



engineering costs from the operating fund and asked if there was a way for the District to move to capital expense money, to which Director Golde stated capital funds were restrictive whereas operating funds were not. Director Koerner stated the District should continue to be careful about tracking the spending for these capital projects. **Upon motion by Director Koerner, seconded by Director Clifford and unanimously carried by the Board members present, the Board approved the Bookkeeper's Report, transfers, and payment of invoices as detailed in Exhibit B.**

Director Golde questioned an invoice from Murfee Engineering Invoice No. 3988 regarding review of Amenity Pond well and pump system and stated he understood this to be HOA work rather than an expense for the District. Mr. Canady confirmed that this work was requested by the HOA, and a revised invoice would be created by his firm and submitted to the HOA. **Upon motion by Director Koerner, seconded by Director Clifford, and unanimously carried by the Board members present, the Board amended the previous approval of the Bookkeeper's Report, transfers, and payment of invoices, excluding Murfee Engineering Invoice No. 398388, and authorized Mr. Monzingo to void check number 1055 and reissue a new check to Murfee Engineering for an amount excluding the fee from Invoice No. 39388 (i.e., \$3,282.18).**

Director Golde stated the next item before the Board was to discuss, consider, and take action regarding amendments to the budget for the 2017-2018 fiscal year. Mr. Monzingo presented this item and provided a handout, included as Exhibit C. Mr. Monzingo asked Mr. West if the \$61,000 in bond proceeds should be included as a new line item, to which Mr. West stated yes. Mr. Monzingo also proposed amending the overages for engineering, legal and solid waste. Director Koerner asked why it was important to amend the budget, to which Mr. West stated it was typically a tool to ensure that staff was not exceeding budgeted expenditures and even though the District had no staff, it would be a protection measure for the District. Director Clifford asked why the District was adjusting the revenues, up and down, but was only proposing adjusting exceedances in expenditures but not underages, such as with maintenance. Mr. Monzingo stated the fiscal year was not yet over and he did not recommend adjusting any budgeted items down in case something was to change. Mr. Monzingo stated he would provide an updated version of the amended 2017-2018 budget to the Board. **Upon motion by Director Koerner, seconded by Director Bryson, and unanimously approved by the Board members present, the Board approved the amended budget for fiscal year ending 2018.**

The next item before the Board was to discuss, consider, and take action regarding the budget for the 2018-2019 fiscal year. Mr. Monzingo presented this item and directed the Board to Exhibit D. Mr. Monzingo directed the Board to page three of Exhibit D, which reflected a proposed \$0.37/\$100 valuation tax rate. He stated the District's Financial Advisor, Garry Kimball had recommended \$0.20 for the debt service portion of the tax rate, which would leave \$0.17 of the tax rate for operation and maintenance expenses.

Next, Mr. Monzingo directed the Board to page one of Exhibit D to discuss the budget for the operating fund for Fiscal Year 2019. The Board discussed the Engineering Design line item and what additional amount, if any, should be budgeted. Mr. Canady stated the \$15,000 listed for the Drainage Maintenance line item was for engineering fees only, and did not include the actual

maintenance work costs. Director Clifford referenced the \$92,000 in capital funds and asked if any of the budgeted maintenance expense should be planned for payment out of the capital surplus account rather than included in the operating budget. Mr. Monzingo stated it would be up to Mr. Canady to advise the District if the project would qualify as a capital expenditure that would allow the District to use capital funds. Director Golde stated the surplus was captured in the capital projects funds, but the District now had approval to use for repair and maintenance for eligible repair and maintenance expense. Ms. Albright clarified that new projects that come up would need to be looked at to determine if they would be eligible for capital projects funds money, and in order for a project to qualify as a capital project, the work needed extend the life of the facility. A discussion ensued regarding the outstanding drainage projects along the trails and whether these expenses would qualify. After input from Mr. Canady, Ms. Albright opined that these expenses would be the type to qualify to be paid out of the surplus capital fund. After further discussion, the Board agreed to increase the Drainage Maintenance budget amount to \$20,000, to include \$15,000 for Engineering Design, to add \$5000 for General Maintenance and \$20,000 for Amenity Center Improvements – Landscaping/Lighting.

As it could impact the amount the District needed to budget for landscape expense, Director Clifford inquired about the status of the task requested by the Finance Subcommittee that Murfee Engineering determine how much of the landscape maintenance expense was the District's responsibility (i.e., drainage and trail easement areas) versus the HOA's responsibility. Mr. Canady stated his office would undertake that allocation.

Mr. Monzingo stated he would update the proposed budget for the Board's review prior to the September Board meeting.

The next item before the Board was to discuss, consider, and take action on the 2018 tax rate, set date for public hearing on the tax rate, and authorize publication of notice of public hearing on the tax rate. Ms. Albright presented this item and directed the Board to **Exhibit E** providing the proposed tax rate. She stated that at the August meeting, the Board was only considering the possible tax rate to publish for the September public hearing. Ms. Albright reminded the Board that the published tax rate could go lower, but not higher, than the published amount. Director Koerner recommended keeping the tax notice as-is, with a proposed tax rate of 0.37 cents. Ms. Albright requested authorization for her office to publish the proposed notice prepared by Mr. Kimball. **Upon motion by Director Clifford, seconded by Director Bryson, and unanimously carried by the Board members present, the Board approved publication of the tax notice at a \$0.37/\$100 total tax rate, allocating \$.20/\$100 for debt service and \$0.17/\$100 for operations and maintenance, and authorized publication of the notice of a public hearing scheduled for Tuesday, September 18, 2018 at 6:00 p.m.**

Director Golde stated the next item before the Board was to discuss, consider, and take action regarding consideration of engagement letter with West, Davis & Company for the audit of the District's financial records for the period ending September 30, 2018. Mr. West presented this item and stated he included a flat fee of \$7,500 rather than a fee estimate and requested approval of his engagement letter, provided as **Exhibit F**. **Upon motion by Director Koerner, seconded by Director Clifford, and unanimously carried by the Board members present, the Board approved the engagement letter with West, Davis & Company.**

The next item before the Board was to discuss, consider, and take action regarding a report from the District's engineer. Mr. Canady presented this item and directed the Board to his report provided as **Exhibit G**. Mr. Canady stated the arborist had completed the preliminary assessment of the existing live oak cluster near the proposed storage building construction site, and would provide a summary report with suggested pruning. Next, Mr. Canady stated Method Architecture had prepared a preliminary concept plan and would provide a copy of the plan at the September meeting. Mr. Canady stated that he had completed drafting the Standard Contract Document for the storage building construction and would send a copy to Ms. Albright for review. Once Ms. Albright's review was complete, Mr. Canady would forward same to the District subcommittee and the ACC for review and once approved, the District could move forward with the bidding process. Director Clifford reminded the Board that consent from the HOA was required. Mr. Canady stated that he would work with Ms. Albright on preparing such form to be finalized before the bidding process was initiated. Mr. Canady requested that Mr. Wiles place an item on the ACC agenda for approval of the site plan prepared by Method Architecture. The Board then discussed the proposed timeline included in **Exhibit G**.

Next, Mr. Canady stated the surplus funds application had been approved by the TCEQ and a copy of TCEQ's approval letter was included in **Exhibit G**.

In regards to the bids for work to address the drainage repairs along the trails, Mr. Canady stated T Bar M had withdrawn their quotes, but he had received bids from TexaScapes, Dig Dug Construction, and JBS Underground. A discussion ensued regarding the risks and reward of the various bids. **Upon motion by Director Clifford, seconded by Director Bryson, and unanimously carried by the Board members present, the Board approved the agreement with JBS Underground, LLC for drainage maintenance, with the understanding that the agreement included hauling away the excess soil and rock piles from the work previously done on the Flagler drainage ditch project, as provided in Exhibit H.**

Director Clifford advised of three significant ruts in the trail area where the Belvedere annual Halloween haunted trail was located, to which Director Golde stated he would place granite in these locations.

Before the next item was discussed, Mr. Monzingo stated he had voided Check No. 1055 and issued Check No. 1058 in the amount of \$3,282.18 to Murfee Engineering.

Director Clifford asked Mr. Canady if there had been any follow-up from Dan Ryan regarding Mr. Canady's letter on the berm removal, to which Mr. Canady stated he had not received a response, but would follow-up.

Director Golde stated the next item before the Board was to discuss, consider, and take action on the TCEQ surplus funds application, including Resolution Expressing Official Intent to Reimburse Certain Expenditures. Ms. Albright presented this item and directed the Board to **Exhibit I**, which was prepared by the District's bond counsel to ensure the proper handling for these funds. Ms. Albright advised that the surplus funds approval precluded the District having to approve resolutions for future expenditures of these funds on qualified projects. **Upon motion by**

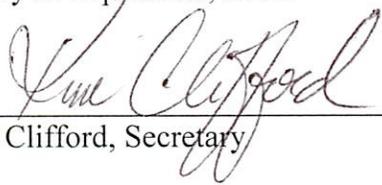
**Director Clifford, seconded by Director Koerner, and unanimously carried by the Board members present, the Board approved the Resolution Expressing Official Intent to Reimburse Certain Expenditures, provided as Exhibit I.**

The next item before the Board was to discuss, consider, and take action regarding the solid waste disposal contract with Texas Disposal Systems (TDS) and the Refuse Specialists LLC Authorization Letter. Director Koerner presented this item and directed the Board to Exhibit J. Director Koerner stated that under the proposal received from Refuse Specialists they would attempt to re-negotiate the terms of the solid waste disposal contract with TDS and review monthly invoices on behalf of the District for a fee. Director Koerner suggested the finance subcommittee reach out to TDS directly in an attempt to re-negotiate the District's contract rather than going through Refuse Specialists. The Board agreed the subcommittee should reach out to TDS directly before further consideration of contracting with Refuse Specialists.

Director Golde stated the next item before the Board was to discuss, consider, and take action on current and proposed facilities owned or maintained by the District, including reimbursements to the Homeowners' Association under the Joint Maintenance Agreement. Mr. Wiles provided a handout to the Board, provided as Exhibit K. Mr. Wiles provided information on the HOA's processing of invoices and preparation of the spreadsheet provided in Exhibit K. Director Golde asked if invoices would be available for review, to which Mr. Wiles stated yes, upon request. Ms. Albright stated she would like to follow-up with Mr. West to determine what type of documentation might be needed or requested in the annual audit to support the reimbursement expenses. Director Golde suggested the HOA proceed with the spreadsheet until they hear otherwise from the District's auditor. Mr. Wiles stated the HOA would be providing a final spreadsheet for the District's review and reimbursement at the October Board meeting. Director Clifford advised that the Board should be made aware of the required inspections/maintenance of the playground. Prior to engaging counsel to do research in this regard, it was agreed that Director Clifford would reach out to the HOA's property manager (who has heretofore been overseeing maintenance of the playground) to obtain any information that the property manager could provide.

**There being no further business and upon motion made by Director Koerner, seconded by Director Bryson, and unanimously carried by the Board members present, the meeting adjourned at 7:51 p.m.**

PASSED, APPROVED AND ADOPTED THIS 18<sup>th</sup> day of September, 2018.

  
\_\_\_\_\_  
Kim Clifford, Secretary

# **EXHIBIT A**



**Clifford, and unanimously carried, the Board voted to appoint Steven Bryson to the Board of Directors to complete Mr. Sartain's term, ending in May 2022.**

Mr. Bryson was sworn in as a Board Director by Lissette Ruiz, a notary public, and participated in all remaining voting that come before the Board

The next item before the Board was to discuss, consider, and take action concerning the election of officers. **Upon motion by Director Clifford, seconded by Director Koerner, and unanimously carried, the Board elected Director Bryson as Assistant Secretary.**

The next item before the Board was to consider the bookkeeper's report, including payment of invoices and coordination on bookkeeping matters. Director Koerner presented this item and stated the finance subcommittee had a teleconference with Mr. Monzingo to review the bookkeeper's report, provided as **Exhibit B**. Director Koerner gave an overview of the transfers to be made, as identified in **Exhibit B**. **Upon motion by Director Ubertini, seconded by Director Clifford and unanimously carried, the Board approved the Bookkeeper's Report, transfers, and payment of invoices as detailed in Exhibit B.**

Director Koerner discussed the budget for legal and engineering services were over budget due to new projects. He also noted the overage on solid waste was due to growth in the neighborhood, and that he was still working with the new company in an attempt to negotiate a new agreement with Texas Disposal Services.

Director Golde stated he thought that engineering fees associated with bond projects should be paid with bond proceeds. A discussion ensued on whether the District could reimburse itself if paying for projects out of their operating account. Ms. Albright stated she has discussed this with bond counsel and with Mr. Canady and determined there would need to be a Resolution and Certificate in place. The Board deferred this item for discussion at the August Board meeting. Director Koerner noted the August meeting would be the preliminary budget setting meeting and that Mr. Monzingo planned to attend.

Item 7 was taken out of order.

Mr. Canady introduced Eric Hudson, Method Architecture, to the Board and presented his proposal for the storage facility, included as **Exhibit C**. Director Ubertini asked if Phases 1 and 2 of the Environmental Study were necessary to which Mr. Hudson stated since the facility was small, both phases would not be required. Director Ubertini also noted the travel expenses in the proposal and Mr. Hudson stated it would only be for mileage. The Board discussed the charges for the project. Mr. Hudson advised that the rate was fixed and the hourly rates would only apply if changes to the project arose. Next, Director Clifford asked a question regarding whether the Architectural Control Committee (ACC) would require inspections. The Board discussed whether the District would need to go through the ACC process and Mr. Wiles stated that he would ask the ACC to consider these questions and provide feedback. Mr. Canady provided an overview of the ACC process as identified on Belvedere's website, provided as **Exhibit D**.

Director Clifford had a question regarding the bidding requirements, to which Ms. Albright stated that due to the size of the project and Texas competitive bidding laws, the District would be required to choose the lowest, qualified bidder. In response to a question from Director Clifford regarding HOA construction rules and requirements, Mr. Canady stated he would share the contract with the HOA for review. Upon further discussion, Mr. Canady stated he would provide a draft of the contract to Directors Bryson and Ubertini to review and then submit to the ACC for review. **Upon motion by Director Ubertini, seconded by Director Koerner and unanimously carried, the Board approved the proposal from Method Architecture, provided as Exhibit E.**

The Board then addressed Agenda Item 6, a report from the District Engineer. Mr. Canady next provided an update on the site permit review by Travis County and stated he was waiting on technical review comments. Next, Mr. Canady presented proposals he had received from Tree Clinic, provided as **Exhibit F**, regarding protection of the large tree near the proposed storage building site. Directors Clifford and Ubertini questioned the third proposal regarding root invigoration and a discussion ensued as to whether this was required. **After discussion, upon motion by Director Ubertini, seconded by Director Koerner and unanimously carried, the Board approved Proposals 1 and 2 from Tree Clinic, provided as Exhibit F.** Ms. Albright noted that the tax included in the proposal would be struck from the signed proposals.

Next, Mr. Canady provided an update on the pending surplus funds application and stated he had provided a response to the TCEQ comments received, as shown in **Exhibit G**. Mr. Canady then provided an update on the drainage projects and stated he had received bids from two contractors, T Bar M Land Services and TexaScapes. The Board discussed funding of the project and stated that they would like to use surplus funds, if eligible, to reimburse the general fund from the capital projects fund upon approval of the surplus funds application. **After discussion, upon motion by Director Ubertini, seconded by Director Bryson and unanimously carried, the Board approved the proposals from T Bar M Land Services, LLC, provided as Exhibit H.**

In regards to bids for the drainage maintenance projects to include cleaning culverts, ditches and minor grading, Mr. Canady noted he had only received one bid from TexaScapes for \$7,590. **Upon motion by Director Ubertini, seconded by Director Bryson, and unanimously carried, the Board approved the proposal from TexaScapes.**

Mr. Canady then provided an update on the Flagler Drive drainage ditch project and the Board discussed the larger rocks that had been placed in the drainage ditch. Mr. Canady stated T Bar M Land Services, LLC would be returning to regrade and to remove the larger rocks, but requested two Board members and representatives from the HOA be present to provide their input. Mr. Canady stated he would schedule a time and Directors Golde and Clifford stated they would attend on behalf of the District.

Next, Mr. Canady provided a map for proposed trails, provided as **Exhibit I**. Mr. Canady stated he would coordinate with the subcommittee (Directors Bryson and Ubertini) and collaborate with the Landscaping Committee and HOA on the proposal and indicated the bidding process would take approximately 4-6 weeks. Director Clifford asked if there was necessary

work on the existing parking lot, such as lighting, could that be included in the bid or handled separately, to which Mr. Canady stated that these items could be included in the proposal.

Director Golde stated the next item before the Board was to discuss, consider, and take action as necessary concerning the property and facilities owned and maintained by and within the District, including information regarding past and current bond issuances. Ms. Albright noted that the new Director contact information would be updated on the Data Sheet and sent to Kim Bigley for posting on the website.

The next item before the Board was to receive an update on the Belvedere Reserve Study. Mr. Blanton addressed the Board and provided a handout as **Exhibit J**. Mr. Blanton provided an overview of the line items and highlighted the impact variations to the inflation, interest and contribution rates had on the reserve levels over time. Director Ubertini stated this was a good discussion to be had on an annual basis for budgeting and tax rate setting purposes.

Item 9 regarding solid waste disposal with Texas Disposal Systems was previously discussed and no further discussion was held.

The next item before the Board was to discuss, consider, and take action regarding the Belvedere Amenity Center and properties jointly maintained by the District and the HOA. Ms. Albright confirmed that Joel Robuck had been reimbursed and the recreational facilities had been conveyed to the District.

**There being no further business and upon motion made by Director Clifford, seconded by Director Bryson, and unanimously carried by the Board members present, the meeting adjourned at 8:05 p.m.**

PASSED, APPROVED AND ADOPTED THIS \_\_\_\_ day of August, 2018.

\_\_\_\_\_  
Kim Clifford, Secretary

# **EXHIBIT B**

BELVEDERE MUD  
SCHEDULE OF CASH ACTIVITY  
GENERAL FUND  
MEETING DATE: AUGUST 21, 2018

GENERAL FUND CHECKING ACCOUNT BALANCE AS OF 7/31/18 \$ 10,300.65

Revenue:

Deposit Date	Description	Amount
8/21/2018	Transfer from Money Market	\$ 20,000.00
		\$ 20,000.00
	Cash Balance Before Expenditures	\$ 30,300.65

Expenditures:

Check Number	Description	Amount
1053	Lloyd Gosselink      Legal Fees	\$ 5,432.94
1054	Montoya & Monzingo LLP      Accounting Fees	\$ 1,200.00
1055	Murfee Engineering Company      Engineering Fees	\$ 5,656.22
1056	Murfee Engineering Company      Engineering -Amenity	\$ 8,892.50
1057	Murfee Engineering Company      Engineering - Surplus	\$ 520.00
Transfer	Belvedere - Debt Service      Property Taxes	\$ 49.92
	Total Expenditures	\$ 21,751.58

ENDING GENERAL FUND CHECKING ACCOUNT BALANCE AS OF AUGUST 21, 2018 \$ 8,549.07

GENERAL FUND MONEY MARKET ACCOUNT - UNRESERVED	\$ 162,595.39
Transfer      Transfer to General Fund Checking	\$ (20,000.00)
Total Deposit	\$ (20,000.00)

ENDING GENERAL FUND - MONEY MARKET ACCOUNT - UNRESERVED \$ 142,595.39

TOTAL GENERAL FUND OPERATING CASH - UNRESERVED \$ 151,144.46

GENERAL FUND - MONEY MARKET ACCOUNT - OPERATING RESERVES \$ 480,000.00

TOTAL GENERAL FUND CASH BALANCE \$ 631,144.46

TOTAL CASH BALANCE - CAPITAL PROJECTS \$ 347,297.40

CASH BALANCE - DEBT SERVICE FUND	\$ 306,329.20
Deposits	
Property Taxes	\$ 49.92
Total Deposits:	\$ 49.92

ENDING CASH BALANCE - DEBT SERVICE FUND \$ 306,379.12

Belvedere Municipal Utility District  
Statement of Revenues and Expenditures Budget vs. Actual  
For the Year to Date Ended August 21, 2018  
Unaudited

	Year to Date Actual	Year to Date Budget	Year to Date Variance Favorable (Unfavorable)	2018 Annual Budget	2018 Annual Variance Favorable (Unfavorable)
<u>Revenues</u>					
Maintenance Taxes	\$ 338,364	\$ 299,434	\$ 38,930	\$ 326,655	\$ 11,709
Bond Proceeds	61,000	-	-	-	-
Interest Income	2,833	458	2,375	500	2,333
<b>Total Revenues</b>	<b>402,197</b>	<b>299,892</b>	<b>41,305</b>	<b>327,155</b>	<b>14,042</b>
<u>Expenditures</u>					
Solid Waste Disposal	39,797	38,000	(1,797)	38,000	(1,797)
Legal Fees	67,687	50,417	(17,270)	55,000	(12,687)
Audit Fees	7,500	8,500	1,000	8,500	1,000
Accounting Fees	13,200	13,200	-	14,400	1,200
Engineering Fees	29,650	16,500	(13,150)	18,000	(11,650)
Engineering Design	27,477	13,750	(13,727)	15,000	(12,477)
Landscaping	25,069	25,069	-	25,069	-
Amenity Center Operations & Maintenance	4,049	21,542	17,493	23,500	19,451
Maintenance	18,575	32,083	13,508	35,000	16,425
Insurance	2,558	1,833	(725)	2,000	(558)
Tax Appraisal and Collection Fees	2,946	3,667	721	4,000	1,054
Bank Charges	5	183	178	200	195
Other Fees	-	92	92	100	100
Newspaper notices	-	1,833.33	1,833	2,000	2,000
<b>Total Expenditures</b>	<b>238,513</b>	<b>226,669</b>	<b>(11,844)</b>	<b>240,769</b>	<b>2,256</b>
Projected Excess Revenue Over Expenditures	<u>\$ 163,684</u>	<u>\$ 28,796</u>	<u>\$ 134,888</u>	<u>\$ 86,386</u>	<u>\$ 77,298</u>

Audit Fees, Solid Waste Disposal and Landscaping year to date budget reflects the full yearly amount for each because they are totally billed

**Belvedere Municipal Utility District**  
**Balance Sheet**  
As of August 21, 2018

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	<u>Aug 21, 18</u>
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
CASH	
Money Market - ABC Bank	622,595.39
Checking Account - ABC Bank	8,549.07
Total CASH	<u>631,144.46</u>
Total Checking/Savings	631,144.46
Accounts Receivable	
Taxes Receivable	5,978.41
Total Accounts Receivable	<u>5,978.41</u>
Other Current Assets	
Due From Capital Projects	6,385.00
Prepaid Insurance	716.38
Total Other Current Assets	<u>7,101.38</u>
Total Current Assets	<u>644,224.25</u>
<b>TOTAL ASSETS</b>	<b><u>644,224.25</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Deferred Revenue	5,978.41
Total Other Current Liabilities	<u>5,978.41</u>
Total Current Liabilities	<u>5,978.41</u>
Total Liabilities	5,978.41
Equity	
Unassigned	474,561.35
Net Income	163,684.49
Total Equity	<u>638,245.84</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>644,224.25</u></b>

# Belvedere Municipal Utility District

## Profit & Loss

October 1, 2017 through August 21, 2018

	<u>Oct 1, '17 - Aug 21, 18</u>
Ordinary Income/Expense	
Income	
Interest Income	2,832.55
Income	
Property Taxes	<u>338,364.43</u>
Total Income	<u>338,364.43</u>
Total Income	341,196.98
Expense	
Maintenance & Repairs	18,575.00
Audit Fees	7,500.00
Bank Service Charges	5.00
Bookkeeping Fees	13,200.00
Engineering	
Engineering Design - Amenity	26,123.16
District Engineering	<u>31,003.69</u>
Total Engineering	57,126.85
Insurance	
Liability Insurance	<u>2,557.98</u>
Total Insurance	2,557.98
Legal Fees	
Legal Fees	<u>67,686.72</u>
Total Legal Fees	67,686.72
Maintenance of MUD Facilities	29,118.54
Collection and Appraisal Fees	2,945.62
Waste Disposal	<u>39,796.78</u>
Total Expense	<u>238,512.49</u>
Net Ordinary Income	102,684.49
Other Income/Expense	
Other Income	
Bond Proceeds	<u>61,000.00</u>
Total Other Income	<u>61,000.00</u>
Net Other Income	61,000.00
Net Income	<u><u>163,684.49</u></u>

**Belvedere MUD - Capital Projects Fund**  
**Balance Sheet**  
As of August 21, 2018

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	<u>Aug 21, 18</u>
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
Cash	347,297.40
Total Checking/Savings	347,297.40
Other Current Assets	
Prepaid Bond Expenses	6,385.00
Total Other Current Assets	6,385.00
Total Current Assets	353,682.40
<b>TOTAL ASSETS</b>	<b><u>353,682.40</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Due to Operating	6,385.00
Total Other Current Liabilities	6,385.00
Total Current Liabilities	6,385.00
Total Liabilities	6,385.00
Equity	
Restricted	92,182.54
Net Income	255,114.86
Total Equity	347,297.40
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>353,682.40</u></b>

**Belvedere MUD - Capital Projects Fund**

**Profit & Loss**

October 1, 2017 through August 21, 2018

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	<u>Oct 1, '17 - Aug 21, 18</u>
Ordinary Income/Expense	
Income	
Bond Proceeds	1,136,656.10
Total Income	<u>1,136,656.10</u>
Gross Profit	1,136,656.10
Expense	
Capital Outlay	769,517.00
Bond Expenses	116,354.30
Bank Service Charges	95.00
Total Expense	<u>885,966.30</u>
Net Ordinary Income	250,689.80
Other Income/Expense	
Other Income	
Interest Income	4,425.06
Total Other Income	<u>4,425.06</u>
Net Other Income	4,425.06
Net Income	<u><u>255,114.86</u></u>

**Belvedere MUD-Debt Service Fund**  
**Balance Sheet**  
As of August 21, 2018

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	<u>Aug 21, 18</u>
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
Cash	
MUD Debt Service Fund	<u>306,379.12</u>
Total Cash	<u>306,379.12</u>
Total Checking/Savings	<u>306,379.12</u>
Accounts Receivable	
Taxes Receivable	<u>7,527.23</u>
Total Accounts Receivable	<u>7,527.23</u>
Total Current Assets	<u>313,906.35</u>
<b>TOTAL ASSETS</b>	<b><u>313,906.35</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Deferred Revenue	<u>7,527.23</u>
Total Other Current Liabilities	<u>7,527.23</u>
Total Current Liabilities	<u>7,527.23</u>
Total Liabilities	<u>7,527.23</u>
Equity	
Restricted	359,111.02
Net Income	<u>-52,731.90</u>
Total Equity	<u>306,379.12</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>313,906.35</u></b>

Belvedere MUD-Debt Service Fund

Profit & Loss

October 1, 2017 through August 21, 2018

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	Oct 1, '17 - Aug 21, 18
Ordinary Income/Expense	
Income	
Tax Revenue	393,553.69
Total Income	393,553.69
Expense	
Bank Service Charges	117.00
Bond Principal	270,000.00
Interest Expense	177,490.73
Paying Agent Fee	1,200.00
Total Expense	448,807.73
Net Ordinary Income	-55,254.04
Other Income/Expense	
Other Income	
Interest Income	2,522.14
Total Other Income	2,522.14
Net Other Income	2,522.14
Net Income	-52,731.90

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# **EXHIBIT C**

Belvedere Municipal Utility District  
 General Operating Fund  
 Statement of Projected Revenues and Expenditures  
 Budget for the Fiscal Year October 1, 2017 to September 30, 2018

	<u>Amended Budget</u>	<u>Original Adopted Budget</u>
<u>Revenues</u>		
Maintenance Taxes	\$ 338,364	\$ 326,655
Interest Income	3,500	500
 Total Revenues	 <u>341,864</u>	 <u>327,155</u>
<u>Expenditures</u>		
Solid Waste Disposal	39,797	38,000
Legal Fees	78,000	55,000
Audit Fees	8,500	8,500
Accounting Fees	14,400	14,400
Engineering Fees	36,000	18,000
Engineering Design	33,000	15,000
Landscaping	25,069	25,069
Amenity Center Operations and Maintenance	23,500	23,500
Maintenance	35,000	35,000
Insurance	2,558	2,000
Tax Appraisal and Collection Fees	4,000	4,000
Bank Charges	200	200
Other fees	100	100
Newspaper notices	2,000	2,000
 Total Expenditures	 <u>302,124</u>	 <u>240,769</u>
 Projected Excess Revenue Over Expenditures	 <u>\$ 39,740</u>	 <u>\$ 86,386</u>

# **EXHIBIT D**

Belvedere Municipal Utility District  
 General Operating Fund  
 Statement of Projected Revenues and Expenditures  
 Budget for the Fiscal Year October 1, 2018 to September 30, 2019

Revenues

Maintenance Taxes	\$	338,345
Interest Income		2,000
		340,345

Expenditures

Solid Waste Disposal		45,000
Legal Fees		55,000
Audit Fees		8,500
Accounting Fees		14,400
Engineering Fees		18,000
Engineering Design		-
Amenity Center Operations and Maintenance		65,000
Drainage Maintenance		15,000
Insurance		4,000
Tax Appraisal and Collection Fees		5,000
Bank Charges		200
Other fees		100
Newspaper notices		2,000
Capital Projects		
Amenity Center Improvements - Engineering		25,000
Amenity Center Improvements - Consultants		20,000
Amenity Center Improvements - Construction		65,000
		342,200
Total Expenditures		342,200
Projected Excess (Deficit) Revenue Over (Under) Expenditures	\$	(1,855)

Belvedere Municipal Utility District  
Debt Service Fund  
Statement of Projected Revenues and Expenditures  
Budget for the Fiscal Year October 1, 2018 to September 30, 2019

Revenues

Property Taxes	<u>\$ 398,052</u>
Total Revenues	<u>398,052</u>

Expenditures

Principal	250,000
Interest	<u>188,681</u>
Total Expenditures	<u>438,681</u>
Projected Excess (Deficit) Revenue Over (Under) Expenditures	<u><u>\$ (40,629)</u></u>

Belvedere Municipal Utility District  
 Property Taxes for the Fiscal Year October 1, 2018 to September 30, 2019

Property Taxes		Debt	M & O
Taxable value	\$ 203,087,961		
Tax rate	0.37	0.20	0.17
Tax levy	\$ 751,425	\$ 406,176	\$ 345,250

98% collection rate

	Debt	M & O
	\$ 406,176	\$ 345,250
	0.98	0.98
<b>Estimated Collections</b>	<b>\$ 398,052</b>	<b>\$ 338,345</b>

1 cent of tax levy equals \$ 20,309

# **EXHIBIT E**

## NOTICE OF PUBLIC HEARING ON TAX RATE

The Belvedere Municipal Utility District will hold a public hearing on a proposed tax rate for the tax year 2018 on September 18, 2018 at 6:00 PM at The Belvedere Amenity Center located at 17400 Flagler Drive, Austin, Texas 78738. Your individual taxes may increase or decrease, depending on the change in taxable value of your property in relation to the change in the taxable value of all other property and the tax rate that is adopted.

**FOR** the proposal:

**AGAINST** the proposal:

**PRESENT** and not voting:

**ABSENT:**

The following table compares taxes on an average residence homestead in this taxing unit last year to taxes proposed on the average residence homestead this year.

	<b>Last Year</b>	<b>This Year</b>
Total Tax Rate (per \$100 value)	\$ 0.3700 /\$100 Adopted	\$ 0.3700 /\$100 Proposed
Difference in rates per \$100 of value		\$ -
Percentage increase/decrease in rates (+/-)		<u>0.0%</u>
Average appraised Value	<u>\$1,228,402</u>	<u>\$ 1,220,702</u>
General exemptions available (excluding senior citizen's or disabled person's exemptions)	\$ -	\$ -
Average taxable value	<u>\$1,228,402</u>	<u>\$ 1,220,702</u>
Tax on average residence homestead	<u>\$ 4,545.09</u>	<u>\$ 4,516.60</u>
Annual increase/decrease in taxes if proposed tax rate is adopted (+/-) and percentage of increase (+/-)		<u>\$ (28.49)</u> <u>-0.6%</u>

### NOTICE OF TAXPAYER'S RIGHT TO ROLLBACK ELECTION

If taxes on the average residence homestead increase by more than eight percent, the qualified voters of the district by petition may require that an election be held to determine whether to reduce the operation and maintenance tax rate to the rollback tax rate under Section 49.236(d), Water Code.

# **EXHIBIT F**

# WEST, DAVIS & COMPANY

A LIMITED LIABILITY PARTNERSHIP

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July 27, 2018

Board of Directors  
Belvedere Municipal Utility District  
c/o Stefanie Albright  
Lloyd, Gosselink Rochelle & Townsend  
816 Congress Ave., Suite 1900  
Austin, Texas 78701

We are pleased to confirm our understanding of the services we are to provide the Belvedere Municipal Utility District (the “District”) for the year ended September 30, 2018. We will audit the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, which collectively comprise the District’s basic financial statements, of the District as of and for the year ended September 30, 2018. Accounting standards generally accepted in the United States provide for certain required supplementary information (RSI), such as management’s discussion and analysis (MD&A), to accompany the District’s basic financial statements. As part of our engagement, we will apply certain limited procedures to the District’s RSI. These limited procedures will consist principally of inquiries of management regarding the methods of measurement and presentation, which management is responsible for affirming to us in its representation letter. Unless we encounter problems with the presentation of the RSI or with procedures relating to it, we will disclaim an opinion on it. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management’s Discussion and Analysis
2. General Fund Budget Comparison.

Supplementary information other than RSI also accompanies the District’s basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and will an opinion on it in relation to the basic financial statements:

1. TCEQ required schedules.

## **Audit Objective**

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the additional information referred to in the first paragraph when considered in relation to the basic financial statements taken as a whole. Our audit will be conducted in accordance with U.S. generally accepted auditing

standards and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. If our opinions on the financial statements are other than unqualified, we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

### **Management Responsibilities**

Management is responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District and the respective changes in financial position and, where applicable, cash flows in conformity with U.S. generally accepted accounting principles. Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. You are also responsible for management decisions and functions; for designating an individual with suitable skill, knowledge, or experience to oversee our financial statement preparation services and any other non-attest services we provide; and for evaluating the adequacy and results of those services and accepting responsibility for them.

Management is responsible for making all financial records and related information available to us. We understand that you will provide us with such information required for our audit and that you are responsible for the accuracy and completeness of that information. Management is responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the District involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud or illegal acts affecting the District received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the District complies with applicable laws and regulations and for taking timely and appropriate steps to remedy any fraud, illegal acts, or violations of contracts or grant agreements that we may report.

### **Audit Procedures—General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3)

misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity.

Because an audit is designed to provide reasonable, but not absolute, assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about the financial statements and related matters.

#### **Audit Procedures—Internal Control**

Our audit will include obtaining an understanding of the District and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with the District's internal control related matters that are required to be communicated under professional standards.

#### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with applicable laws and regulations and the provisions of contracts and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance, and we will not express such an opinion.

#### **Audit Administration, Fees, and Other**

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to

prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service provider.

We understand that your bookkeeper will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

We expect to begin our audit on approximately November 1, 2018 and to issue our report no later than December 31, 2018. Our fee for these services will be \$7,500. Our invoice for this fee will be rendered upon completion of our work and is payable on presentation. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If unexpected circumstances occur, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Rates for additional services rendered by Bob West are based on \$200 per hour for governmental engagements.

We appreciate the opportunity to be of service to the District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,



Bob West, CPA  
Partner

RESPONSE:

This letter correctly sets forth the understanding of Belvedere Municipal Utility District.

By: \_\_\_\_\_ Date: \_\_\_\_\_

Title: \_\_\_\_\_

# CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.  
 Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

**OFFICE USE ONLY  
 CERTIFICATION OF FILING**

Certificate Number:  
 2018-385521

Date Filed:  
 07/27/2018

Date Acknowledged:

**1 Name of business entity filing form, and the city, state and country of the business entity's place of business.**  
 West, Davis and Company  
 Austin, TX United States

**2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.**  
 Belvedere Municipal Utility District

**3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.**  
 WDB201803  
 AFS18

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary
	West, Bob	Austin, TX United States	X	
	Davis, Gary	Austin, TX United States	X	
	West, Rob	Austin, TX United States	X	

**5 Check only if there is NO Interested Party.**

**6 UNSWORN DECLARATION**

My name is Bob West, and my date of birth is 8/19/1947.

My address is 1617 University Club Dr. Austin, TX 78732 USA  
(street) (city) (state) (zip code) (country)

I declare under penalty of perjury that the foregoing is true and correct.

Executed in Travis County, State of Texas, on the 27 day of July, 2018  
(month) (year)



Signature of authorized agent of contracting business entity  
 (Declarant)

# **EXHIBIT G**

# **MURFEE ENGINEERING COMPANY, INC.**

Texas Registered Firm No. F-353  
1101 Capital of Texas Hwy., South, Bldg, D  
Austin, Texas 78746  
(512) 327-9204

## **M E M O R A N D U M**

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**DATE:** August 21<sup>st</sup>, 2018  
**TO:** **BOARD OF DIRECTORS – BELVEDERE MUD**  
**FROM:** Bryce Canady, P.E.  
**RE:** Engineer’s Report – August 2018  
**CC:** Stefanie Albright – Lloyd Gosselink  
David Malish, P.E. - MEC

**MEC File No.: 17031.10**

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### **Amenity Center Improvements**

Staking of proposed facilities was completed in the last week of July. The Arborist has been out to perform the preliminary assessment of the existing live oak cluster that may be impacted during construction of the amenity center storage building. A summary report with suggested pruning will follow. We are currently responding to TCESD #6 comments as required for the site plan approval. We intend to submit the response to comments letter to TCESD #6 in the next week. Once the approval is received from the ESD we can complete the RTC for engineering comments for the Travis County site plan approval. Generation of construction plans will commence once the site permit is approved by Travis County. A project timeline is attached. Please note that this timeline is based on approval of the site permit within the next month.

What does the HOA need from the MUD in order to move forward with review/approval of the proposed improvements (building & parking areas)?

### **Surplus Funds Application**

TCEQ approved the surplus funds application on 7/27/2018. A copy of the approval is attached.

### **Drainage Issues**

T-Bar M withdrew the previously approved proposals for drainage sites 1 – 3. We have obtained additional proposals from TexaScapes, Dig Dug, and JBS Underground (attached).

TexaScapes has indicated they will begin work on the culvert repairs throughout the District by the end of August.

Attached is a quote from Austin Wood Recycling for hauling off of the left over rocks and soil from the Flagler Drive drainage project. Note that the quote from JBS for drainage sites 1 – 3 included haul off of the material at a price of \$1,100.

**Future Trail Extensions**

Additional direction on the trail options presented last meeting.

**Additional Requests**

None.

Belvedere MUD  
Amenity Center  
Improvements

Task	Duration	August	September	October	November	December	January	February
Permit Processing	15 Days							
Draft Contract	15 Days							
Complete Plans & Specs	30 Days							
Advertisement/Bid	30 days							
Construction	90 days							

Bryan W. Shaw, Ph.D., P.E., *Chairman*  
Toby Baker, *Commissioner*  
Jon Niermann, *Commissioner*  
Stephanie Bergeron Perdue, *Interim Executive Director*



## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

July 27, 2018

Mr. Peter Golde, President  
Belvedere MUD  
c/o Lloyd Gosselink Rochelle and Townsend, PC  
816 Congress Avenue, Suite 1900  
Austin, Texas 78701-2478

Re: Belvedere Municipal Utility District of Travis County; Application for Approval to Use \$92,247 in Surplus Funds; \$1,000,000 Bond Issue Approved November 6, 2015  
TCEQ Internal Control No. D-05292018-041 (TC/FA)  
CN: 602863920 RN: 104670229

Dear Mr. Golde:

Belvedere Municipal Utility District of Travis County (District) has requested Texas Commission on Environmental Quality (TCEQ) approval for the use of \$92,247 in surplus funds to fund maintenance or repairs to existing District-owned drainage facilities (Project).

The District has provided a detailed explanation and justification for the use of surplus funds, and supporting documents.

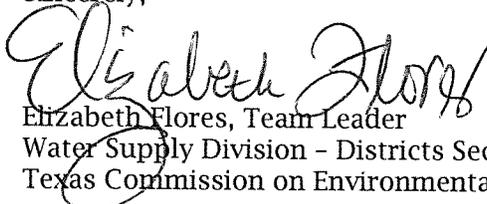
A letter from the District's bookkeeper indicates that the District has \$92,247 in surplus funds from its Series 2010, 2011, and 2016 bonds as of May 1, 2018.

### Approval

The application and supporting documents have been reviewed and appear to be in order. Therefore, on behalf of the Executive Director of the TCEQ, the District's request for approval to use \$92,247 in surplus funds for the Project is hereby approved.

If you have any questions, please contact Kyle Seger at (512) 239-5286 or by e-mail at <Kyle.Seger@tceq.texas.gov>.

Sincerely,

  
Elizabeth Flores, Team Leader  
Water Supply Division - Districts Section  
Texas Commission on Environmental Quality

EF/ks

cc: Ms. Stephanie Albright - Lloyd Gosselink Rochelle and Townsend, PC (via email)  
Mr. Bryce Canady, P.E. - Murfee Engineering Co. (via email)  
Mr. Garry Kimball - Specialized Public Finance, Inc. (via email)

# **EXHIBIT H**

**BID PROPOSAL**



14202 Fort Smith Trail; Austin, TX 78734

<http://jbsundergroundllc.com>

[jbsunderground@gmail.com](mailto:jbsunderground@gmail.com)

City of Austin Right of Way Contractor License 2018-063093 LC

Underground Fire Line Installers License: SCR-U-2203019, Byron Dupre RME-U-2203013

Texas Commission on Environmental Quality – OSSF I (Septic) Installer License: Byron Dupre OS0033375

**Bid Proposal Date: 8/7/2018**

**Project Name: Belvedere MUD 2018 Drainage Repair Project**

**Project Address:**

<b>Owners Information</b> Company Name: Belvedere MUD Contact Name: Address: Phone: Email:	<b>General Contractor</b> Firm Name: Contact Name: Address: Phone: Email:	<b>Engineer Information</b> Firm Name: Murfee Engineering Contact Name: Bryce Canady Address: Phone: Email:
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Item	Mobilization				
		1	EA	\$500.00	\$500.00
1	Site 1	1	LS	\$3,450.00	\$3,450.00
2	Site 2	1	LS	\$5,500.00	\$5,500.00
3	Site 3	1	LS	\$5,800.00	\$5,800.00
4	Temporary Irrigation at Site #2 Approx. 400' of Piping from Fire Hydrant Installation of Working System JBS to Supply, Install and Pickup Pipe and sprinklers after grass is established. (MUD is to supply meter, check and 2" valve at fire hydrant, MUD is to water grass.)	1	LS	\$500.00	\$500.00
5	Haul Off Excess Spoil and Rock Piles.	1	LS	\$1,100.00	\$1,100.00
<b>TOTAL: \$16,850.00</b>					

Proposal excludes unless noted: Initial Survey Control Points, Structural Excavation, Vapor Barriers, Gravel Drainage Layers, Hazardous Material Handling, Move or Remove Existing utilities, Barricades, Traffic Control, Car Stops, Signage, Striping, Other Contractor Disposal, Shoring, Bracing, Demolition of Structures, Lime Stabilization, Water to Restore Vegetation at site 1 and 3.

Proposal Terms & Conditions:

**Prices based on one mobilization if additional mobilization is required, a charge of \$500.00 will be applied per each mobilization. If Rock is encountered during excavation, a charge of \$1,350.00 day while excavating rock will be applied to cover extra equipment and labor & profit.**

Customer/Owner is responsible for protecting the work from tenants, customers and other work site activities. Any changes in the work not listed in the above proposal will be issued a change order prior to commencing with the additional work. Customer/Owner is responsible for clearing the work area of cars, trash, and other items inside the work zone prior to work commencing. This proposal is void if not signed and returned 30 days from proposal date.

Terms & Conditions:

All agreements must be made in writing. All permits and fees are excluded unless otherwise noted. JBS Underground LLC will carry General Liability and Auto Insurance and workers comp for labor provided in the performance of this contract. The amounts included in this estimate are based on information provided and are subject to change if new information is provided or differing site conditions are encountered. From time to time, the work performed in this quote requires different quantities or make and model of materials, the fees for these additional amounts of materials will be discussed and agreed to prior to commencement of work. All changes in the scope of the work must be agreed prior to the commencement of work. Fees for our services are due 30 days from the date of invoice. Payments should be remitted to JBS Underground. Interest shall accrue for all amounts past due at the rate of eighteen percent (18%) compound interest per annum or highest legal limit. The Contractor agrees to pay reasonable attorney fees, expert fees, all costs of court, and any other expenses incurred by JBS Underground in the collection of any sums due under the performance of this contract. The venue for any legal action under this contract shall be Travis County, Texas. The parties expressly agree to waive the right to a jury trial.

Payment Terms: Payment is due no later than 30 calendar days from invoice date.

By signing below, you have stated that the price and terms have been accepted and the work is authorized to begin

Customer Signature: \_\_\_\_\_ Title: \_\_\_\_\_

Company Name: \_\_\_\_\_ Date: \_\_\_\_\_

# **EXHIBIT I**

**RESOLUTION RATIFYING OFFICIAL INTENT TO REALLOCATE  
CERTAIN SURPLUS FUNDS**

**WHEREAS**, the Board of Directors (the "Board") of Belvedere Municipal Utility District, (the "District" or the "Issuer") expects to pay expenditures in connection with the projects described on Exhibit A attached hereto (collectively, the "Project") with certain surplus funds in the District's capital projects fund (the "Surplus Funds") from the issuance of the District's Unlimited Tax Bonds, Series 2010; Unlimited Tax Bonds, Series 2011; and Unlimited Tax Bonds, Series 2016 (collectively, the "Bonds") to finance the Projects, upon approval from the Texas Commission on Environmental Quality ("TCEQ"), as reflected in the minutes of the District's July 16, 2018 Board meeting; and

**WHEREAS**, prior to the TCEQ approval for the use of the Surplus Funds, the District expressed its intention, as reflected in the minutes of the District's July 16, 2018 Board meeting, to make certain urgent Project expenditures out of the District's general operating fund (the "General Fund Expenditures") and thereafter reallocate Surplus Funds to such General Fund Expenditures upon TCEQ approval; and

**WHEREAS**, the District finds, considers and declares that the reallocation of Surplus Funds to the payment of Project expenditures, including the General Fund Expenditures, is appropriate and consistent with the lawful objectives of the District and, as such, desires to ratify and further memorialize its declared intention, as reflected in the minutes of the District's July 16, 2018 Board meeting, to reallocate Surplus Funds from the issuance of the Bonds to Project Expenditures, including the General Fund Expenditures, upon approval from TCEQ.

**THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF BELVEDERE MUNICIPAL UTILITY DISTRICT:**

Section 1. The District hereby ratifies and further memorializes its declared intention, as reflected in the District's July 16, 2018 Board meeting, to reallocate Surplus Funds from the issuance of the Bonds to Project Expenditures, including the General Fund Expenditures, upon TCEQ approval.

Section 2. All costs to be reimbursed pursuant hereto will be capital expenditures.

**PASSED AND APPROVED THIS AUGUST 21, 2018.**

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President

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Secretary

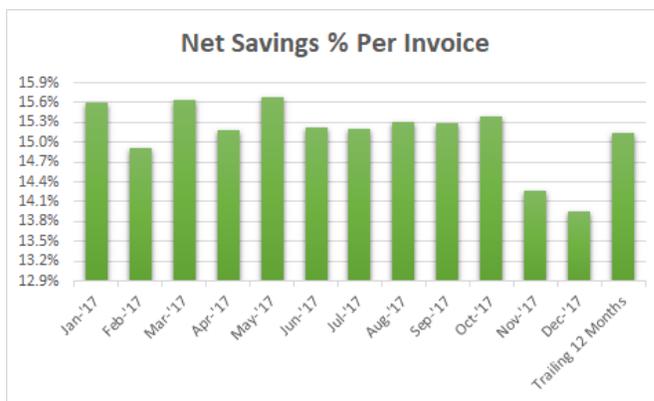
**EXHIBIT A**

Constructing, improving and/or extending the District's drainage system.

# **EXHIBIT J**

Refuse Specialists (RS) reduces the waste hauling expense for Associa Communities and ensures the bills are correct; every line of every bill, every month. Associa's risk free program through RS provides you with an off-site waste hauling and recycling department that pays for itself by saving money for the association!

**It is important to enroll now!**



Analyze: Refuse Specialists will analyze your current service levels



Negotiate: Refuse Specialists' national buying power and industry expertise will permanently drive down vendor prices.



Audit: Refuse Specialists' monthly invoice audits will ensure that your new lower prices stay low!



Manage: Refuse Specialists will manage your waste contracts, services and equipment.

RS acts as an extension of Associa to right-size your pricing, audit your bills monthly and create efficiencies in the logistics that result in savings.

**Our objective is to ensure your invoices and pricing are correct resulting in a gross reduction in your pricing by 30% or more.**

RS shares a common incentive, to reduce expenses and keep it that way; RS's reward is directly linked to your savings.

#### **4 Quick Steps to Enroll:**

1. Sign and date the Associa pre-approved One Page Agreement
2. Sign and date the Authorization Letter and include the community name in the first paragraph
3. Complete the Associa Community Info Sheet
4. Provide a copy of the association's most recent waste hauler invoice

Email the above documents to:

[associacostreduction@rs-llc.com](mailto:associacostreduction@rs-llc.com)

**Refuse Specialists charges no up front or ongoing fees but simply shares the savings created for Associa communities**

## Refuse Specialists Savings Case Study



The chart below includes savings negotiated life-to-date by Refuse Specialists (RS) for Associa Hill Country managed communities. The average net savings per community ranges from 7.27% to 29.92%. RS' software platform, ProRefuse™ audits every line of every hauler invoice to ensure billing accuracy and protect against unchecked price increases.

Properties	Old Cost	New Cost	RS Savings			Net Savings%	# of Inv Audited	# of Invoices w/ Errors	Errors Caught & Corrected
			Share	Total Cost	Net Sav\$				
<b>Grand Total</b>	<b>\$790,820.22</b>	<b>\$531,142.75</b>	<b>\$127,822.83</b>	<b>\$658,965.58</b>	<b>\$131,854.64</b>	<b>16.67%</b>	<b>627</b>	<b>92</b>	<b>\$9,969.59</b>

Properties	Old Cost	New Cost	RS Savings			Net Savings%	# of Inv Audited	# of Invoices w/ Errors	Errors Caught & Corrected
			Share	Total Cost	Net Sav\$				
Barton Creek Townhomes	\$21,486.02	\$12,493.27	\$4,496.46	\$16,989.73	\$4,496.29	20.93%	45	7	\$368.09
Cannon Prof. Park Cond. AAM - Inactive	\$5,130.89	\$2,984.82	\$1,066.81	\$4,051.63	\$1,079.26	21.03%	16	5	\$197.02
Coachlight Condos	\$70,001.63	\$57,631.56	\$6,093.93	\$63,725.49	\$6,276.14	8.97%	116	9	\$252.64
Cobra Studios Condominiums	\$14,219.61	\$8,852.45	\$2,683.66	\$11,536.11	\$2,683.50	18.87%	45	3	\$126.40
Habilidad Condos	\$24,160.47	\$12,770.16	\$5,541.65	\$18,311.81	\$5,848.66	24.21%	57	10	\$362.61
Jamestown Place Association, Inc.	\$90,083.20	\$36,286.03	\$26,840.42	\$63,126.45	\$26,956.75	29.92%	53	5	\$116.74
Park at Quail Creek, The	\$213,677.56	\$147,307.78	\$32,137.23	\$179,445.01	\$34,232.55	16.02%	53	17	\$2,124.05
Pecan Park - OT	\$112,767.13	\$73,979.30	\$19,248.12	\$93,227.42	\$19,539.71	17.33%	38	12	\$4,049.97
Silverado Condominiums	\$41,283.51	\$25,233.62	\$8,024.99	\$33,258.61	\$8,024.90	19.44%	16	6	\$1,321.83
Spectrum at Crystal Park	\$51,534.65	\$32,403.03	\$9,437.62	\$41,840.65	\$9,694.00	18.81%	60	11	\$273.09
Westbank Condos	\$15,671.76	\$13,391.62	\$1,140.12	\$14,531.74	\$1,140.02	7.27%	58	1	\$6.60
Westland Office Park	\$6,453.58	\$3,746.08	\$968.17	\$4,714.25	\$1,739.33	26.95%	12	6	\$770.55
Westview on Lake Austin HOA	\$124,350.21	\$104,063.03	\$10,143.65	\$114,206.68	\$10,143.53	8.16%	58	0	\$0.00
<b>Grand Total</b>	<b>\$790,820.22</b>	<b>\$531,142.75</b>	<b>\$127,822.83</b>	<b>\$658,965.58</b>	<b>\$131,854.64</b>	<b>16.67%</b>	<b>627</b>	<b>92</b>	<b>\$9,969.59</b>

# Agreement

1. In consideration for receiving waste and recycling support services, the undersigned, ("CLIENT"), agrees to hire Refuse Specialists ("RS") as CLIENT'S sole and exclusive independent contractor to reduce expense and improve solid waste management, recycling services and any other waste related services (the "Agreement").
2. RS services will include but are not limited to the following; Review current pricing, services and equipment to potentially reduce costs, facilitate contracts with qualified vendors for waste removal and recycling services, receive, audit and dispatch invoices to CLIENT, provide customer support services and provision of reporting.
3. CLIENT shall fully cooperate with RS in completing any forms and providing required information in a timely manner. All information received and the terms of this Agreement will be held completely confidential by both parties and neither party shall record or publicize this Agreement.
4. CLIENT agrees to pay RS fifty percent (50%) of all overcharges which occurred prior to this Agreement and result in a refunds and/or credits secured on CLIENT'S behalf during the term of this Agreement. A credit is the same as a refund. Payment shall be due within ten (10) days from the date the credit first appears on CLIENT'S billing, or upon receipt of a refund.
5. The duration of this Agreement begins on the date executed by CLIENT and continues for sixty (60) months unless renewed per item 10 (the "Term").
6. If RS affects any reduction in CLIENT'S future waste management expenses or billings, during the term of this Agreement or any renewal periods, CLIENT agrees to pay RS fifty percent (50%) of all future billing reductions for a period of sixty (60) months (and ANY renewal contracts with the haulers) beginning the month when CLIENT first realized such savings with the haulers and payable within ten (10) days from receipt of the invoice. Fees due RS are calculated using the most recent billing statement prior to RS renegotiation. The payment period will continue without interruption regardless if CLIENT terminates this Agreement.
7. In the event no reduction in pricing is secured by RS, upon the mutual consent of both parties, the hauler account can be included in the RS program for an invoice processing fee of \$50 per invoice.
8. Hauler agreements may include a provision allowing for annual increases of up to but not more than 5% of the total monthly invoice. Fees due RS will not be affected by waste hauler annual increases of up to but not more than 5% of the total monthly invoice unless the increases are due to compliance with the law.
9. CLIENT acknowledges that RS will be negotiating, in good faith, new rates and terms in their interest and such rates and terms are time sensitive. CLIENT agrees to accept or decline terms of proposed vendor, service level and/or equipment changes as presented within five (5) business days. In the event rates are reduced with same service levels and vendor, CLIENT agrees to execute the vendor agreement within five (5) business days from receipt of notification from RS. In the event there are no changes other than the pricing and the CLIENT does not execute the hauler contract, the savings share continues to be due to RS under the terms of this Agreement for the duration of the term defined in the hauler agreement or sixty (60) months whichever is greater.
10. At the expiration of the initial Term, this Agreement shall automatically renew for the same terms and conditions for a period of twelve (12) months, unless indicated otherwise in writing signed by CLIENT hereto and delivered sixty (60) days prior to the expiration of the term of this Agreement. The consideration for the automatic twelve (12) month renewal are the additional services provided by RS, including but not limited to; invoice auditing, data collection, bill processing, client portal access, ongoing rate reduction, hauler contract monitoring, etc.
11. CLIENT is prohibited from negotiating with the suppliers and/or any other third party to achieve a reduction in costs, rates and/or fees in solid waste management and recycling expenses. CLIENT agrees to refer any third party and/or supplier to RS should CLIENT be contacted for the purpose of reduction in costs, rates and/or fees in solid waste management and recycling expenses.
12. The parties agree that upon full execution of this Agreement, the Parties respective obligations cannot be cancelled, terminated, suspended revoked or annulled unless there is written mutual consent terminating this Agreement. Effective upon CLIENT's signature to this Agreement, irrespective of whether or not CLIENT negotiates its own waste hauling and/or recycling contract without RS' consent or involvement, CLIENT agrees that it remains bound to all terms of this Agreement.
13. Should CLIENT engage waste hauling or recycling services with any waste hauling and/or recycling vendor ("hauler") for locations covered under this Agreement, after the date this Agreement is signed by CLIENT, then CLIENT agrees to tender a copy of any writing with the hauler to RS within five (5) business days of execution and to immediately change the billing address as specified by RS. RS will be paid 50% of billing reductions realized by the CLIENT as a result of CLIENT's agreement with a waste hauler per paragraph 6 or \$50.00 per invoice audited by RS, whichever is greater, for the duration of the agreement signed with the hauler.
14. A material breach of this Agreement is defined as, but is not limited to, when CLIENT terminates or suspends performance before the Term expires.
15. Except as otherwise provided herein, all other terms and provisions of the Agreement shall remain in full force and effect, and any modification must be submitted in writing and approved by all parties to this Agreement.
16. If any provision of this Agreement shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application shall not be affected thereby and shall be enforced to the greatest extent permitted by law.
17. In the event any claim or dispute arises between the parties which dispute arises under, relates to or affects this Agreement, including without limitation the validity, applicability or enforcement of this Agreement, then such claim or dispute shall be settled exclusively by arbitration in accordance with the rules and procedures of the California Arbitration Act as embodied in California Code of Civil Procedure Section 1280 *et seq.*, by a Retired Judge in Los Angeles County, California. The decision of said arbitration shall be final, binding and conclusive on the parties and may be enforced in any court of competent jurisdiction. The prevailing party in said proceeding shall be entitled to recover its reasonable attorney's fees and costs and such other incidental and consequential damages which may be awarded in the same action.
18. This Agreement is governed by the laws of the State of California.
19. **In the event the gross reduction is less than 10% of the invoice in the month prior to negotiation, the property can be removed from the program immediately upon notification by CLIENT or RS.**

REFUSE SPECIALISTS, LLC

CLIENT Name: \_\_\_\_\_

By: \_\_\_\_\_

CLIENT Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Date \_\_\_\_\_

Name: Marc Savas

Contact Name: \_\_\_\_\_

Title: President

Title: \_\_\_\_\_ Phone: \_\_\_\_\_

Email: \_\_\_\_\_

# AUTHORIZATION LETTER

VIA: CERTIFIED MAIL

\_\_\_\_\_  
Date

This letter shall serve to inform you that \_\_\_\_\_ (the "Association") has contracted personnel at Refuse Specialists LLC. ("RS") to act as the Association's exclusive designated representative(s) to manage the solid waste and recycling programs at the Association's service locations (the "Authorization Letter"). The staff allocated to the Association by Refuse Specialists are the only authorized contacts for all properties and all contracts at those service locations specified in the ensuing list (if no list is contained within, then all properties owned and managed are included) for the following purposes:

1. Conduct an inventory of non-hazardous waste material generated at or in the Association's facilities;
2. Review current and proposed contracts and agreements ("Hauler Contracts") by and between haulers or transporters of waste materials (the "Haulers") and the Association;
3. Review fee schedules and other remuneration provisions contained in the Hauler Contracts;
4. Negotiate Hauler Contracts for all service locations included;
5. Send all notices including but not limited to terminations, amendments and/or renewals of existing Hauler Contracts;
6. Receive invoices from Haulers;
7. Investigate and analyze invoice or payment disputes between the Association and Haulers;
8. Monitor compliance by Haulers with the terms of the Hauler Contracts;
9. Handle ALL requests for the Association;

**No contracts signed by any other party other than the staff designated at RS after the delivery of this Authorization Letter will be honored at any time by the Association. Any Hauler contracts signed by unauthorized parties after receipt of this this Authorization Letter will be considered null and void. In the event any attempt is made to sign any additional contracts, other than the Hauler contract currently in effect, after receipt of this Authorization Letter, it will be considered interference with the Association's existing contract with RS and appropriate action will be taken by RS on the Association's behalf.**

Please email RS a copy of any existing service agreement/contract with terms & conditions to the Association's designated contact as detailed below.;

## Designated Contact Information

Email: [dc@refusespecialists.com](mailto:dc@refusespecialists.com)

**UPON REQUEST, UPDATE THE BILLING ADDRESS AS DIRECTED BY RS;** After notification by Refuse Specialists, it will be necessary for you to make these changes within ten (10) business days for the included service locations.

PLEASE NOTE: This Authorization Letter also serves as official notification that the Association will not renew any existing service agreements or contracts between the Association and your organization when the current terms of all agreements expire. Therefore, these agreements will terminate upon expiration of the term thereof. If you continue to perform services for any Association location after expiration of the applicable written agreement for such location and before execution of a new written agreement, such services shall be on a month to month basis and either you or the Association may terminate such services at any time thereafter on thirty (30) days prior written notice.

Your cooperation with the designated personnel at RS will demonstrate your willingness and desire to continue your business relationship with the Association. We appreciate your cooperation with RS and look forward to continuing our business relationship. If you have any questions or concerns, please contact Refuse Specialists at 805-482-5895.

Respectfully,

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Corporate Phone Number

\_\_\_\_\_  
Corporate Address

# **EXHIBIT K**

QUARTERLY MAINTENANCE AGREEMENT DUE FROM MUD TO HOA  
Q2 - EXAMPLE

Account #	Expense	April 2018	May 2018	June 2018	Quarter Total	%	Due from MUD
6000	Electric Service	616	1,717	1,294	3,627	33.0%	1,197
6025	Water Service	852	1,028	910	2,790	33.0%	921
6050	Telephone Service	638	370	637	1,645	66.0%	1,086
6430	Amenity Center Cleaning	575	460	460	1,495	100.0%	1,495
6795	Amenity Center Supplies	-	425	375	800	100.0%	800
6600	Common Area Maintenance	1,292	1,962	957 (1)	4,211	33.0%	1,390
6100	Landscape Contract	-	-	-	-	28.5%	-
6110	Landscape Improvements	-	-	-	-	28.5%	-
		3,973	5,963	4,632	14,568		6,888

(1) Painting of AC for \$4,050 was backed out of this #. MUD pays HOA full amount in July.