

MINUTES OF MEETING
OF
BOARD OF DIRECTORS

THE STATE OF TEXAS

COUNTY OF TRAVIS

LAKESIDE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2C

The Board of Directors of Lakeside Water Control and Improvement District No. 2C (“District” or “Lakeside WCID No. 2C”) met in regular session, open to the public, outside the boundaries of the District, at 4421 Rowe Lane, Pflugerville, Texas, at 5:45 p.m. on February 11, 2020. 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:

David Wang	President
Scott Stratton	Vice President
Larry English	Secretary/Treasurer
Joshua Bridgefarmer	Assistant Secretary
Craig Twellmann	Assistant Secretary

All members of the Board were present, except Director Bridgefarmer, thus constituting a quorum of the Board of Directors. All Directors present voted on all matters that came before the Board. Also in attendance of said meeting 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.; Bob West of West, Davis & Company; Clayton Chandler of McCall Parkhurst & Horton LLP; Clayton Chandler of McCall Parkhurst & Horton LLP; David Klein, Attorney and Fred Castro, Paralegal with Lloyd Gosselink Rochelle & Townsend, P.C.

Director Wang called the meeting to order and announced that a quorum of the Board was in attendance. Director Wang stated that the Board would next consider the approval of the minutes of the January 14, 2020 regular meeting. After discussion, upon motion by Director Twellmann, and seconded by Director English, the Board unanimously approved the minutes of the January 14, 2020 regular meeting, 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 Wang stated that the Board would next receive a report from the District’s Engineer. Mr. Collins provided the Board with a brief report on the status of utility construction within the District.

The next item to come before the Board was to consider the approval of Pay Estimate No. 1 for Lakeside at Blackhawk III, Phase 4 – Street Excavation and Drainage, Water, Wastewater, and Erosion Control Improvements, submitted by Patin Construction, L.L.C. Mr. Collins presented this items. A copy of the District Engineer’s letter of recommendation and Pay Estimate are attached as Exhibit “B”. After discussion, upon motion by Director Stratton, seconded by Director Twellmann, and unanimously carried, the Board approved the above-referenced Pay Estimate, as recommended.

The next item to come before the Board was to consider the approval of the audit of the District's financial records for the period ending September 30, 2019. Mr. West reviewed with the Board a copy of his audit report, noting that he was rendering an unqualified clean opinion of the District’s financial records. A copy of the audit report is attached thereto as Exhibit “C”. After discussion, upon motion by Director English, seconded by Director Twellmann, and unanimously carried, the Board approved the audit of the District's financial records for the period ending September 30, 2019, as presented.

Next, Mr. Barganski informed the Board that, at the close of bidding, the District was in receipt of seven (7) bids. The bids received were from:

- Raymond James & Associates, Inc. with a bid resulting in a net effective interest rate of 2.316654%;
- HilltopSecurities with a bid resulting in a net effective interest rate of 2.337600%;
- UMB Bank N.A. with a bid resulting in a net effective interest rate of 2.357111%;
- SAMCO Capital Markets with a bid resulting in a net effective interest rate of 2.383988%;
- Robert W. Baird & Company, Inc. with a bid resulting in a net effective interest rate of 2.405645%;
- RBC Capital Markets with a bid resulting in a net effective interest rate of 2.462243%;
and
- BOK Financial Securities, Inc. with a bid resulting in a net effective interest rate of 2.463309%.

A copy of the bid tabulation is attached as Exhibit “D”. Mr. Barganski informed the Board he had performed all necessary duties involved with verification of the bids received, and recommended that the Board accept the bid from Raymond James & Associates, Inc., the low bidder. After discussion, upon motion by Director English, seconded by Director Twellmann, and unanimously carried, the Board approved the award of the sale of the District’s \$4,815,000 Unlimited Tax Bonds, Series 2020 to Raymond James & Associates, Inc.

After discussion, Director Wang stated that the Board would temporarily wait to take action in connection with the adoption of a Resolution Authorizing The Issuance Of Lakeside WCID No. 2C \$4,815,000 Unlimited Tax Bonds, Series 2020; Prescribing The Terms and Provisions Thereof; Making Provision For The Payment Of The Interest Thereon And The Principal Thereof; Levying And Pledging The Proceeds Of A Tax; Authorizing The Sale Of The Bonds; Authorizing A Paying Agent/Registrar Agreement; and Containing Other Provisions Relating To The Subject, until later in the meeting.

Director Wang stated that the Board would next consider action concerning a cost share agreement for a greenbelt sidewalk replacement project. Mr. Klein presented this item. He reiterated that at the Board's last meeting, the Board approved a proposal submitted by Lomas for the replacement of specific sections of sidewalk within the greenbelt along the 8-acre lake that runs parallel to Harrier Flight Trail within Lakeside WCID No. 2D for \$13,328.57. He noted that the proposed agreement, a copy of which is attached as Exhibit "E", provides for the hiring and engaging of Lomas for the above-referenced greenbelt sidewalk replacement project and for the allocation of costs to the five (5) Lakeside Districts. After discussion, upon motion by Director English, seconded by Director Twellmann, and unanimously carried, the Board approved a cost share agreement for a greenbelt sidewalk replacement project.

Director Wang stated that the Board would next consider action to adopt an order calling a Directors Election for May 2, 2020 and authorizing publication of the notice of same, copies of which are attached as Exhibit "F". Mr. Klein reiterated that, in the event the Directors' Election is uncontested, the Board will follow the procedures for election of unopposed candidates established by the Texas Election Code and cancel its May 2, 2020 Directors Election. After discussion, upon motion by Director Twellmann, seconded by Director English, and unanimously carried, the Board adopted an order calling a Directors Election for May 2, 2020 and authorized publication of the notice of same.

The next item to come before the Board was to authorize the execution of a joint election agreement with political subdivisions in Travis County and an election services agreement with Travis County. Mr. Klein noted that the District typically engages the services of Travis County to conduct its District Elections. Mr. Klein noted that by contracting with Travis County for election services, the District would also contract with all other political subdivisions in Travis County holding elections on May 2, 2020 under one joint election agreement with Travis County. Mr. Klein noted that no agreements are being provided at this time because until certain deadlines pass, Travis County is unsure of the political subdivisions who will ultimately engage the services of Travis County, and are unsure of the election polling places required. Mr. Klein stated that the Board would be authorizing the Board President to execute a joint election agreement with political subdivisions in Travis County and an election services agreement with Travis County, when available and should the need arise. After discussion, upon motion by Director Twellmann, seconded by Director English, and unanimously carried, the Board authorized the District's President to execute a joint election agreement with political subdivisions in Travis County and an election services agreement with Travis County as necessary.

Director Wang stated that the Board would next receive recreational facilities reports and take action concerning the same, including but not limited to, maintenance and/or improvements related to existing recreational facilities, including a proposal from Lomas Land Maintenance ("Lomas") for turf improvement, nutrition and weed control plan. Mr. Monzingo presented recreational facilities reports from the Associations operating the District's recreational facilities, copies of which are attached as Exhibit "G". Mr. Monzingo noted that the report from the Reserve at Westcreek Owners Association, Inc. (the "Reserve at Westcreek") was not provided in time to include in the meeting materials provided to the Board. Mr. Monzingo noted that the reports provided brief updates on the status of current projects and contained no requests for action by the Board. Mr. Monzingo informed the Board that the Reserve at Westcreek provided their end-of-

year financials, which indicated that they ended their year with a surplus of approximately \$97,000, and that such surplus should be applied to the District's contribution to the Reserve at Westcreek for 2020.

Next, Mr. Collins presented the Lomas proposal for a turf improvement, nutrition, and weed control plan for \$26,678. Mr. Collins pointed out that the Park at Blackhawk and Lakeside HOA (the "HOA") budgets \$10,800 for landscape maintenance, and should the Board approve the proposal submitted by Lomas, the net increase to this budgeted item would come to \$15,878. A copy of the Lomas proposal is attached as Exhibit "H". Mr. Collins reported that water and soils analyses indicated that the water used for irrigation was rich in sodium, creating an environment that hinders water and nutrient absorption, and water drainage. He provided maps of high profile areas within the Blackhawk development with highlighted areas that identify initial locations proposed for implementation of the Lomas plan and would serve as a test case to determine whether their proposal for turf improvement, nutrition and weed control will improve current conditions. Mr. Collins reported that a soils analysis indicated there was a high concentration of sodium constricting the soil, which restricts root growth and water and nutrient absorption creating shallow root zones making the turf more susceptible to heat damage. Mr. Collins noted that the plan calls for applying gypsum to boost nutrient levels including magnesium, phosphorus and lower pH levels. After discussion, Mr. Klein reiterated that the HOA budgets funds towards landscape maintenance of District owned property and suggested that should the Board agree to approve the Lomas proposal, it allow the HOA to administer this work under their engagement of Lomas for landscape management. After discussion, upon motion by Director Stratton, seconded by Director Twellmann, and unanimously carried, the Board granted authority to the HOA to move forward with the Lomas proposal for a turf improvement, nutrition and weed control plan for \$26,678, as presented.

Director Wang stated that the Board would next consider action concerning a funding request from the HOA. Mr. Monzingo presented the HOA's request, a copy of which is attached as Exhibit "I". He noted that after further investigation, it was determined that the HOA spent \$36,928 more in District related expenditures than was budgeted. Mr. Monzingo noted that the District's share of the \$36,928 amount came to \$4,153.56. After discussion, it was the consensus of the Board that the District's portion of the HOA's funding request be approved. Mr. Monzingo noted that approval of this payment would be included in the list of invoices to be approved by the Board this evening.

Director Wang stated that the Board would next consider the payment of invoices and Bookkeeper's report. Mr. Monzingo distributed a list of invoices, money transfers and quarterly investment report, copies of which are attached as Exhibit "J". Mr. Monzingo requested that the Board void Check No. 3396, payable to Director Bridgefarmer, due to his absence from the meeting. After discussion, upon motion by Director Twellmann, seconded by Director English, and unanimously carried, the Board approved the payment of invoices, money transfers and quarterly investment report, as amended.

Director Wang stated that the Board would next take action in connection with the adoption of a Resolution Authorizing The Issuance Of Lakeside WCID No. 2C \$4,815,000 Unlimited Tax Bonds, Series 2020; Prescribing The Terms and Provisions Thereof; Making Provision For The

Payment Of The Interest Thereon And The Principal Thereof; Levying And Pledging The Proceeds Of A Tax; Authorizing The Sale Of The Bonds; Authorizing A Paying Agent/Registrar Agreement; and Containing Other Provisions Relating To The Subject, a copy of which is attached as Exhibit "K". Mr. Chandler presented the above-referenced resolution utilizing finalized information obtained from the award of the sale of the District's bonds to Raymond James & Associates, Inc. He stated that his firm would file the necessary documents with the Attorney General's Office for review and reiterated that as the District's Bond Counsel, his firm would compile all District related documents into a transcript that is submitted to the Texas Attorney General for review. After discussion, upon motion by Director Twellmann, seconded by Director Stratton, and unanimously carried, the Board adopted the resolution presented by Mr. Chandler, with such additional changes, insertions, or deletions necessary, appropriate, or convenient based upon comments received from the Texas Attorney General's Office, the Depository Trust Company, the paying agent/registrar or the District's special tax counsel in order to effectuate the delivery of the bonds at closing, to authorize the President, in association with Bond Counsel, to approve any such changes to the resolution as may be necessary, and directed that the District's Bookkeeper establish all necessary bank accounts in the name of the District for the purpose of depositing proceeds received by the District from the sale of the District's bonds.

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 English, seconded by Director Stratton, and unanimously carried, the meeting was adjourned at 6:13 p.m. until further call.

PASSED, APPROVED AND ADOPTED THIS 10th day of March, 2020.



Larry English, Secretary

[DISTRICT SEAL]