

COUNTY LINE SPECIAL UTILITY DISTRICT

Meeting Minutes

Board of Directors Meeting – October 17, 2022 at 6:30 PM

District Office-8870 Camino Real, Umland, Texas 78640

Board Members Present:

Toni Brewer

Ken Dodson

James "Rusty" Loep

Tracy Scheel

Others Present:

Humberto Ramos, Canyon Regional Water Authority

Scott Manuel, CMMS

Chris Betz

Thomas Rhodes, MRLA

Graham Moore, Alliance Regional Water Authority

Carol Polumbo, McCall, Parkhurst and Horton

John Patton, Umland Plaza

Allison Nieto, Southwest Engineers via Zoom

Jeff Kallus, Southwest Engineers via Zoom

Daniel Heideman

Rebecca Moore

Doug Schnautz

Jennifer Tarbutton

Tracie Crowell

The following represents the actions taken by the Board of Directors (Board) of the County Line Special Utility District (CLSUD) in the order they occurred during the meeting. The Board of Directors convened in a meeting at the date, time and location stated above.

- A. **CALL TO ORDER.** Director Brewer called the meeting to order at 6:30 P.M.
- B. **ROLL CALL.** Jennifer Tarbutton conducted a roll call of the Board and a quorum of the Board was present, with Directors Brewer, Dodson, Loep and Scheel in attendance.
- C. **PUBLIC COMMENT.** There was no public comment.
- D. **CONSENT AGENDA:** This item was skipped.
- E. **REPORTS.**

The Board of Directors received the following reports:

E.1 Operations Report. Scott Manuel reported they are compliant with all prorated permits. Construction of the WRRF #1 is almost complete. The expansion will increase capacity by 150,000 gallons per day to the existing 150,000 gallons per day capacity. Current capacity is 100,000 gallons per day. In September, 24 new connections were added to the system, bringing the overall total to 131. Maintenance activity was routine and maintenance performed was routine. Downtown lift station started October 14, 2022 with minor issues which were taken care of. Will be a couple of weeks before first customers are on board.

E.2 Engineers' Report. Allison Nieto reported downtown lift station came online October 14, 2022, force main and gravity main are complete, still waiting on a generator to be fully functional. Grist Mill South gravity and reuse mains under construction. Porter Creek gravity main under design, 50% complete. Five (5) developments under construction, Three (3) development plans approved, Three (3) development plans submitted for review and Nineteen (19) developments requested service and paid application fee.

Jeff Kallus reported a pre-construction meeting was held this past month for replacing well pump at Well #2. Grist Mill Road project completed for this segment. Working on design of the road crossing of Grist Mill Road and Plum Creek Road to allow abandonment of a portion of waterline from SH 21 to Plum Creek Road. Survey received last week for Grist Mill Road Reuse Line. Waiting on survey for 2720 GBRA water supply, need survey to finish easement acquisitions and start design. Kyle Interconnect is still in review with the City of Kyle. Corresponding with the City of San Marcos on the San Marcos Interim Water Supply. A church along SH 21 requested water and is in review.

E.3 Financial Report. Rebecca Moore reported positive for the month of September. 37.5 million gallons sold. Technology fee paid in the amount of \$25,000.00 for the utility management software, fee is a yearly fee. No Impact Fees collected for the month of September, but will collect some in October.

E.4 CRWA & ARWA Report. Humberto Ramos reported Board of Trustees Meetings are the second Monday of the month, but meeting for Monday was rescheduled for the following day. Hiring HR counsel to help at Canyon Regional at a cost of \$3,300.00 per year. Bid requests for Temporary Membranes were on the street for two (2) weeks, only one bid was received from Paul. Paul is asking for a two (2) year contract with a total of \$966,000.00. Searching for a Water Attorney.

Graham Moore reported this past month consultant contracts were approved. Approved change order for one of their projects, didn't add or change work, just moved from one contract to another contract to help maintain time. Board approved TML, IEBP health insurance coverage for employees. Site tour scheduled for October 25, 2022 to visit water treatment plant, Maxwell Booster and pipe project in the area. Need to work on accumulating all demands from customers.

E.5 General Manager's Report. Daniel Heideman referred attendees to handout and asked if there were any questions. No questions were asked.

E.6 President's Report. Nothing was reported.

E.7 Capacity Report. Rebecca Moore reported Sunset Ridge had eighty (80) new active connections in Phase 2. Harvest Creek Phase 2 almost installed. Monte Sagrado is building quicker than expected.

F. ITEMS FOR ACTION OR DISCUSSION/DIRECTION:

F.1 Discuss, consider, and take action regarding Gonzales Carrizo Water Supply Project. Chris Betz reported attorney to review two documents for Bond issuance. No action taken.

F.2 Discuss, consider, and take action on CRWA's Wells Ranch Phase III Water Supply Project. Humberto Ramos reported still working on contract. No action taken.

F.3 Discuss, consider, and take action on PCU Wholesale Wastewater Agreement. Chris Betz reported Daniel and him met with attorneys, Chris needs to meet with PCU to start whittling down items. No action taken.

F.4 Discuss, consider, and take action regarding CCN transfer to Maxwell for Maxwell Farms in exchange for approximately 1 acre for the booster site. Jeff Kallus reported no existing water line for Maxwell Farms down Misty Lane. Kip Kronnenberg is the developer and he requested County Line CCN be transferred to the Maxwell Water CCN. Daniel and Kip discussed a transfer of other property owned by Kip down Bob White Road for the GBRA take point in exchange for County Line CCN transfer to Maxwell CCN. A map was handed out for reference. No action taken.

F.5 Discuss, consider and take action regarding presentation from REAL Holdings related to the Caldwell Valley Development. Thomas Rhodes gave a presentation on Caldwell Valley. Went over the MUD history, handout in the board packet. Gave an overview of the revised land plan and plans on moving forward. Discussed the development agreement history with City of Umland, handout in board packet. Discussed Real Holdings acquisition of 895 acres on Hwy 21 between 150 and 2720, handout in board packet. Gave a comparison of existing land plan and proposed draft land plan, handout in board packet. Discussed request for 7500 LUE's, aware of

capacity issues. Have a discharge plant permit for treatment plant facility, will work with County Line in the operation of the plant, but MUD will operate the plant. Anticipate closing end of year 2022 and breaking ground first quarter of 2025.

F.6 Discuss, consider and take action Resolution Approving A Resolution of the Board of Directors of the Alliance Regional Water Authority and Approving Other Related Matters.

Carol Polumbo reported approval is needed for Alliance Regional Water Authority to move forward with bond issuance. Director Scheel moved to approve and Director Dodson seconded the motion. 4 Aye, 0 Nay

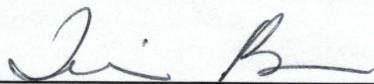
F.7 Discuss, consider and take action regarding ARWA Debt Issuance Phase 1B. Graham Moore gave a presentation on the system map, working on an agreement to add an additional delivery point on Misty Lane, hope to have an agreement by end of the year. All four (4) Carrizo Spring wells drilled. Discussed construction of Water Treatment Plant. Discussed Phase 1B: Booster Pump Station located in the Maxwell area, 5 million gallon storage tank, two pumps to send water to the north and south, has an emergency generator. Discussed Segment A and B Pipelines, Segment A should be completed by middle of next year. Discussed the various project challenges. Discussed state funding to finish out project, 30.89% CRWA share and 10.32% CLSUD share. Discussed Swift Rate Subsidy Information. Debt Service compared actual to budgeted, \$109,000.00 increase from original budget. Went over Next Steps. Handout was included in the board packet.

F.8 Discuss, consider and take action regarding Resolution Appointing Members of Investment Committee. Rebecca Moore stated committee consists of the Investment Officer, District's General Manager and a District Board member. Committee meets once about every six (6) months. Rusty Loep was appointed the District Board member. Director Dodson moved to approve the appointment and Director Scheel seconded the Motion, 4 Aye, 0 Nay.

G. BOARD MEMBER ITEMS OR FUTURE AGENDA ITEMS. Rebecca Moore hopes to have a first draft of the 2023 Budget. Daniel Heideman stated the November 21, 2022 BOD Meeting will be the last of the year, no December BOD Meeting. Jennifer Tarbutton stated the Christmas Party will be December 5, 2022 from 6:00 PM-9:00 PM at Hays BBQ in San Marcos.

H. EXECUTIVE SESSION. There was no executive session held.

I. ADJOURNMENT. Director Dodson moved to adjourn the meeting. Director Loep seconded the Motion and the Motion passed unanimously. The meeting was adjourned at 7:29 PM.



Date 11/21/22

County Line SUD, Board President

Toni Brewer