

MINUTES OF MEETING  
OF  
BOARD OF DIRECTORS

THE STATE OF TEXAS

§  
§  
§  
§  
§

COUNTY OF TRAVIS

LAKESIDE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2C

On April 9, 2024, at 5:45 p.m., the Board of Directors of Lakeside Water Control and Improvement District No. 2C (“District”) held its regular meeting, open to the public, outside the boundaries of the District, at 21100 Carries Ranch Road, Pflugerville, Texas. A copy of the notice of the meeting along with associated certificates of posting is attached hereto 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
Craig Twellmann	Assistant Secretary
Vacant	Assistant Secretary

All members of the Board were in attendance, thus constituting a quorum of the Board of Directors. All Directors who attended voted on all matters that came before the Board. Also attending were Jeff Monzingo of Montoya & Monzingo, LLP; Keith Collins, P.E. with Jones-Heroy & Associates, Inc.; Natalie Arbour of Crossroads Utility Services; Tara MacLane, Community Manager, Amanda Watkinson, Lifestyle Coordinator, and Tamara Friedman, Chair, Architectural Control Committee, of the Park at Blackhawk and Lakeside Homeowners Association (the “HOA”); David Klein, Attorney, and Fred Castro, Paralegal, of Lloyd Gosselink Rochelle & Townsend, P.C.; Brad Marshall of Insight Drives Results, LLC; Robert Tiemann, Matthew Tiemann and Sam Fenwick of Tiemann Land & Cattle Development, Inc.

1. Call meeting to order and establish a quorum. Director Wang called the meeting to order at 5:45 p.m. He announced that a quorum of the Board was in attendance.
2. Discuss, consider, and take action to approve the minutes of the March 12, 2024 regular meeting. Director Wang presented this Item, and a copy of these meeting minutes is attached hereto as **Exhibit “B”**. Director Twellmann moved to approve the minutes of the March 12, 2024 regular meeting, as presented. Director English seconded the Motion and the Motion passed unanimously, 4-0.
3. Receive public comment (three (3) minutes per speaker; but any person providing public comment through a translator is limited to six (6) minutes, unless the District uses simultaneous translation equipment in a manner that allows the Board to hear the translated public testimony simultaneously with the speaker). There were no public comments.

4. Discuss, consider, and take action as necessary concerning the appointment of a new director. Director Wang introduced this Item. Mr. Tiemann introduced Ms. Tamara Friedman. He stated that she is a resident of the District and a member of the HOA's Architectural Control Committee and is willing to serve as a director of the District. Ms. Friedman, in attendance, confirmed that willingness. Director English moved to appoint Tamara Friedman to the District's Board of Directors. Director Stratton seconded the Motion and the Motion passed unanimously, 4-0. Next, Mr. Castro, a Notary Public, administered the Statement of Officer and Oath of Office to Ms. Friedman.
5. Discuss, consider, and take action concerning the election of officers. Director Wang introduced this Item. Director English moved to appoint Director Friedman to the office of Assistant Secretary. Director Stratton seconded the Motion and the Motion passed on a vote of 5-0. No other changes to the slate of officers were made.
6. Receive a report from the District's Engineer and discuss, consider, and take action regarding the same. Director Wang introduced this Item. Mr. Collins presented his report, a copy of which is attached hereto as **Exhibit "C"**. Mr. Collins highlighted the following points:
  - (1) he stated that he has been monitoring the District master meter billing from Manville Water Supply Corporation;
  - (2) he stated that he had been requested by Mr. Klein's legal team to update the District's Water Conservation Plan;
  - (3) he stated that the City of Pflugerville's ("City") comments related to the Tennis Court Plan have been cleared and that Carlson, Brigance & Doering ("CBD") are working to clear a final comment from Travis County;
  - (4) he stated that the Trail Connection Project has been submitted to the City and Travis County. The City has requested a second pre-development meeting that CBD is coordinating;
  - (5) he stated that he has received pricing from Fineline, the contractor working on the Carries Ranch Amenity Center Project, to address the continuous wet area across the trail below the outfall of the pond on Rowe Lane and that Mr. Marshall is coordinating a change order to include this work; and
  - (6) he stated that he met representatives of DNT Construction onsite to discuss three areas of the trail that are not draining to the adjacent pond. Mr. Collins added that DNT Construction agreed to cut swales from the trail to the pond embankment to assist in the draining of these areas. Mr. Collins stated that while at this meeting, they met with an Octavia Dr. homeowner to discuss the drainage behind his house. It was determined that a small drainage swale needs to be cut to drain the area to an existing area inlet, the inlet will need to be lowered to accommodate this drainage area. He stated that they also walked the pond and found a couple of areas that need drainage improvements and or grading that are unrelated to the trail construction. Mr. Collins stated that he has requested a proposal from Lomas Land Maintenance to address these issues for presentation to the Board at its next regular meeting. He stated that these costs should be charged to the Park at Blackhawk and Lakeside Homeowners Association as part of general greenbelt maintenance.

7. Discuss, consider, and take action as necessary concerning District's Water Conservation Plan and Drought Contingency Plan. Director Wang introduced this Item. Mr. Klein presented amended Water Conservation and Drought Contingency Plans for the District. He noted that the proposed water conservation and drought contingency plans incorporate measures similar to Manville Water Supply Corporation's ("Manville") Water Conservation Plan and Drought Contingency Plan for ease of implementation and as required under the wholesale water agreement with Manville. In particular, Mr. Klein stated that Manville had recently amended its Drought Contingency Plan to add seasonal water restrictions that are the equivalent of Stage II watering restrictions, requiring mandatory summer water restrictions applicable from May 1 to September 30 of every year, to conserve water resources and manage the effect created by summer peak demand. Mr. Klein recommended that the Board adopt the amended Water Conservation and Drought Contingency Plans, as presented. Copies of the District's amended Water Conservation and Drought Contingency Plans are attached hereto as **Exhibit "D"**. Director Twellmann moved to amend the District's Water Conservation and Drought Contingency Plans, as presented. Director Stratton seconded the Motion and the Motion passed unanimously, 5-0.
8. Discuss, consider, and take action as necessary concerning the Carries Ranch Amenity Center Project, including but not limited to (A) Change orders and (B) Pay applications. Director Wang introduced this Item. Mr. Marshall presented his Summary Report to the Board, a copy of which is attached hereto as **Exhibit "E"**. Mr. Marshall reported that the Carries Ranch Amenity Center Project (the "Project") was proceeding as planned with no new major issues to report. Next, he presented Change Order No. 25, contemplating the sidewalk drainage modification around the pond in the amount of \$4,962.10, and Pay Application No. 16, submitted by Fineline General Contractor, Inc., in the amount of \$590,381.20. A copy of the District Engineer's letter of recommendation for such matters was presented to the Board. Change Order No. 25, Pay Application No. 16, and the District Engineer's letter of recommendation are attached to Mr. Marshall's Summary Report. Director Stratton moved to approve Change Order No. 25 and Pay Application No. 16, as presented and recommended. Director English seconded the Motion and the Motion passed unanimously, 5-0.
9. Discuss, consider, and take action as necessary on issues pertaining to the transition of utility services from the City of Pflugerville to Crossroads Utility Services and Republic Services, including but not limited to, a reconciliation agreement between the District and the City of Pflugerville. Director Wang introduced this Item. Mr. Klein stated that the Board had previously authorized the Board President to approve and execute a finalized reconciliation between the District and the City that verifies and ensures that payments due and owing amongst the parties are paid in full, and authorized payments to the City. He presented a finalized reconciliation agreement for the Board's review and re-approval, a copy of which is attached hereto as **Exhibit "F"**. Director English moved to approve the reconciliation agreement, as presented, and authorize the payment of the transition charge and other amounts owed to the City after the reconciliation of accounts. Director Stratton seconded the Motion and the Motion passed unanimously, 5-0.
10. Receive operations reports from Crossroads Utility Services and discuss, consider, and take action regarding same. Director Wang introduced this Item. Ms. Arbour presented her report,

a copy of which is attached hereto as **Exhibit "G"**. Ms. Arbour highlighted the following points:

- (1) she stated that Lomas Land Maintenance had installed the tree at 20704 Purple thistle on March 12, 2024 to the satisfaction of the homeowner;
- (2) she stated that her report included a new report that the District's Engineer recommended Crossroads provide and is labeled "monthly meter read comparison" and shows a side-by-side comparison of water usage within the district and water purchased from Manville to determine a more accurate water loss percentage;
- (3) she requested the Board consider the write-off of one delinquent account, stating that the customer had moved and had not paid their balances totaling \$101.88;
- (4) she presented a proposal for the next phase of the District's Lead and Copper School Compliance Proposal pursuant to the US Environmental Protection Agency's Lead and Copper Rule Revisions for schools and daycares sampling requirements overseen by the Texas Commission on Environmental Quality. Ms. Arbour stated that there are three registered schools/daycares (Rowe Lane Elementary, Kimberly Kuempel-Klar, Ashford Montessori) within the District. A copy of the proposal is included in Ms. Arbour's report; and
- (5) she stated that due to the timing of when the District's water meters are read and billed, as well as the possibility of needing to do a customer re-read, Crossroads' data in her monthly reports will be delayed by 60 days.

After discussion, Director Stratton moved to approve the proposal for the next phase of the District's Lead and Copper School Compliance program under the US Environmental Protection Agency's Lead and Copper Rule Revisions for schools and daycares sampling requirements overseen by the Texas Commission on Environmental Quality, as presented. Director Twellmann, seconded the Motion and the Motion passed unanimously, 5-0.

Next, Director English moved to authorize the write-off of one delinquent account, totaling \$101.88. Director Stratton seconded the Motion and the Motion passed unanimously, 5-0.

11. Discuss, consider, and take action as necessary to amend service policies for the provision of water, wastewater, solid waste, and recycling services to District residents/customers, including, but not limited to, amending the amount of new customer deposits. Director Wang introduced this Item. Mr. Klein stated that the Board has previously discussed a possible increase in the customer security deposit that is collected when a customer initially applies for service and is returned when the customer closes the account, less any outstanding balance. He stated that the current security deposit imposed by the District is \$75.00. Mr. Klein then noted that the District had asked that he perform some research to determine the deposits of other water providers in the area, and he noted that Jonah Water Special Utility District collects a deposit of \$100 for residential; 1/6<sup>th</sup> of the average bill for commercial, the City collects \$125.00, and Kelly Lane collects a \$100 deposit, and an additional \$100 for nonpayment, up to \$400. He then reported that the average utility bill for District customers is approximately \$120.00. Mr. Klein stated that the Board had previously discussed leaving the deposit amount as is, increase the deposit amount, and/or have different security deposit amounts for homeowners versus tenants or a guarantee agreement for landlord/tenants. Mr. Klein noted

that after consulting with this Board and the Boards of Lakeside WCID Nos. 2A, 2B, and 2D, it was his understanding that the general consensus of those Districts was to increase the security deposit to \$125.00 per customer, as it covers the cost of an average monthly bill plus a portion of the District's administrative costs to close out an account. He added that this increased deposit amount will only apply to new customers and will not be retroactive. He presented an order amending the District Service Policy regarding security deposits, a copy of which is attached hereto as **Exhibit "H"**, proposed to increase the District's security deposit to \$125.00 per new customer. Director Friedman moved to adopt the amended Service Policy, as presented. Director English seconded the Motion and the Motion passed unanimously, 5-0.

12. Discuss, consider, and take action as necessary regarding the Cost Share Agreement for Wholesale Water Service. Director Wang introduced this Item. Mr. Klein presented a cost-share agreement between Lakeside WCID Nos. 1, 2A, 2B, 2C, and 2D (the "Lakeside Districts") whereby the Lakeside Districts would share the costs of the wholesale water supplied by Manville using a methodology that is equitable to each of the Lakeside Districts, based upon the preceding month's total retail water consumption. A copy of the Cost-Share Agreement is attached hereto as **Exhibit "I"**. Director English moved to adopt the above-referenced Agreement, as presented. Director Stratton seconded the Motion and the Motion passed unanimously, 5-0.
13. Receive recreational facilities reports and take action as necessary concerning same, including but not limited to, maintenance and/or improvements to existing recreational facilities, and amenity center operations. Director Wang introduced this Item. Mr. Monzingo presented the reports from the Blackhawk HOA and the Reserve at Westcreek Owners Association regarding the status of the District's recreational facilities. Copies of these reports are attached hereto as **Exhibit "J"**. Mr. Monzingo stated that the HOA provided a proposal from Lomas Land Maintenance for mulching recently planted trees for \$9,992.34. He then reported that the HOA presented invoices from Defiance Industries, LLC for work related to security access and cameras for \$21,866 and \$1,150.49, but that they were not recommending be paid due to a discrepancy in the amount of hours worked. Specifically, Mr. Monzingo stated that according to the HOA, the invoice received from Defiance states that 192 labor hours in addition to the original scope of work was performed at the Blackhawk Amenity Center. He stated that the HOA and Mr. Brad Marshall had questioned Defiance on their billing and requested backup information for these 192 hours between 2/20/24 and 3/31/24. Next, Mr. Monzingo stated that the second Defiance invoice for services at the Carries Ranch Amenity Center shows work done for items that are not completed yet.

Next, Mr. Monzingo indicated that the HOA also provided an update on repairs due to vandalism. He stated that the HOA is waiting on a report from their plumbing contractor on whether repairs can be made, or if replacements will have to be purchased. Mr. Monzingo added that the HOA reported that repairs related to the fire at the Murrelet Playground have not been made as they are waiting on ParkPro to assess the damage and provide the cost for replacement. He also conveyed that the HOA ultimately decided not to contract with ParkPro. Mr. Monzingo stated that in connection with the Speidel Amenity Center Retrofit, while most items have been corrected and are functioning, issues with network interruptions with computers, scanners, and phones on site are occurring. He noted that it was determined by a

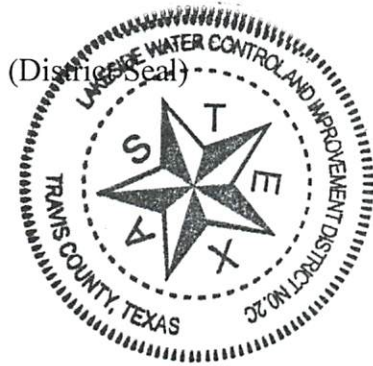
third-party IT company that was called in to assess the situation that an IQ Router that was installed by Defiance was affecting the HOA's IP addresses and interrupting service. Mr. Monzingo then reported that the HOA reports that the baseball bathroom door access control and one swimming pool exit button are not working and Defiance will attempt to correct these issues. Next, Mr. Monzingo stated that now that new rules and a new reservation process have been implemented, the HOA is working on getting signage posted at the ballfield with rules and reservation processes, as well as a weekly updated list of pending reservations of the space. Lastly, the HOA has tentatively planned for a June 1, 2024, Grand Opening of the Carries Ranch Amenity Center for the residents of the Blackhawk community.

14. Discuss, consider, and take action on the payment of invoices and bookkeeper's report. Director Wang introduced this Item. Mr. Monzingo presented his bookkeeper's report, a copy of which is attached hereto as **Exhibit "K"**. Mr. Monzingo requested that the Board take action to remove Director Susan Brannan as an authorized signatory from all District's bank accounts and to add Director Tamara Friedman as an authorized signatory on all District bank accounts. Director Stratton moved to remove Director Susan Brannan as an authorized signatory from all the District's bank accounts and to add Director Tamara Friedman as an authorized signatory on all District's bank accounts. Director English seconded the Motion and the Motion passed unanimously, 5-0.

Next, Mr. Monzingo identified the District's revenues, invoices, and proposed bank transfers for the current reporting month. He requested that the Board authorize payment to the City for \$85,631.85 for wholesale wastewater services for February and March. He requested that the Board authorize payment of an expected invoice from Republic Services for solid waste collection and recycling services. He requested that the Board transfer \$320,000.00 from the District's Checking Account to the District's Money Market Account to gain interest income and requested that the Board transfer \$94,528.18 to the District's Debt Service Account. Director English moved to approve the report, as amended by Mr. Monzingo, authorizing the payment of invoices, authorizing payments to the City for wholesale wastewater services in the amount of \$94,528.18 and of an expected invoice from Republic Services for solid waste collection and recycling services, and authorizing the bank transfers as proposed. Director Stratton seconded the Motion and the Motion passed unanimously, 5-0.

15. Directors' items for the next agenda and announcements from Board members. Director Wang introduced this Item. There were no announcements or requests for items at the Board's next meeting.
16. Adjournment. Director English moved to adjourn the meeting. Director Stratton seconded the Motion and the Motion passed unanimously, 5-0. The meeting was adjourned at 7:01 p.m.

PASSED, APPROVED, AND ADOPTED THIS 14th day of May 2024.



  
\_\_\_\_\_  
Larry English, Secretary