

MINUTES OF SPECIAL MEETING
OF
BOARD OF DIRECTORS

THE STATE OF TEXAS	§
	§
COUNTY OF TRAVIS	§
	§
BELVEDERE MUNICIPAL UTILITY DISTRICT	§

On November 28, 2023, the Board of Directors (“Board”) of Belvedere Municipal Utility District (the “District”) held a special meeting within the boundaries of the District at the Belvedere Amenity Center, 17400 Flagler Drive, Austin, Texas. A copy of the notice of meeting along with associated certificates of posting are attached hereto as **Exhibit “A”**.

The roll was called of the members of the Board, to-wit:

James Koerner	President
Ronald Ubertini	Vice President
Kim Clifford	Secretary
Keri Parker	Assistant Secretary
Vito Sciaraffia	Assistant Secretary

At the beginning of the meeting, all of the Directors were present, except for Keri Parker and Vito Sciaraffia, thus constituting a quorum of the Board. All Directors who attended voted on all Items that came before the Board. Other attendees included Keith Milkiewicz and Lee Blanton with the Belvedere Homeowners Association (HOA), Megan Noris and Odalys Johnson with Quiddity Engineering, Breck Harrison with Jackson & Walker, L.L.P. and Lynn Sherman as well as members of the public that signed in as Rick Zerby, Geoff Webster, Bred & Michelle Estrin, Barbara & Ray McLaughlin, Rick Augustine, Sharon & Jeff West, Mitt Salvaggio, Nieves Alfaro, Jeff Churba, Mark Chester, Chris Grafft, Fred Dinger, Don South, Jennifer Richter, Rick Hitz,

1. Call meeting to order and establish a quorum. Director Koerner called the meeting to order at 6:00 p.m. He announced that all Directors were present except for Director Parker and Director Sciaraffia, and therefore a quorum of the Board was in attendance. Director Parker joined the meeting at 6:03 p.m. and Director Sciaraffia joined the meeting at 6:05 p.m.
2. Discuss, consider, and take action to approve minutes for the November 14, 2023 regular meeting. Director Koerner introduced this item, and a copy of the draft meeting minutes are attached hereto as **Exhibit “B”**. Ron Ubertini moved to accept the November 14, 2023 regular meeting minutes, as presented. Director Sciaraffia seconded the Motion and it was passed unanimously, 5-0. The Board then moved to Item 3 on the Agenda.
3. Discuss, consider, and take action as necessary concerning payment of invoices. Director Koerner introduced this item. He provided the report from the District Bookkeeper and Finance Committee, a copy of which is attached hereto as **Exhibit “C”**. He noted that it included only 2 items, an invoice from Quiddity Engineering and an invoice from Eric Storm, who the Litigation Subcommittee had engage to help analyze the validity of claims that might

be filed against the Preservation Ranch Developer and the West Travis County PUA. Mr. Koerner advised the Board that Mr. Storm's representation had been concluded and that the District was bearing 100% of these costs, which totaled \$1912.50. Director Ubertini moved to approve the disbursements as listed in the report and to accept the report, as presented. Director Parker seconded the Motion and the Motion passed unanimously, 5-0. The Board then moved to Item 5 on the Agenda.

4. Discuss, consider, and take action as necessary regarding Preservation Ranch Development, including, but not limited to, construction activities within the District and potential litigation.

Director Koerner introduced this item which was taken out of sequence as the first item to be discussed. He introduced each of the Board members as well as the District's engineers. He then introduced Breck Harrison, a litigation attorney with Jackson & Walker, L.L.P., who the Litigation Subcommittee had retained in conjunction with the HOA to initiate litigation against the Preservation Ranch Developer and the West Travis County Public Utility Agency ("PUA"). He provided some brief information about Mr. Harrison and then allowed Mr. Harrison to say a few words. Mr. Koerner then advised that the Litigation Subcommittee had also retained Lynn Sherman, a water attorney familiar with water delivery in the Hamilton Pool Road/Hwy 71 area, to assist with the litigation. Mr. Sherman was not in attendance at this moment but he arrived at 6:15 p.m. Director Koerner then recapped the background of the Preservation Ranch dispute and the actions approved by the Board at its meeting on November 14, 2023, including the formation of the Litigation Subcommittee. Mr. Koerner then advised that, based on positive assessments by counsel and in conjunction with the Belvedere HOA, the District filed a Petition and an Application for a Temporary Restraining Order ("TRO") and Temporary and Permanent Injunctions on November 27, 2023, against PRLT Partners, LLC (the Preservation Ranch Developer) and the PUA. He indicated that at the time of the meeting a hearing before the Court on the TRO had been scheduled for Thursday, November 29, 2023. Before adjourning to executive session, Director Koerner called for public comments and questions:

- a. Nieves Alfaro: Mr. Alfaro inquired whether any additional information had been received from the Preservation Ranch Developer or the PUA. Director Koerner advised that no additional information had been received.
- b. Jeff West: Mr. West inquired as to how long it would take to have this resolved. Mr. Harrison advised that a ruling on the TRO should be received very quickly and would be effective for up to 2 weeks at which time a more formal Preliminary Injunction Hearing with evidence and witnesses would be held. At the Preliminary Injunction hearing the court would be asked to extend the TRO until final resolution of the matter. He indicated that a typical lawsuit takes 1 – 1 ½ years if a summary judgement can be obtained so there is no need for a trial.
- c. Rick Hitz: Mr. Hitz asked Mr. Harrison for his expectation of getting a TRO in light of the high burden for obtaining such extraordinary relief. Mr. Harrison acknowledged the high standard but indicated that he felt that it was the proper course to seek such relief. He indicated that even if the court denied the TRO, that did not mean that the District's underlying claims were not good.
- d. Jennifer Richter: Ms. Richter inquired as to how the contractors gained access to Lot

61. She also expressed concern about the history of no water and low water pressure already in Belvedere and wanted to know what the impact of the connection to the Belvedere water system would be. Director Koerner indicated that the contractors accessed Lot 61 through Preservation Ranch's fence at the back of Lot 61 and by using Belvedere's roads. He then advised that the impact of this connection to the Belvedere water system is information that has been sought since members of the Board first became aware of this project in late October and that no such information has been provided to date.

- e. Jeff Churba: Mr. Churba inquired whether there was anyone with an interest in Preservation Ranch in attendance. Director Koerner advised that the meeting was open to the public so that this was a possibility. He reminded those in attendance that all strategy discussion with litigation counsel would take place in executive session, which was closed to the public.
- f. Barbara McLaughlin: Ms. McLaughlin provided information regarding the existing infrastructure in Preservation Ranch. She inquired regarding the nature of the water uses for the 33 Living Unit Equivalents ("LUE's") intended for the connection to the Belvedere water system. Mr. Sherman advised that LUE's refer to in-home use and would not be for fire hydrants only. Director Koerner noted that the unexecuted agreement between the Preservation Ranch Developer and the PUA that he has reviewed indicates that the water is not to be used for irrigation.
- g. Geoff Webster: Mr. Webster inquired what happens if no TRO is granted as they will likely finish the project in the near future. He also inquired as to whether law enforcement should be contacted regarding criminal trespass. Mr. Harrison advised that the lack of a TRO and completion of the water connection would not extinguish the District and the HOA's claims for damages and wrongful conduct. Mr. Harrison declined to comment on the inquiry regarding criminal trespass as he practices civil (not criminal) law. Director Clifford reminded Mr. Webster that the Preservation Ranch Developer is claiming a right to be on the property and to use the roads based on the public utility easements on Lot 61 and the roads.
- h. Fred Dinger: Mr. Dinger inquired about the water pipe connection. Director Koerner indicated that the plan is to connect a 12" water line to the District's 8" water line beneath Flagler Road adjacent to Lot 61.
- i. Mitt Salvaggio: Mr. Salvaggio expressed concerns of damage from wild hogs due to the fence being down on Lot 61. Mr. Milkiewicz advised that the HOA had been told by Preservation Ranch's attorney that cameras had been installed and were being monitored for wildlife activity while the fence is down.
- j. Barbara McLaughlin: Ms. Laughlin next inquired about the history of the PUA's water service in the area. Mr. Sherman advised until the last 5-6 years the PUA's service area was set and it declined to take on new retail customers. He stated that increased demand and lawsuits brought a change to the PUA's course of conduct as it


contracted for more water from the Lower Colorado River Authority. He reminded everyone that all of this water comes from Lake Travis. Mr. Sherman opined that, based on his experience, it is unique for a developer to come through an existing subdivision for a water connection.

- k. Chris Grafft: Mr. Grafft commented that he thought it curious that Preservation Ranch is accessed through Madrone Ranch as it is not “land locked”.
- l. Rick Hitz: Mr. Hitz asked whether a complaint should be filed with the Texas Public Utility Commission. Mr. Sherman advised that the Texas Public Utility Commission would not have jurisdiction over this matter.
- m. Nieves Alfaro: Mr. Alfaro raised concerns about the validity of any study done by the PUA of impact of this connection on Belvedere due to the time that has passed since any such studies were completed.
- n. Rick Zerby: Mr. Zerby expressed a concern about connecting a 12” line to an 8” line and whether the pressure issues would ultimately lead the PUA to need to increase the size of the pipes in the Belvedere water system, which would require taking up many of the streets.

Director Koerner then asked if there were any other questions or comments. There were no additional questions or comments. The Board then moved to Item 2 of the Agenda.

- 5. The Board will meet in executive session to receive advice from its attorneys regarding Preservation Ranch Development, including but not limited to, construction activities within the District and potential litigation, in accordance with Texas Government Code § 551.071. Director Koerner introduced this Item, along with Item 4, and recommended that the Board go into executive session to discuss Item 4 under the consultation with attorney exception in Texas Government Code § 551.071. Director Ubertini moved that the Board go into executive session at 6:48 p.m. to discuss Item 4. Director Clifford seconded the Motion and the Motion passed unanimously, 5-0. At 7:36 p.m., Director Clifford moved to come out of executive session. Director Ubertini seconded the Motion and the Motion passed unanimously, 5-0. Director Koerner announced that no action was taken in executive session. The Board then took up Item 6.
- 6. Adjournment. Director Clifford moved to adjourn the meeting. Director Ubertini seconded the Motion and the Motion passed unanimously, 5-0. The meeting was adjourned at 7:40 p.m.

PASSED, APPROVED, AND ADOPTED this 1st day of December, 2023.



Kim Clifford, Secretary

[DISTRICT SEAL]

**CERTIFICATE OF POSTING
BELVEDERE MUNICIPAL UTILITY DISTRICT
NOTICE OF BOARD MEETING
November 28, 2023**

THE STATE OF TEXAS

§

COUNTY OF TRAVIS

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I, Kim Clifford, hereby certify that on November 22, 2023, I posted the attached notice of public meeting of the Board of Directors of Belvedere Municipal Utility District at the following time and at the following location:

(1) at approximately 12:50 PM, at the posting board/sign located by the mailboxes near the Belvedere Amenity Center, within the boundaries of the District.

I understand that the notice was posted in order to comply with the provisions of the Open Meeting Laws, (Chapter 551, Texas Government Code and § 49.063 Texas Water Code) and that the Board of Directors of the District will rely on this certificate in determining whether the provisions of the Open Meeting Laws have been satisfied.

Dated this 22nd day of November, 2023.



Kim Clifford

STAYS IN FILE



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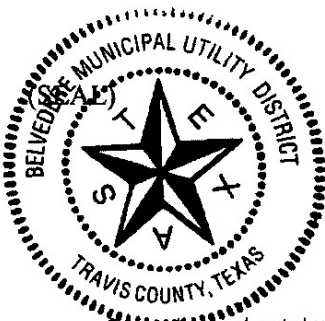
BELVEDERE MUNICIPAL UTILITY DISTRICT
NOTICE OF SPECIAL MEETING

TO: THE BOARD OF DIRECTORS OF BELVEDERE MUNICIPAL UTILITY DISTRICT
AND TO ALL OTHER INTERESTED PERSONS:

Notice is hereby given pursuant to Texas Government Code, Chapter 551, that the Board of Directors of Belvedere Municipal Utility District of Travis County will hold a special meeting, open to the public, on November 28, 2023 at 6:00 p.m., within the boundaries of the District, at The Belvedere Amenity Center, 17400 Flagler Drive, Austin, Texas, for the following purposes:

1. Call meeting to order and establish a quorum.
2. Discuss, consider, and take action to approve minutes for the November 14, 2023 regular meeting.
3. Discuss, consider, and take action as necessary concerning payment of invoices.
4. Discuss, consider, and take action as necessary regarding Preservation Ranch Development, including, but not limited to, construction activities within the District and potential litigation.
5. The Board will meet in executive session to receive advice from its attorneys regarding Preservation Ranch Development, including but not limited to, construction activities within the District and potential litigation, in accordance with Texas Government Code § 551.071.
6. Adjournment.

EXECUTED this the 22nd day of November 2023.



D. J. [Signature]

Attorney for the District

Came to hand and posted on a Bulletin Board in the
County Recording Office, Austin, Travis County, Texas on this the
22 day of November 2023
Dyana Limon-Mercado
County Clerk, Travis County, Texas

By Yesenia E. [Signature] Deputy

8720263

YESENIA E.



FILED AND RECORDED
OFFICIAL PUBLIC RECORDS



Dyana Limon-Mercado [Signature]
Dyana Limon-Mercado, County Clerk
Travis County, Texas

202381551

Nov 22, 2023 10:26 AM

Fee: \$3.00

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MINUTES OF MEETING
OF
BOARD OF DIRECTORS

THE STATE OF TEXAS §
COUNTY OF TRAVIS §
BELVEDERE MUNICIPAL UTILITY DISTRICT §

On November 14, 2023, the Board of Directors (“Board”) of Belvedere Municipal Utility District (the “District”) held a regular meeting within the boundaries of the District at the Belvedere Amenity Center, 17400 Flagler Drive, Austin, Texas 78738. A copy of the notice of meeting along with associated certificates of posting are attached hereto as **Exhibit “A”**.

The roll was called of the members of the Board, to-wit:

James Koerner	President
Ronald Ubertini	Vice President
Kim Clifford	Secretary
Keri Parker	Assistant Secretary
Vito Sciaraffia	Assistant Secretary

At the beginning of the meeting, all of the Directors were present except for Director Sciaraffia, who arrived later, which was sufficient at all times to constitute a quorum of the Board. All Directors who attended voted on all Items that came before the Board. Other attendees included Odalys Johnson, P.E., Client Manager, and Meagan Norris, P.E. with Quiddity Engineering; David Klein, Attorney, and Sage Billiot, Paralegal, with Lloyd Gosselink Rochelle & Townsend, P.C. (“Lloyd Gosselink”); Keith Milkiewicz, Lee Blanton, and Scarlette Sobera, with the Belvedere Homeowners Association (“HOA”); and the following individuals: Chris and Heather Loeper, Nieves Alfaro, Geoff Webster, Brad Estrin, Chris Grafft, Don South, Sharon West, Steve Kay, Ray McLaughlin, Mike Hurst, Bill and Kathy Pollard, Tara Zerby, Keith Kuckler, Michael Jewell, Elie El Hoge, Sherri Hopson, Michael Laosa, Barbara McLaughlin, Lauren Brunner, and Paul Millsap.

1. Call meeting to order and establish a quorum. Director Koerner called the meeting to order at 6:00 p.m. He announced that all Directors were present except for Directors Sciaraffia and therefore a quorum of the Board was in attendance.
2. Discuss, consider, and take action as necessary regarding Preservation Ranch Development, including but not limited to, construction activities within the District. Director Koerner introduced this item. He began by giving a brief description of the purpose of the District and introduced the members of the Board to the general public. Then, he provided the following explanation of his understanding of the current activities occurring within the District regarding the Preservation Ranch Development:

There are construction activities occurring on Lot 61 of the Belvedere Development, an open lot owned by the HOA that is encumbered by several easements including a public utility

easement. Specifically, the developer of the Preservation Ranch Development is in the process of disrupting the lot to construct and install a water line to connect the Preservation Ranch Development water system to Belvedere's water system, so that water can be transported and delivered to this new development. It was his initial understanding that representatives from the West Travis County Public Utility Agency ("WTCPUA") and Preservation Ranch would be present at the meeting to address any comments, questions or concerns; but ultimately, none of the representatives of those entities were present at this meeting.

Again, Lot 61 is a lot owned by the HOA that backs up to a ranch, formerly known as Preservation Ranch, and that land was sold to developers in late 2022. As construction plans were made and approved by Travis County and WTCPUA last year, the developer maintains that it was given permission to enter the Belvedere community through Lot 61 and connect to Belvedere's water system on the other side of Flagler Drive. Members of Board were unaware and received no notice of the construction until after the construction activities commenced. Since then, members of the Board have reached out to the developer in an attempt to gauge the effect that this will have on the District's water service in the short and long term, but they have not received any meaningful information.

Director Koerner then read the following email exchange between him and the Developer detailing the construction timeline and scope:

"Installation of approximately 540 linear feet of 12-inch, ductile iron pipe waterline in Belvedere Phase 2 Lot 61 and Flagler Driver. The waterline will tie into the existing 8" waterline located within Flagler Drive. The waterline will be installed within a trench that is approximately 30 inches wide and a minimum cover 48 inches from finished grade to top of waterline will be provided. The existing pavement within Flagler Drive will be sawcut in a straight line approximately 12 inches wider than the trench. After such waterline installation is completed, the trench will be backfilled and compacted to City of Austin specifications and the pavement section within Flagler Drive will be repaired to the City of Austin specifications. Approximately 85 linear feet of waterline will be bored under the waterway within Lot 61 to minimize disturbance within the waterway buffer zone."

As to timing, the 26-day schedule for the line work is as follows:

"Project Schedule

Proposed State Date: Wednesday November 8

Clearing - 2 days

Bore Pit - 3 days

Bore - 2 weeks

Waterline install & tie in - 1 week (Existing Waterline will be shut off for approximately 5 hours for tie-in)

Pour back concrete channel - 3 days

Backfill cleanup/Revegetation -3 days"

The existing water line in the District that the Preservation Ranch Developer plans to connect with is owned by the District, but such infrastructure is currently subject to a lease

agreement between the District and the WTCPUA. The District does not maintain or operate the waterline.

Director Koerner then mentioned that there may be a conflict of interest that the Board will discuss in its executive session, pertaining to its current legal counsel, since Lloyd Gosselink is the counsel for both the District and the WTCPUA.

Mr. Klein clarified that the water service agreement was created on or around 2006 and that such agreement was between the Belvedere developer, District, and Lower Colorado River Authority (“LCRA”). He added that in 2016, after the WTCPUA acquired the LCRA system, an amended and restated lease agreement was executed. Next, Mr. Klein additional background regarding the purposes of the District, noting that the District has the power to regulate water, wastewater, drainage, recreational facilities, and municipal solid waste issues within the District’s boundaries, and that the District does not have the power to regulate development in general. The Board then took up Item 3.

After Item 10, the Board returned to this Item.

Director Koerner proposed that the Board retain alternate outside counsel to gather information with regards to whether the District’s rights were infringed with the connection of a water line to the existing Belvedere water system. Mr. Klein added that if there was litigation with the WTCPUA, then he had a conflict of interest and would recuse himself from representing the District. Director Koerner recommended that the District establish a subcommittee of two Directors (“Litigation Subcommittee”) to address such issues and to call for special meetings to give updates to the entire Board and community. Additional discussion ensued that the scope of the authority granted to the Litigation Subcommittee should also include what steps could be taken to halt the construction work, if any. Director Clifford opined that the scope of authority of the subcommittee should also include the ability to take actions based on the information obtained from counsel. The Board agreed. Mr. Milkiewicz asked for the Board to move swiftly given the short period of time. The Board agreed. Director Ubertini suggested that the Subcommittee have frequent special Board meetings to update the entire Board and public.

Director Ubertini moved to establish a Legal Subcommittee, consisting of Directors Koerner and Clifford to address and take actions concerning legal issues regarding the Preservation Ranch Development and a water line interconnection by that Developer to the District’s water system. Director Parker seconded the Motion and the Motion passed unanimously, 5-0.

Then, Director Ubertini moved to authorize the Litigation Subcommittee to (i) interview, select, and retain alternate legal counsel to represent the District with respect to issues pertaining to the Preservation Ranch Development and a water line interconnection by that Developer to the District’s water system and (ii) take any and all steps necessary (a) to determine whether the water line connection is allowed under the lease between the PUA, (b) to determine the impacts of such Development and water line on the District’s water system,(c) to halt or delay construction activities within the District relating to such water

line and (d) to schedule special Board meetings to keep the full Board and the community up to date on these issues. Director Parker seconded the Motion and the Motion passed unanimously, 5-0. The Board then took up Item 12. Director Koerner asked for direction as to whether or not he should continue to try to interact with the WTCPUA. The Board felt that the Directors' energy should be focused on letting legal counsel make those communications.

3. Receive public comments.

After Director Koerner's brief description of what the Board knew about the Preservation Ranch Development, he opened the floor to comments from the general public. The following public comments were provided:

- a. Lee Blanton: Mr. Blanton indicated that after speaking to a representative of the Developer, it was his understanding that the developer's plan was to run the water line through the District and connect it to Madrone Ranch, a neighborhood adjacent to Belvedere, so that the new water line will be providing service to both Preservation Ranch and Madrone Ranch. Mr. Blanton then gave a presentation to the Board, consisting of pictures depicting the construction activities that have occurred at this point. Mr. Klein added that he spoke to the attorney for the Developer and that such attorney had also indicated that the intent of the water connection is to loop the water line between the Belvedere, Madrone Ranch, and Preservation Ranch Developments. He deferred to the District's engineers to clarify the logistics of the water line loop.
- b. Keith Milkiewicz: Mr. Milkiewicz introduced himself as the President of the HOA and stated that he had been in constant and open communication with Director Koerner and the Developer in an attempt to get more information on the Preservation Ranch Development. He noted that he did not have anything further to add to the remarks from Director Koerner but he confirmed that Flagler Drive and Lot 61 were both properties of the HOA and that there is a public utility easement over such Lot. He mentioned that he had spoken to the attorney for the HOA, who confirmed that the public utility easement exists and that it grants authority to a public utility to make utility improvements within that area. Mr. Milkiewicz stated that in his opinion if the HOA were to take the Preservation Ranch Development to court, then the court might allow the Developer to build as long as there is permission from Travis County because the HOA is not a party to the lease agreement between the MUD and WTCPUA.

Keith urged the District to enforce the lease and prevent others from accessing it. The lease was for internal facilities to the WTCPUA and required the WTCPUA to provide retail water services solely to the Belvedere community, and providing service to any other land would be a violation of the lease agreement. He added that the HOA asks the District Board immediately to enforce the terms of the lease agreement and prohibit the water infrastructure from being accessed by any other land outside of the District.

He then expressed concerns (i) that the legal counsel's historic representation of both the District and the WTCPUA has caused delays in action and could be a conflict of interest, (ii) the WTCPUA has hired alternative counsel claiming "conflict", (iii) since the same firm is representing both entities, the Board should consider engaging

alternative counsel as well in this matter.

Mr. Milkiewicz closed his remarks noting that there is nothing preventing the District from taking action to protect its water infrastructure and enforcing the lease, and he requested that the Board immediately request a temporary or permanent injunction against Preservation Ranch and a lawsuit to enforce the lease.

- c. Nieves Alfaro: Mr. Alfaro introduced himself as a District resident who lives on Lot 62, adjacent to the construction area. He explained that a contractor knocked on his door and explained the construction that would be happening in Lot 61. He immediately reported it to Scarlett Sobera, the HOA Property Manager. He made a request that the Board or the HOA request the impact modeling for such construction. He expressed concerns due to the drought this summer, and how those conditions have affected the validity of such modeling. He also noted safety concerns with the open ditch.

He also reported that the Developers are not following the construction rules that have been adopted by the District, specifically pertaining to the time of day that they are doing their construction. He reported that the developers had been working at 6:00am and did not have the proper coverage for the holes and trenches that they have dug thus far.

- d. Elie El Hoge: Mr. El Hoge introduced himself as a Belvedere resident. He expressed concerns about the noise that the construction is causing, safety concerns pertaining to the 10-foot hole that has been left exposed, and the effect on water pressure within the District with installation of the new line. He stated that construction activities had been going on from 6:00am-6:00pm. Mr. El Hoge also noted that while he had spoken to the construction workers about their hours of operation, advising them that they had to stop per the City ordinance, no changes had been made. He also mentioned that the developers had removed 3 tagged oak trees.
- e. Geoff Webster: Mr. Webster introduced himself as a District resident. He expressed safety concerns with the 10-foot-deep hole that was exposed and suggested that OSHA get involved to enforce and resolve the safety issues. He also asked the Board if there had been a tap fee assessed and whether the developer had paid the associated tap fee to the District.
- f. Chris Loeper: Mr. Loeper introduced himself as an HOA Board member. He asked that the record reflect that he fully supports all legal costs that would be associated with blocking the construction activities, both with from the HOA and the District.
- g. Brad Estrin: Mr. Estrin, a District resident, inquired about why the WTCPUA and Preservation Ranch representatives did not show up to the meeting. Director Koerner clarified that though the General Manager of the WTCPUA, Jennifer Riechers, had previously indicated that she would be at the meeting, she later advised him that she would not be at the meeting until the WTCPUA had retained new counsel. Director Koerner added that the developer representatives had previously said that they wanted to attend, but they had changed their mind about being at the meeting in person; and that the representatives had told him that if there were any specific questions or comments that they felt the Developer needed to address, then the District should send

over those questions to them.

- h. Sherry Hopson: Ms. Hopson is an HOA Board member and wanted to voice her support and agreement with Mr. Milkiewicz and Mr. Loeper, and she offered to provide the name of the HOA President of Madrone Ranch to the Board.
 - i. Nieves Alfaro: Mr. Alfaro made additional comments wanting to know if there was something that could be done immediately regarding the safety concerns that he previously mentioned concerning the 10-foot deep hole, and then mentioned that a tall, large, game fence that borders the property had been broken and cut by the people completing the construction. He expressed concerns about wildlife, like hogs and deer, easily making their way through the cut fence and potentially harming property within the District.
 - j. Michael Laosa: Mr. Laosa, a District resident, inquired as to why does the HOA feel that it does not have any authority to enforce the terms of the lease. Mr. Laosa reiterated that there is a desire to keep the integrity of the community and that the community is willing to do whatever is necessary to keep that integrity, including a temporary restraining order or temporary injunction, whichever is quicker. He also reminded the Board that there was a WTCPUA board member Involved with the Hayes-Harris Tract development discussed at a recent HOA meeting.
 - k. Barbara McLaughlin: Ms. McLaughlin, a District resident, confirmed that there was a member from the WTCPUA board that was involved in the Hamilton Oaks Development and that she had had a conversation with him regarding the past objections from the community regarding the expansion of developments in the area. She mentioned that she had gone through the WTCPUA minutes from the last couple of years.
4. Discuss, consider, and take action to approve minutes for the September 19, 2023 regular meeting and September 27, 2023 special meeting of the Board of Directors. Director Koerner introduced this Item, and a copy of the draft meeting minutes are attached hereto as **Exhibit “B”**. Director Clifford moved to accept the September 19, 2023 regular meeting minutes and the September 27, 2023 special meeting minutes, as presented. Director Ubertini seconded the motion and it was passed unanimously, 4-0. The Board then took up Item No. 8A.
5. Discuss, consider, and take action as necessary concerning report from the District’s Bookkeeper and Finance Committee, including:
 - a. Payment and ratification of invoices;
 - b. Coordination on bookkeeping matters;
 - c. TexPool investments; and
 - d. Reimbursement of costs to Belvedere HOA (HOA) pursuant to the Joint Use and Maintenance Agreement.

Director Koerner introduced the Item. Director Ubertini provided the report from the District’s Bookkeeper and Finance Committee, a copy of which is attached hereto as **Exhibit “C”**. He highlighted the invoices that had been paid and need to be paid, as well

as the transfer of \$55,000 from the District's money market to the checking account for the payment of such bills.

Director Clifford asked for detail regarding the Austin American Statesman fee on the Lloyd Gosselink invoice, inquiring as to whether this fee was for one or two publications, and whether any of the publications were credited by the newspaper for failing to publish one of the two notices. Mr. Klein responded that he would look into that question further and respond, and he added that it was his understanding that the newspaper would not charge the District for publication that was never published due to an error by the *Lake Travis View*. Director Koerner moved to (i) approve the transfer of money from the money market account to the checking account, (ii) approve the disbursements as listed in the report, as presented, and (iii) accept the report, as presented. Director Clifford seconded the Motion and the Motion passed unanimously, 5-0.

Director Koerner presented the Investment Report, also attached in **Exhibit "D"**. Director Clifford moved to accept the Investment Report, as presented. Director Ubertini seconded the Motion and the Motion passed unanimously, 5-0. The Board then took up Item 6.

6. Discuss, consider, and take action regarding report from the District liaison to the HOA and from the HOA liaison to the District, including but not limited to, potential emergency connection to Hays-Harris Tract. Director Koerner introduced this Item. Director Koerner indicated that, as the liaison for the MUD, he had nothing to report at this time. Director Clifford then requested if there was an update from the HOA regarding the Hays-Harris Tract, since the need for District involvement in this matter was left unresolved at the last meeting. Mr. Milkiewicz reported that the HOA conducted a special meeting to discuss this request for an emergency access road easement for the Hamilton Oaks development and the HOA decided to deny such request. No action was taken, and the Board then took up Item 7.
7. Discuss, consider, and take action regarding adoption of District Drainage System Issue Resolution Guidelines. Director Koerner introduced this Item. Director Clifford provided the update, stating that the Engineering Subcommittee had been working on preparing a final draft of these Guidelines in conjunction with the District's Engineers at Quiddity. To that end, the Subcommittee had received a memo from Quiddity, which recommended that the District reconsider adopting the Guidelines and instead modify the District's Drainage System Rules to avoid the potential for confusion of having two documents. Discussion ensued on whether there needed to be changes to the Rules. Director Clifford agreed to take the subject to the Engineering Subcommittee to recommend the next steps for this matter. No action was taken, and the Board then took up Item 8.
8. Discuss, consider, and take action regarding regulation, improvement, maintenance, and repair of existing and future assets owned or maintained by the District, including, but not limited to:

- a. Report from the District's Engineer;

Director Koerner introduced this Item, as it pertains to 8305 Verde Mesa Cove. Ms. Johnson, P.E., reported that there have been additional issues with runoff from driveways during rain events upon 8305 Verde Mesa Cove. Ms. Johnson, P.E. added that from the pictures and videos she received, it appears that the runoff is coming directly from the surrounding properties, not the ditches. Accordingly, Ms.

Johnson, P.E., said that it was her opinion that the runoff/flooding is a homeowner issue, not a District issue. Director Clifford agreed, based upon the District's policy and she reminded Mr. Millsap that the drainage system rules for the District provide that the lot owner is responsible for ensuring rainwater and irrigation runoff is directed to appropriate drainage areas to eliminate the impact of the runoff of neighboring lots.

Mr. Millsap indicated that he is concerned about water eventually getting into his house.

Mr. Millsap asked Ms. Johnson, P.E. if this was a problem that her firm had seen before and if there was anything that they could do about the problem. Ms. Johnson, P.E. reminded Mr. Millsap that she represents the District and recommended that he seek outside engineering firms to address this issue. After further discussion, Director Clifford reiterated that this is a landowner/landowner issue, and that the District will not be taking any further action on the topic. Director Sciaraffia arrived during this discussion.

No action was taken on the issue. The Board then returned to Item 5.

After completion of Item 7, the Board returned to this Item. Ms. Johnson, P.E. presented her engineer's report, a copy of which is attached hereto as **Exhibit "E"**. Before starting such report, however, Ms. Johnson, P.E., noted that she would be transitioning from her role as the District's engineer and that Ms. Norris, P.E., would be assuming this role. The Board thanked Ms. Johnson, P.E. for her services to the District. Then, Ms. Johnson, P.E. began her report, flagging the Flagler Road culvert/ditch issue and seeking Board verification as to the status of this project. Director Clifford reminded the Directors that the Board did not add any money to the budget for upgrades to the culverts on Flagler Road ditch as there were Directors not in attendance at that meeting and the issue was viewed as important enough to have all Directors input. Director Koerner opined that the decision had already been made, and there was no budget for it. Director Clifford indicated that she disagreed (i) as to whether a final decision had been made about whether to proceed with the project and (ii) with the lack of funding for this project. No action was taken.

b. Vegetated filter strip inspections;

Ms. Norris, P.E. began this portion of the Engineer's Report by stating that she had reached out to Dan Ryan, the District's initial engineer, to get some history related to the implementation and maintenance of vegetated filter strips within the District. She reported that there is a deed restriction that is listed on the plat, and within that deed restriction there is a statement that all water quality protection features, including any vegetative filter strips, buffer zone greenbelt areas, and other impervious cover facilities shall be maintained for water quality protection and shall not be altered, damaged, or covered. Discussion ensued that the vegetative filter strips were not shown on the plat, but they were shown on the construction plans. Ms. Norris, P.E. made several recommendations regarding consultation with

legal counsel. After further discussion, Director Sciaraffia moved to table this topic until a future meeting. Director Ubertini seconded the Motion and the Motion passed unanimously, 5-0.

c. Notice of Violation concerning culvert/ditch work on property at 8316 Verde Mesa;

The Engineering Subcommittee had sent a note to the homeowner at 8316 Verde Mesa because such owner had installed rocks and plants in the ditch without District approval and the slope of the ditch (either due to improper grading or placement of the culvert) was impairing the proper flow of rainwater. Ms. Norris, P.E. added that it appeared that there had been some progress in correcting the slope of the ditch problem, but that such corrections may not be finished yet. Director Clifford stated that she spoke with the builder's representative regarding this issue and that the builder said that (i) they had completed all of the corrective actions that they were responsible for as regards the slope of the ditch and (ii) the rest of what needs to be done in terms of the rocks and the plants is a homeowner responsibility. Discussion ensued as to how to proceed regarding the other violations that have not been addressed. Mr. Klein stated that he would need to review the District's policy to determine what the next enforcement steps could be. Director Koerner moved to instruct legal counsel to make such assessment and send a letter to the homeowner. Director Ubertini seconded the Motion and the Motion passed unanimously, 5-0.

d. Update on culvert/ditch work along 8708 Springdale Ridge;

Director Clifford opened the conversation by stating that the oblong culvert pipe that the builder installed on the property had been approved by Quiddity after and it was determined that the shape of the pipe would not affect its capacity. But there were other new issues regarding the rocks in the ditch and the slope and depth of the ditch. Director Clifford added that she had communicated to the builder that he needed to send a written request to the District for a review of the rocks in the ditch in accordance with the District's rules. Director Clifford then advised that this builder had experienced difficulties in communication with the District. Director Clifford advised that her test of the functionality of the District's email address as reflected on the District's website ended in the same inability to communicate. Mr. Klein responded that they would assess and fix that functionality. No action was taken.

e. Playground maintenance work update; and

Director Clifford updated the Board that the delivery of the new playground equipment has been delayed but it is expected to be delivered by the end of the month at which time installation can be scheduled. No action was taken.

f. Trail maintenance.

The Board discussed whether any specific resident concerns had been received about the condition of the trails. No one had received any information in this regard. No action was taken.

Director Koerner mentioned a request from a homeowner about whether cleaning debris from the ditches is a District or homeowner responsibility. After discussion, the Board determined that the homeowner is responsible for making sure that the rainwater or

irrigation runoff is directed to the appropriate draining areas, therefore, it is the homeowner's responsibility to clean out the ditches on their property. The Board then took up Item 10.

9. The Board will meet in executive session to receive advice from its attorneys regarding Preservation Ranch Development, including but not limited to, construction activities within the District, in accordance with Texas Government Code § 551.071. Director Koerner introduced this Item, along with Item 11. and recommended that the Board go into executive session to discuss Items 9 and 11 under the consultation with attorney exception in Texas Government Code § 551.071. Director Koerner moved that the Board go into executive session at 7:47 pm to discuss Items 9 and 11. Director Sciaraffia seconded the Motion and the Motion passed unanimously, 5-0. At 8:39 p.m., Director Clifford moved to come out of executive session. Director Ubertini seconded the Motion and the Motion passed unanimously, 5-0. Director Koerner announced that no action was taken in executive session. The Board then took up Item 10.
10. Discuss, consider, and take action regarding per- and polyfluoroalkyl substances (PFAS) and litigation concerning the same. Director Koerner introduced this Item. Mr. Klein offered a brief statement noting that there are two national, class action lawsuits regarding PFAS, and he recommended that the Board discuss this Item in executive session before taking any action. The Board then took up Item 9 and 11, collectively.

After coming out of executive session, Director Clifford moved that the District opt out of the national class action litigation settlement with 3M and DuPont, to preserve its rights to make claims regarding PFAS (defined in Item 11) issues in the future, if and when it is necessary to do so. Director Sciaraffia seconded the Motion and the Motion passed unanimously, 5-0. The Board then returned to Item 2.

11. The Board will meet in executive session to receive advice from its attorneys regarding per- and polyfluoroalkyl substances (PFAS) and litigation concerning the same, in accordance with Texas Government Code § 551.071. This Item was taken up with Item 9.
12. Discuss, consider, and take action on future meeting schedule. It was the consensus of the Board to target holding a special meeting on November 28, 2023 at 6:00 p.m., at the Belvedere Amenity Center, 17400 Flagler Drive, Austin, Texas 78738, subject to possible cancelation by the Litigation Subcommittee as provided for in Item 2 .
13. Adjournment. Director Parker moved to adjourn the meeting. Director Clifford seconded the Motion and the Motion passed unanimously, 5-0. The meeting was adjourned at 9:01 p.m.

PASSED, APPROVED, AND ADOPTED this _____.

[DISTRICT SEAL]

Kim Clifford, Secretary

**BELVEDERE MUD
SCHEDULE OF CASH ACTIVITY
GENERAL FUND
MEETING DATE: NOVEMBER 28, 2023**

GENERAL FUND CHECKING ACCOUNT BALANCE **\$ 21,257.80**

Revenue:

Deposit Date	Description	Amount
	Transfer from Money Market	\$ -
Total Deposits:		\$ -

Expenditures:

Check Number	Description	Amount
1478	The Storm Law Firm PLLC Legal Fees	\$ 1,912.50
1479	Quiddity Engineering, LLC Engineering Fees	\$ 2,863.75
Total Expenditures:		\$ (4,776.25)

ENDING BALANCE - GENERAL FUND CHECKING AS OF NOVEMBER 28, 2023 **\$ 16,481.55**

CASH BALANCE - GENERAL FUND - MONEY MARKET ACCOUNT - UNRESERVED **\$ 5,830.63**

CASH BALANCE - GENERAL FUND - TEXPOOL **\$ 329,021.54**

TOTAL GENERAL FUND OPERATING CASH **\$ 351,333.72**

The operating reserves are one to two times operating budget.

CASH BALANCE - DEBT SERVICE FUND - MONEY MARKET **\$ 53,063.94**

CASH BALANCE - DEBT SERVICE - TEXPOOL **\$ 185,013.15**

TOTAL CASH BALANCE - DEBT SERVICE **\$ 238,077.09**

Belvedere Municipal Utility District
Statement of Revenues and Expenditures Budget vs. Actual
For the Year to Date Ended November 28, 2023
Unaudited

	Year to Date Actual	Year to Date Budget	Year to Date Variance Favorable (Unfavorable)	2024 Annual Budget	2024 Annual Variance Favorable (Unfavorable)
<u>Revenues</u>					
Maintenance Taxes	\$ -	\$ 23,567	\$ (23,567)	\$ 282,923	\$ (282,923)
Interest Income	1,752	833	919	10,000	(8,248)
Total Revenues	1,752	24,400	(22,648)	292,923	(291,171)
<u>Expenditures</u>					
Solid Waste Disposal	14,583	14,250	(333)	57,000	42,417
Legal Fees	1,912	3,332	1,420	40,000	38,088
Audit Fees	-	625	625	7,500	7,500
Accounting Fees	2,400	2,400	0	14,400	12,000
Engineering Fees	2,864	2,499	(365)	30,000	27,136
Amenity Center Operations	6,412	7,081	669	85,000	78,588
Drainage and Trail Maintenance	2,044	3,332	1,288	40,000	37,956
Playscape Repairs and Maintenance	-	833	833	10,000	10,000
Insurance	1,701	417	(1,285)	5,000	3,299
Tax Appraisal and Collection Fees	-	500	500	6,000	6,000
Bank Charges	-	17	17	200	200
Other Fees	-	8	8	100	100
Newspaper notices	-	167	167	2,000	2,000
Website	-	42	42	500	500
Total Expenditures	31,916	35,502	3,586	297,700	265,284
Projected Excess Revenue Over Expenditures	\$ (30,164)	\$ (11,101)	\$ (19,063)	\$ (4,777)	\$ (25,387)

STORM

THE STORM LAW FIRM PLLC

The Storm Law Firm PLLC

15511 Hwy 71 W, Suite 110-400
Austin, TX 78738
United States

INVOICE

Invoice # 1650
Date: 11/17/2023
Due Upon Receipt

Jim Koerner

1121

Belvedere Municipal Utility District claims against WTCPUA seeking Temporary Restraining Order and Application for TRO for Trespass and Breach of Amended and Restated Water facilities Lease and Services Agreement

Date	Attorney	Description	Quantity	Rate	Total
11/16/2023	EBS	Telephone call with Jim Koerner from Belvedere MUD and Kim Clifford of Belvedere HOA regarding matter facts and need for Temporary Restraining Order and/or Temporary and Permanent Injunction.	0.30	\$375.00	\$112.50
11/17/2023	EBS	Legal research regarding injunctive relief under Tort Claims Act and common law Trespass. Telephone calls with Jim Koerner, Kim Klifford, and Counsel for the Belvedere HOA. Begin drafting Plaintiffs' Original Petition, Application for Temporary Restraining Order, and Application for Injunctive relief.	4.80	\$375.00	\$1,800.00
				Subtotal	\$1,912.50
				Total	\$1,912.50

Detailed Statement of Account

Current Invoice

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
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1650	11/17/2023	\$1,912.50	\$0.00	\$1,912.50
			Outstanding Balance	\$1,912.50
			Total Amount Outstanding	\$1,912.50

Thank you for the opportunity to work with you on this matter. Please make all amounts payable to: The Storm Law Firm PLLC

Payment is due upon receipt.



QUIDDITY

Invoice Total \$2,863.75

Invoice #: ARIV1009003
Invoice date: 11/16/2023
Project Number: 16654-0900-23

Belvedere Municipal Utility District
Jeff Monzingo
c/o Montoya & Monzingo
203 N. Railroad Avenue
Pflugerville, TX 78660

PLEASE NOTE OUR REMIT INFO	
REMIT ADDRESS:	ACH INFORMATION:
Quiddity Engineering, LLC P.O. Box 664080 Dallas, TX 75266-4080	Truist Bank Account #: 76722129 Routing #: 021052053
Please send remittance advice to: AccountsReceivable@Quiddity.com	
Payment Terms: Due upon Receipt	

For professional services from 30-Sep-2023 through 27-Oct-2023

16654-0900-23 2023 General Consultation (Belvedere MUD)

16654-0900-23.001 - District Operations

Role	Hours	Rate	Amount
Admin II	0.25	95.00	23.75
Design Engineer II	1.25	145.00	181.25
Professional Engineer III	2.75	225.00	618.75
Professional Engineer IV	8.00	255.00	2,040.00
Subtotal	12.25		2,863.75
		Invoice subtotal	2,863.75
		Total	<u>2,863.75</u>

Services Include: Storm Water Quality research and letter preparation; coordination with engineering subcommittee and district's attorney regarding storm water quality letter; review of easement for service request; and coordination with engineering subcommittee members regarding the draft drainage guidelines document.

Outstanding invoices

Invoice	Date	Balance
ARIV1007123	10/19/2023	10,388.75