current COVID-19 pandemic and statewide disaster declaration. He stated that this open meeting of the Board of Directors was being recorded and that this recording would be made available to the public. Mr. Klein stated that the conference call line was toll-free and allowed for two-way communication, and the Board would provide members of the public with the opportunity to participate, as in any normal Lakeside Water Control and Improvement District No. 1 open meeting. Mr. Klein asked that the attendees use the same courtesy as an in-person meeting and try to avoid talking over each other. He stated that the Board would announce the instances where comments from the public would be accepted.

Director Stivers called the meeting to order at 7:03 p.m. and announced that a quorum of the Board was in attendance (on the call). Director Stivers stated that the Board would first consider the approval of the minutes of the June 9, 2020 regular meeting. Director Kinney noted

that his name on the first full paragraph on page 5 was misspelled. Next, he noted that at the top of page 7, sixth line from the top of the page, the street name Treyburn was misspelled. Director Kinney noted that in the first sentence of the first full paragraph on page 8, the street Ciel Road was misspelled. Director Miller stated that the sentence on page 5, sixth line from the top of the first full paragraph, which read "Director Miller stated that he was concerned about how small the workout facilities in these amenity centers are and the difficulty in maintaining proper hygiene and cleaning of the machines." should not be attributed to him. After discussion, Director Stivers stated that he recalled making that statement. Upon motion by Director Stivers, seconded by Director Kinney, and unanimously carried, the Board approved the minutes of the June 9, 2020 regular meeting, as amended by these edits raised by the Board.

The next item to come before the Board was to receive public comment. No comments from the general public were received by the Board.

Director Stivers stated that the Board would next receive a report from the District's Engineer. Mr. Collins provided a brief report on the status of utility construction within the Blackhawk subdivision. Next, Mr. Collins reiterated his efforts to obtain necessary approvals from Travis County in connection with the pedestrian trails project within the greenbelt in Lakeside WCID No. 2D. Mr. Collins stated that he hoped to hear from the County soon so that he could get the necessary approvals to move the project forward. After discussion, in response to an inquiry from Director Stivers concerning utility construction within Lakeside WCID No. 2D ("Lakeside 2D"), Mr. Collins stated that once street paving within the Park at Blackhawk VI, Section 4 is completed, utility construction within Lakeside 2D will be complete; and, that once street paving is completed within Park at Blackhawk III, Section 4, utility construction within Lakeside WCID No. 2C will be complete, as well. Mr. Collins then added that Park at Blackhawk IV, Phase 9, located within Lakeside WCID No. 2A, had been put on hold for approximately 6 months, and it is the last single-family development within that District; and that once that work is complete, the original Blackhawk development - encompassing 1,100 acres and consisting of approximately 3,000+ homes - will be built out.

Director Stivers stated that the Board would next receive recreational facilities reports and take action concerning the same, including, but not limited to, operations, 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 as Exhibit "B". After discussion, the Board recognized Mr. Klein, who addressed the Board concerning the reopening strategy plan for District-owned recreational facilities. Mr. Klein stated that he would first provide a background on the recent proclamations of the Governor. First, on June 26, 2020 the Governor issued Executive Order No. 28, which in part (i) permitted that certain facilities may be opened to a level of no more than 50% capacity; (ii) prohibited outdoor gatherings of over 100 people in areas outside of the corporate limits of a city, unless otherwise authorized by the County Judge; and (iii) strongly encouraged that people not gather in groups larger than 10 while maintaining a distance of 6-feet from those not in their group. Second, he added that on July 2, 2020, the Governor issued Executive Order No. 29, which in part required that every person in the State must wear a face mask while inside commercial buildings or other buildings, spaces open to the public, or when in an outdoor public space when social distancing is not possible, subject to certain listed exceptions. Mr. Klein stated that at the Board's

last meeting, the Board directed that District-owned recreational facilities may be opened upon developing a plan that (i) maintains signage within and outside of its facilities addressing social distancing and the wearing of face masks; (ii) provides for proper sanitation; and (iii) includes measures to properly manage capacity limits. He noted that at the July Board meetings of the other Lakeside Districts, he had communicated this District's opinions and recommendations from its June Board meeting regarding a reopening plan, namely, that the amenity centers are for use by residents and should be reopened, and that the practice of social distancing during this COVID-19 pandemic is not a matter of choice, but a matter of civic duty. Mr. Klein stated that work continues in connection with developing a reopening plan by his office, the Park at Blackhawk and Lakeside Homeowners Association (the "HOA"), the Reserve at Westcreek Owners Association (the "Reserve"), and their respective facility operators; and that significant progress had been made. Mr. Klein presented a copy of the plan that had been prepared by the Reserve, which is attached hereto as Exhibit "C". Mr. Klein suggested that the Board approve this reopening plan, subject to additional edits as approved by the Board President.

Mr. Klein noted that the reopening plan requires that hand sanitizer and cleaning wipes be provided and includes daily cleaning of the facilities. The plan imposes limitations on the number of individuals allowed to use the gym and outdoor facilities at one time, and requires posting appropriate signage inside and outside these facilities. However, Mr. Klein noted that feedback received from Lakeside WCID Nos. 2A, 2B, 2C, and 2D, the HOA, Reserve, and their facility operators, all had concerns as to whether the amenity centers should accept requests for holding events at this time. He noted that the amenity center operators have expressed concern over their ability to safely reopen the amenity centers for hosting events, as it would be difficult for the operators of the amenity centers to maintain a clean and safe environment- especially when there is more than one event scheduled per day. Ultimately, the HOA and Reserve recommended that amenity center staff deny requests for the use of the amenity center for events until the end of the swimming pool season, and that the other Districts had agreed. Mr. Klein added that holding events would likely violate the Governor's recent Proclamation, given that there would likely be more than 10 individuals at any event.

Mr. Klein concluded that the edits to be made to the plan would include (i) clarifying language that there would be no events at the Amenity Centers until the end of swimming pool season, unless otherwise directed by the Lakeside Districts; (ii) an introduction that lays out the history of the Executive Orders issued by the Governor and the current status of applicable laws, to keep the residents aware of why certain decisions are being made regarding the District's recreational facilities and enforcement provisions for violations; and (iii) enforcement provisions. After discussion, upon motion by Director Stivers, seconded by Director Arndt, and unanimously carried, the Board approved the reopening plan, subject to additional edits and approval of the same by the Board President.

Director Stivers stated that the Board would next consider the payment of invoices and Bookkeeper's report. Mr. Monzingo distributed a list of list of money transfers and current invoices, a copy of which is attached as Exhibit "D". Mr. Monzingo requested that the Board transfer \$15,000 out of the District's money market account into the District's checking account to pay bills. Mr. Monzingo requested that the Board add Check No. 4602, payable to Lomas Land Maintenance for \$750 for landscape maintenance of the District's amenity center lot, and Check

No. 4603, payable to Randall Jones & Associates Engineering for \$850. After discussion, upon motion by Director Stivers, seconded by Director Laughlin, and unanimously carried, the Board approved the money transfers and payment of invoices, as amended.

Director Stivers stated that the Board would next consider action concerning the amenity center site and project. Director Kinney stated that he had worked with Mr. Monzingo on the payment of outstanding Capital Recovery Fees to Manville Water Supply Corporation for the amenity center project. In response to an inquiry from Director Kinney, Mr. Monzingo confirmed that a payment of \$13,600 was made to Manville Water Supply Corporation. Next, Director Kinney stated that he was unable to make contact with PLACE Designers to inform them that the Board was ready to move forward with the project. He stated that he would contact PLACE Designers by the end of the week, including reconnecting with the residents on the District's Amenity Center Subcommittee for feedback.

Director Stivers noted that decisions made by the Board within the past six months related to this project called for removing the swimming pool. However, he noted that adding a swimming pool later was a possibility. Director Stivers stated that the decision to remove the swimming pool from the project was based on the cost estimates obtained from Counsilman-Hunsaker. He noted that the Board had determined this was not an expense it wanted to incur. He inquired whether Director Kinney had a percentage estimate on the design work completed regarding the project. Director Kinney estimated that PLACE Designers was approximately 40-50% complete due to delays associated with waiting on the report from Counsilman-Hunsaker about the swimming pool and the COVID-19 pandemic. He noted that in his estimation, completion of the design work would take approximately 1 to 2 months after he contacts PLACE Designers and provides them with current information on how to complete the project.

Director Stivers mentioned that he had engaged in discussions with District residents over several months about whether tennis courts will be included as part of the District's amenity center project. He noted that although the residents making such inquiries have not attended these meetings to voice their ideas, he wanted to pass along their inquiries to the District's Amenity Center Subcommittee as an item that could be added to a wish list, if the opportunity arises. Directors Kinney and Miller noted that removing the swimming pool from the existing site plan could open up the opportunity for adding tennis courts. Director Stivers did note, however, that as an option to address such inquiries, the Board might consider contacting The Fairways HOA to determine if an opportunity existed whereby District residents would be allowed the use of their tennis courts located on Kennemer Drive. Director Kinney noted there did not appear to be much use of these tennis courts at the present time. Director Miller noted that he had never seen that facility being used in the three years he's been a resident, and he wondered if information could be obtained from The Fairways HOA on the frequency of use of this facility. After discussion, Director Stivers volunteered to contact The Fairways HOA on this issue to determine their interest in negotiating an agreement for use of their tennis courts by District residents.

Director Stivers stated that the Board would next take action concerning District website design and management. Ms. Chambers stated that significant progress had been made since the Board's last meeting towards finalizing the District's new website. She stated that work continues regarding uploading content and inserting hyperlinks where necessary. Ms. Chambers stated that

she expected to launch the District's new website next week. After discussion, no action was taken by the Board in connection with this item.

The next item to come before the Board was to take action concerning the use of videoconferencing at open meetings of the District. Mr. Klein presented this item noting that the Board had requested that his firm provide an analysis of the procedures and/or equipment required to utilize telephone conference call or videoconferencing technology to conduct an open meeting of the District. He stated that at the Board's last meeting, the Board requested that he review and update his analysis to evaluate any changes made to those requirements since the Board first considered this question. Mr. Klein noted that his analysis found that the minimum requirements for open meetings held by teleconference or videoconference remain unchanged after the 2019 Legislative Session. After discussion, Director Laughlin inquired whether the Board could take advantage of the temporarily relaxed technical requirements during the COVID-19 pandemic and conduct its Board meetings via two-way video communication. Mr. Klein stated that arrangements could be made to accommodate this request. After further discussion, no action was taken by the Board in connection with this item.

Director Stivers stated that the Board would next consider the adoption of a resolution addressing the current social climate. Director Stivers apologized that backup material for this item had not been included as part of the meeting materials provided to the Board last week and only distributed before the meeting this evening. He inquired whether the Board members had an opportunity to review the resolution. Director Miller stated that he had not had an opportunity to review this information. Director Stivers read the resolution:

A RESOLUTION OF THE BOARD OF DIRECTORS OF
LAKESIDE WATER CONTROL & IMPROVEMENT DISTRICT NO. 1
REGARDING COMMENT ON CURRENT SOCIAL CLIMATE WITHIN THE UNITED
STATES

WHEREAS, Lakeside Water Control & Improvement District No. 1 (the "District") is a conservation and reclamation district operating pursuant to Chapters 49 and 51 of the Texas Water Code; and

WHEREAS, the Board of Directors of the District desires to provide comment on the current social climate within the United States, as provided, herein.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LAKESIDE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1, THAT:

1. We, the undersigned Directors of the District believe that everyone deserves respect and equal treatment regardless of the color of their skin;
2. We stand together with the Black community against hate, intolerance and racism. The events over the last few months, including the deaths of George Floyd, Breonna Taylor, and Ahmaud Arbery have been a stark reminder of the insensitivity and silence that have persisted for

far too long in America. We mourn the loss of these and so many other lives and we acknowledge the systemic racial injustice in our nation under which these tragic events have occurred;

3. The current situation is unacceptable. Racial stratification in a community sends a clear, painful message about who matters and who doesn't; and

4. As community leaders, we have a responsibility to address structural inequality in our communities and in society. We have a responsibility to drive change and ensure that our community and country is one where every individual feels a sense of belonging and inclusion. To do otherwise would be a dereliction of our duties.

Director Stivers concluded by stating that the Resolution concludes with the following:

PASSED, ADOPTED AND APPROVED this 14th day of July, 2020.

A copy of the resolution is attached hereto as Exhibit "E". Director Stivers stated that the purpose of the resolution followed precedent established by the Board. He stated that the Board had adopted a resolution in honor of John Pfluger, a local realtor, who had passed away in 2015. The resolution acknowledged Mr. Pfluger's accomplishments within the City of Pflugerville, including his service on the Pflugerville City Council when it voted to approve the consent agreement for the Blackhawk community. Director Stivers noted that, here, racial injustice within the Country was an issue of such importance that certain members of the Board felt it was appropriate to make a statement addressing this topic. Director Stivers opened the floor for comment. Director Miller inquired whether there were other water districts taking such action. Mr. Klein noted that he was not aware of any water districts taking such action, but noted that he was aware of other governmental agencies that had made proclamations regarding this issue.

Next, Director Arndt stated that he did not care whether there were other water districts taking action in connection with this issue, and that he was supportive of adopting this resolution as it reflected his beliefs. Director Laughlin stated that the intent of the proposed resolution was as a statement of belief of the individual Board members and was not intended to promote civil action by the District or its residents. After discussion, Director Kinney stated that he appreciated the way the resolution was drafted and that it did not indicate that the Board was speaking on behalf of the residents of the District. He stated that he believed that people are people, and when people cease to treat people as humans, that behavior is wrong; and he was of the opinion that the statements made within the proposed resolution represented his beliefs. Upon motion made by Director Stivers, and seconded by Director Laughlin, the Board adopted the resolution as presented, with Director Miller voting against the motion.

There were no announcements or requests for items at the Board's next meeting.

After discussion, there being no further business, and upon motion by Director Stivers, seconded by Director Kinney, and unanimously carried, the meeting was adjourned at 8:17 p.m. until further call.

PASSED, APPROVED AND ADOPTED THIS 11th day of August, 2020.

(District Seal)


James Laughlin, Secretary