

MINUTES OF MEETING
OF
BOARD OF DIRECTORS

THE STATE OF TEXAS

COUNTY OF TRAVIS

LAKESIDE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2B

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On August 10, 2020, at 6:00 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. 2B (“District” or “Lakeside WCID No. 2B”) held a regular meeting, open to the public, by a two-way toll-free telephonic conference call, accessible by dialing (877) 309-2073, then entering access code 346-296-909 (in person meetings are typically held at 4421 Rowe Lane, Pflugerville, Texas). 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:

Marilyn Horndt	President
Eddie Garcia	Vice President
Kenneth Whittier	Secretary/Treasurer
Jim Walker	Assistant Secretary
Terry Tuttle	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 Robert Tiemann of Rowe Lane Development, Ltd.; Jeff Monzingo of Montoya & Monzingo, LLP; Keith Collins of Randall Jones Engineering, Inc.; John Barganski of Specialized Public Finance, Inc.; Ken Heroy of Jones-Heroy & Associates, Inc.; David Klein and Maris Chambers, Attorneys, 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. 2B open meeting, explaining that participation via the noticed telephone number was toll-free and allowed for two-way communication. Mr. Klein asked that the attendees refrain from interrupting each other and use the same courtesy as they would during an in-person meeting, stating that the Board would announce the instances where comments from the public would be accepted.

Next, Director Horndt stated that Directors Horndt, Garcia, Whittier, Walker, and Tuttle were participating in this meeting by telephone along with the District's consultants: Jeff Monzingo, Keith Collins, John Barganski, Bob West, David Klein, Maris Chambers, Fred Castro; and Robert Tiemann participating as a member of the public.

Director Horndt called the meeting to order at 6:03 p.m. and announced that a quorum of the Board was in attendance (on the call). Director Horndt stated that the Board would next consider the approval of the minutes of the July 13, 2020 regular meeting. Upon motion by Director Garcia, seconded by Director Tuttle, and unanimously carried, the minutes of the July 13, 2020 regular meeting were approved, as presented.

The next item to come before the Board was to receive public comment. There were no public comments received by the Board.

Director Horndt 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 reported that he had received comments from Travis County personnel in connection with the pedestrian trails project within the greenbelt in Lakeside WCID No. 2D and that he had responded accordingly.

Director Horndt 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 hereto as Exhibit "B". After discussion, the Board recognized Mr. Klein, who noted that Boards of the Lakeside Districts had unanimously taken action not accept reservations for the holding of events at the amenity centers until the end of the swimming pool season. Mr. Klein suggested the Board revisit this issue next month, and reiterated that such action had been taken due to concerns voiced by the HOA, Reserve, and their respective operators it was too difficult for the operators of the amenity centers to uphold proper sanitation regularly, especially if the amenity centers were reserved for more than one event per day.

Director Horndt stated that the Board would next consider the adoption of a resolution amending the 2019-2020 District Budget. Mr. Monzingo requested that the Board postpone action in connection with this item until the Board's next meeting to provide him an opportunity to review the current budget and identify the expenditure categories needing adjustment. The Board tabled this item until the Board's next meeting.

The next item to come before the Board was to consider a preliminary budget for the 2020-2021 fiscal year. Mr. Monzingo presented copies of a preliminary budget, a copy of which is attached hereto as Exhibit "C". Mr. Monzingo noted that his preliminary budget was based upon Mr. Barganski's tax rate analysis that the Board set its debt service tax rate at \$0.49 per \$100 of assessed valuation based upon a 2020 Certified Estimate of Appraised Values by the Travis Central Appraisal District ("TCAD"), a copy of which is attached hereto as Exhibit "D". Mr. Monzingo noted that should the Board desire to leave the District's overall tax rate unchanged from last year, a debt service tax rate of \$0.49 would leave \$0.48 cents available for an operations and

maintenance tax. Mr. Monzingo noted that his preliminary budget was provided for discussion and noted that the Board would be asked to adopt a final budget at its next meeting. After discussion, Mr. Monzingo requested that Board members contact his office if they had questions concerning the budget before the Board's next meeting.

The next item to come before the Board was to receive a report and consider action concerning a proposed tax rate for 2020, including scheduling a public hearing on a proposed tax rate. The Board recognized Mr. Barganski, who reviewed his tax rate analysis with the Board, a copy of which is attached hereto as Exhibit "E". Mr. Barganski informed the Board that the District's tax rate is comprised of two components, a debt service component and an operations and maintenance component. The two combine to make up the District's total overall tax rate. Based upon his analysis and Certified Estimate of Appraised Values from TCAD, Mr. Barganski recommended that the Board consider setting its debt service tax rate at \$0.49 per \$100 of assessed valuation in the upcoming year. He noted that should the Board leave its overall tax rate at \$0.97 this would leave \$0.48 to cover the operations and maintenance portion of the District's proposed budget. He noted that the District's total overall tax rate for 2019 was \$0.97 with \$0.50 dedicated to debt service and \$0.47 dedicated solely to operations and maintenance.

Next, Mr. Klein requested that the Board consider taking action concerning a proposed tax rate for 2020, including scheduling a public hearing on a proposed tax rate. Mr. Klein suggested that the Board schedule its public hearing on a proposed tax rate, adoption of a budget for fiscal year 2020-2021, adoption of a tax rate for 2020, and amending the District's Information Form at its next regularly scheduled Board meeting to be held on September 14, 2020. Upon motion by Director Garcia, seconded by Director Tuttle and unanimously carried, the Board scheduled a public hearing on a proposed tax rate of \$0.97, adoption of a budget for fiscal year 2020-2021, adoption of a tax rate for 2020, and amending the District's Information Form at its next regularly scheduled Board meeting to be held on September 14, 2020 and authorized publication of a Notice of Public Hearing on Tax Rate.

Director Horndt stated that the Board would next consider the engagement of West, Davis & Company to audit the District's financial records for the period ending September 30, 2020. Mr. West presented a copy of his firm's engagement letter noting that the terms, conditions, and fees associated with conducting the District's audit was unchanged from the previous year. After discussion, upon motion by Director Tuttle, seconded by Director Whittier, and unanimously carried, the Board approved the engagement letter, submitted by West, Davis & Company, for auditing the District's financial records for the period ending September 30, 2020, a copy of which is attached hereto as Exhibit "F".

Director Horndt stated that the Board would next consider the payment of invoices and Bookkeeper's report. Mr. Monzingo distributed a list of expenditures, money transfers and quarterly investment report, copies of which are attached hereto as Exhibit "G". Mr. Monzingo informed the Board that the District had received notice from Mr. Klein's firm of its intention to adjust hourly billing rates, effective October 1, 2020. He stated that hourly billing rates for Mr. Klein and Ms. Chambers would be increasing by \$10.00 per hour. Next, Mr. Monzingo requested that the Board void Check No. 3845, payable to Rowe Lane Development for \$82,445.54, and add Check No. 3847, payable to National Finance Credit Corporation, for \$82,445.54 due to Rowe

Lane Development's assignment of reimbursements to National Finance Credit Corporation. Next, Mr. Monzingo requested that the Board add Check No. 3415, payable to Randall Jones & Associates Engineering, for \$850 representing engineer fees incurred by the District for July. He requested that the Board authorize the transfer of \$110,000 from the District's Money Market Account to the District's Checking Account to pay the invoices. After discussion, upon motion by Director Garcia, seconded by Director Tuttle, and unanimously carried, the Board approved the payment of invoices, money transfers and quarterly investment report, as amended.

The next item to come before the Board was to consider action concerning a District website, including management of same. Mr. Klein reiterated that he had discussed with the Board the requirement that political subdivisions with taxing authority post certain District information online, thus requiring the District to obtain its own website. Mr. Klein suggested that monies be budgeted by the District to account for the cost of website design and management in the range of \$5,000. He noted that Lakeside WCID No. 1 had recently updated its website and there was opportunity to enter into a cost share agreement with Lakeside WCID No. 1 to have them provide a template that could be replicated for the District's own use. Mr. Klein noted that his firm had personnel that could be utilized by the District to manage its website should the Board desire to retain his firm for this purpose. Mr. Klein stated that he understood that Mr. Matthew Tiemann and Mr. Monzingo had contacts with other firms that could provide similar services and stated that he would be happy to contact these firms and solicit proposals for such services. After discussion, it was the consensus of the Board that Mr. Klein contact the individuals recommended by Mr. Matthew Tiemann and Mr. Monzingo and request proposals for the Board's consideration.

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

After discussion, there being no further business, and upon motion made by Director Walker, seconded by Director Garcia, and unanimously carried, the meeting was adjourned at 6:47 p.m. until further call.

PASSED, APPROVED AND ADOPTED THIS 14th day of September, 2020.

[DISTRICT SEAL]



Kenneth Whittier, Secretary