

**MINUTES OF A MEETING
OF THE BOARD OF DIRECTORS
OF TRAVIS COUNTY WATER CONTROL
AND IMPROVEMENT DISTRICT #18**

STATE OF TEXAS

COUNTY OF TRAVIS

A meeting of the Board of Directors of Travis County Water Control and Improvement District #18, open to the public, was held on Monday, February 11, 2013 at the District office, 1502 San Juan Drive, Austin, Texas. Notice of the time, place and subjects of the meeting was posted.

The roll was called of the Board of Directors, to wit:

Marcia Hyink	President
Buzz Buck	Vice President
Kim Kaufman	Secretary
Paul Despres	Assistant Secretary
Bob Breihan	Director

Directors Hyink, Buck, Despres and Breihan were present, thus constituting a quorum.

Also present at the meeting were Mr. Anthony Corbett of Freeman and Corbett, Mr. Brent Reeh of Aqua Texas, Ms. Jerri Strain and David Ripley of Aqua Texas.

President Hyink called the meeting to order at 7:30 p.m.

The first item to come before the Board was agenda item No. 3, "Discuss and take any necessary action regarding the Aqua Texas contract for services with Travis County WCID No. 18." Mr. Brent Reeh of Aqua Texas was in attendance to follow up with a letter from Aqua Texas management with limited explanation of the increase for services provided to Travis County WCID No. 18, the fee increase was from the current rate of \$14,250.00 to \$18,030.00 per month. Further discussion took place which included the following:

- President Hyink asked Mr. Reeh if any other information was going to be given to the Board at this time and Mr. Reeh responded by saying the letter was the only information he was instructed to give at this time;

- President Hyink spoke that the Board has no idea if this is a fair price and if what is done is fair;
- Mr. Corbett spoke about costs and how they can be spread across if there were more contracts within Aqua Texas and that the Board has every right to ask what the increase in charges and the Board has a right to look at other management companies and inquire for a proposal for services;
- The Board would like to come up with a new contract and if the new fees are approved then it would give the Board time to review the contract;
- Mr. Reeh was asked what would happen if the fee is not approved and he responded by stating that Aqua Texas would give their 60 days notice at that time;
- Two options were presented, approve the increase and pay the new fee or deny the increase then the 60 day notice will be given and other management companies will need to be contacted; and
- President Hyink was upset that the contract was not signed and it has affected the trust in Aqua Texas, she feels that management does not care.

Pursuant to discussion, President Hyink motioned for the Board to approve the new monthly fee proposed by Aqua Texas, Inc. with the contract to be reworked and in agreement with both parties. Vice President Buck seconded the motion with all approving. Mr. Corbett suggested to solicit for proposals for services to see if the fee increase is a fair amount.

The next item to come before the Board was agenda item No. 1, "Approve January 14, 2013 meeting minutes." Pursuant to discussion, Vice President Buck made a motion to approve the January 14, 2013 meeting minutes. President Hyink seconded the motion with all approving.

The next item to come before the Board was agenda item No. 4, "Discuss and take any necessary action regarding the capacity rating and membrane failures and any other items that involve the Pall Corporation and Travis County WCID No. 18." This item was tabled.

The next item to come before the Board was agenda item No. 5, "Discuss and take any necessary action supporting the appeal to the City of Austin with the West Travis County PUA." This item was tabled until the next meeting.

The next item to come before the Board was agenda item No. 12, "Receive Managers Report." Mr. David Ripley presented the Managers Report to include:

- One district leak during the month of January 2013; and
- Water Plant and Filter Module Status.

The next item to come before the Board was agenda item No. 14, "Approve payment of bills and invoices relating to operational expenses." Pursuant to a review of the checks and discussion, President Hyink motioned that the District approve checks #12714

through #12728 for payment in the amount of \$71,451.26. Vice President Buck seconded the motion with all approving.

Mrs. Jerri Strain presented the District Financial Report, discussing the cash report, construction funds, bond funds, and actual expenditures versus budgeted expenditures.

Vice President Buck motioned for adjournment at 9:15 pm. Director Breihan seconded the motion with all approving.

Secretary, Travis County WCID No. 18