

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

On June 8, 2021, at 7:00 p.m., as authorized by the March 16, 2020 proclamation by the Office of the Governor, as extended, suspending certain provisions of the Texas Open Meetings Act in response to the COVID-19 public health threat, the Board of Directors of Lakeside Water Control and Improvement District No. 1 (“District”) held its regular meeting, open to the public, both in person at the Blackhawk Amenity Center, 3111 Speidel Drive, Pflugerville, Texas, and via teleconference. The public was provided with a toll-free teleconference line. Copies 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
Joshua Miller	Assistant Secretary

All members of the Board participated either in person or via toll-free teleconference line, thus constituting a quorum of the Board of Directors. Director Stivers, however, joined the meeting in person during consideration of the request from the general public for use of District property for a Camp Gladiator fitness event. All Directors who participated in person or by toll-free teleconference line voted on all matters that came before the Board. Also participating in-person or by videoconference were Jeff Monzingo of Montoya & Monzingo, LLP; Keith Collins of Randall Jones Engineering, Inc.; David Klein, Attorney, and Fred Castro, Paralegal, of Lloyd Gosselink Rochelle & Townsend, P.C.

Mr. Klein stated this meeting was being held under the authority of 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 this open meeting of the Board of Directors was being recorded, in compliance therewith, and the recording would be made available to the public. Mr. Klein also stated that the Board would provide members of the public with the opportunity to participate, as in any normal Lakeside WCID No. 1 open meeting, explaining that participation via toll-free teleconference line allowed for two-way communication.

Director Arndt called the meeting to order at 7:04 p.m. After conducting a roll call, he announced that a quorum of the Board was present, with Director Laughlin participating by toll-

free teleconference line and Director Stivers not yet present. Mr. Klein stated that District consultants who were also participating either in person or via toll-free teleconference line included Jeff Monzingo, Keith Collins, David Klein, and Fred Castro.

Next, Director Arndt stated that the Board would consider the approval of the minutes of the May 11, 2021 regular meeting. Upon motion by Director Laughlin, seconded by Director Miller, and unanimously carried, the minutes of the May 11, 2021 regular meeting were approved, as presented.

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 Arndt stated that the Board would next receive a report from the District's Engineer. Mr. Collins provided a brief update on the status of utility construction within the Park at Blackhawk IV, Phase 9, and stated that the Pedestrian Trails Project located within the Lakeside WCID No. 2D greenbelt had been completed and was scheduled to be considered for acceptance for operation and maintenance by that Board on June 14, 2021.

Director Arndt stated that the Board would next receive a report regarding wholesale wastewater rates. Mr. Klein presented this item. He first stated that he and Maris Chambers, along with the District's Engineer, had met with representatives of the City of Pflugerville ("City"), at the City's request, to discuss a proposed increase to the District's wholesale wastewater rates. He stated that after the meeting, representatives of the City committed to provide the District with a copy of the City's rate study for review. Mr. Klein stated that the District's legal team would review the rate study, in consultation with the District's Engineer, and then provide more information on this matter at the Board's next meeting. He added that it was his understanding from the meeting with the City that the City hoped to raise the District's wholesale wastewater rates incrementally over the next five years and potentially implement a volumetric rate in addition to the current monthly base rate. Mr. Klein stated that the monthly base rate was the only charge currently paid by the District to the City for wholesale wastewater service and explained that the City's justification for raising its wholesale wastewater rates was the City's undertaking of numerous capital improvements. No action was taken.

Director Arndt 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 copies of the recreational facilities reports provided by Goodwin Management and Associa Hill Country, operators ("Operators") of the Park at Blackhawk and Reserve at Westcreek Amenity Centers ("Amenity Centers"), respectively, which are attached hereto as Exhibit "B". He stated that the reports provided updates on existing projects, and noted that the report concerning the Park at Blackhawk Amenity Center included information related to (i) the replacement of the facility's oven; (ii) the status of the replacement of the water fountain at the playground; and (iii) the status of repairs related to Winter Storm Uri.

Next, in follow-up to an inquiry from the Board concerning the status of the installation of a pocket park adjacent to the retention pond located off of Speidel Drive and Hodde Lane, the

Board was provided with a copy of the Randall Jones Engineering proposal with a cost summary for the site plan and design survey for the Speidel Pond Trail Plan. In response to an inquiry from the Board, Mr. Collins noted that the resident's proposal reflected an estimated project cost totaling \$10,860, but did not include the necessary pricing for concrete sidewalks, trees, or irrigation, and did not include costs for permitting from Travis County or the City. Mr. Collins stated that after taking these additional costs into consideration his firm developed an estimate of costs for the project that came in at just over \$100,000. Mr. Klein reminded the Board that late last year the Lakeside Districts had been presented with a list of proposed projects, including this Speidel Pond Trail Project, to consider whether it was feasible to undertake such projects in the near-term. He noted that at the time first considered, the Lakeside Districts were in the middle of the design phase associated with the construction of a new amenity center, and stated that although it was the consensus of the Board that the Speidel Pond Trail Project was a worthwhile endeavor, the Board determined that it should wait until bids were received for the construction of the new amenity center before it decided on the feasibility of taking on the Speidel Pond Trail Project. After discussion, the Board surmised that since the permitting process at the City could take several months, it would be worthwhile to have Randall Jones Engineering update its proposal to prepare the site plan and design survey for the project to be able to authorize the preparation and submittal of a permit application to the City, thus minimizing the delay in moving the Project forward. After further discussion, it was the consensus of the Board to direct Randall Jones Engineering to update its proposal to prepare the site plan and design survey for the project and to prepare and submit an application to the City to obtain all necessary building permits for the project with the understanding that the issue be brought to the attention of the other Lakeside Districts for consideration and reimbursement for engineering costs associated with same, thus minimizing as much delay in moving the Project forward as possible. After further discussion, Mr. Klein stated that the issue would be brought to the attention of Lakeside WCID Nos. 2A, 2B, and 2D which are scheduled to meet next week for consideration.

Next, Mr. Monzingo reviewed the report provided by the Operator of the Reserve at Westcreek Amenity Center that included information related to the status of the basketball court improvements and shed to house trash and recycling bins that are currently stored within the Amenity Center.

Director Arndt stated that the Board would next discuss, consider, and take action as necessary concerning a request from the general public for use of District property for a Camp Gladiator fitness event. Director Laughlin stated that he had been approached by a resident of a nearby development looking for a suitable location to hold a Camp Gladiator fitness event and inquired about the use of the District's property slated for use as the site of the District's new amenity center. After discussion, the Board expressed concerns related to the District's potential liability for injury by participants and/or spectators attending the event. Mr. Klein noted that there would be costs associated with the District's hosting of such an event including legal fees for preparing an agreement between the District and the entity putting on this event. Director Arndt also expressed concerns related to providing parking for participants and spectators where none currently exists. Director Stivers arrived during this discussion. 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 payment of invoices and the Bookkeeper's report. Mr. Monzingo distributed a list of current invoices, money transfers, and Bookkeeper's report, copies of which are attached hereto as Exhibit "C". Mr. Monzingo requested that the Board transfer \$25,000 from the District's Money Market Account to the District's Checking Account to pay bills. He requested that the Board transfer \$3,253.52 from the District's Checking Account to the District's Debt Service Account. Mr. Monzingo requested that the Board add Check No. 4781, payable to the Travis Central Appraisal District for \$1,201.62 for appraisal fees, and Check No. 4782, payable to PLACE Designers for \$3,091 for services rendered in connection with the new amenity center, subject to review and approval by the District's Amenity Center Subcommittee. Director Kinney stated that he had questions concerning work done by PLACE Designers under this particular invoice. Director Stivers directed that Mr. Monzingo hold payment to PLACE Designers, pending Director Kinney's review and approval of the invoice. After discussion, upon motion by Director Kinney, seconded by Director Arndt, and unanimously carried, the Board approved the payment of invoices, and money transfers, as amended with the payment of Check No. 4782 to PLACE Designers to be withheld pending review and approval by Director Kinney.

Director Stivers stated that the Board would next consider action concerning the District's amenity center site and project, including, but not limited to, authorizing the issuance of a Request for Proposal. Mr. Klein presented this item and stated that at its last meeting, the Board directed that Mr. Klein review the District's contract with PLACE Designers to determine if the contract included PLACE Designers' preparation of a Request for Proposal for the project. He stated that in working with PLACE Designers in connection with this task an issue was raised by PLACE Designers regarding the preparation of the construction contract. Mr. Klein stated that it was his expectation and, that of the Board, that PLACE Designers would be the entity responsible for generating this document, but they declined to do so. After discussion, Mr. Klein stated that he would consult with attorneys within his firm on this matter. After discussion, Mr. Klein stated that his intent was to confirm for the Board what activities PLACE Designers was agreeable to perform and not perform under the terms of their existing contact with the District. He stated that he would work with the District's Amenity Center Subcommittee in the preparation of a construction contract for this project and in the event he was unable to do so, would have recommendations for the Board for consideration at its next meeting.

Next, Director Kinney provided a brief update on PLACE Designers' revised timetable for bidding the project which, he noted, had become somewhat liquid due to continued increases in the price of building materials and the increasing level of construction activity in the area. He also provided the Board with an update on the permitting process for the project, including comments from the City requiring that the District enter into an agreement with the City for the District to perpetually preserve, protect, inspect and maintain the permanent post construction storm water detention pond for the project. After discussion, Mr. Klein recommended that the Board authorize the District's Amenity Center Subcommittee to review and approve the agreement with the City for the continued maintenance of the permanent post construction storm water detention pond in order to keep the project moving forward. Upon motion by Director Arndt, seconded by Director Stivers, and unanimously carried, the Board authorized the District's Amenity Center Subcommittee to review and approve the agreement with the City for the District to perpetually

maintain the permanent post construction storm water detention pond for the amenity center project.

Director Stivers stated that the Board would next take action concerning the management of the District website. Mr. Klein provided a brief update on the posting of a map of the District's boundaries to the District's website.

Next, Director Stivers stated that the Board would receive a report on the 2021 Legislative Session. Mr. Klein provided a brief update on legislation with the potential to impact the District, including new website posting requirements; House Bill 1118, which exempts the Board members from taking the cybersecurity awareness training that was previously required; and the failure of House Bill 3253, that would have authorized boards to hold open or closed meetings by telephone conference call, videoconference call, or other similar telecommunication method for the purposes of establishing a quorum, voting, or for any other meeting purpose. He then stated that the Board should anticipate that it would be required to meet in person at its July meeting.

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 until further call at 8:19 p.m.

PASSED, APPROVED, AND ADOPTED THIS 13th day of July, 2021.


James Laughlin, Secretary

(District Seal)