

MINUTES OF THE MEETING
OF THE
BOARD OF DIRECTORS

THE STATE OF TEXAS §
COUNTY OF HAYS §
HAYS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2 §

The Board of Directors (the “Board”) of Hays County Water Control and Improvement District No. 2 (sometimes referred to herein as the “District”) met in special session, open to the public, at 151 Trinity Hills Drive, Austin, Texas, its meeting place outside the boundaries of the District on February 4, 2019 and the roll was called of the members of the Board of Directors, (herein referred to as the “Board”) to-wit:

Royce Wachsmann	President
Samantha E. Bethke	Vice President
Sean McGillicuddy	Secretary
William Carroll Kelly IV	Treasurer/Asst. Secretary
Bill Harris	Asst. Secretary

All members of the Board as listed above were present at the commencement of the meeting with the exception of Sean McGillicuddy. All directors present voted on all such items. Also present were Matt Kutac of the law offices of Matthew B. Kutac, PLLC, Judy McAngus, paralegal with Winstead PC, Chris Lane with SAMCO Capital Markets, Inc. (“SAMCO”), the District’s financial advisor, Kristi Hester and Lisa Adkins of Inframark, the District’s general management and operations contractor, Lauren Barzilla with CMA Engineering, Inc. (“CMA”), engineers for the District, and Jimmy Romell of Maxwell Locke & Ritter LLP (“MLR”), auditor for the District.

The meeting was called to order, and evidence was presented that public notice of such meeting had been given as required by law.

1. The Board first called for public communications and comments. There being none, the Board moved on to the next agenda item.

2. The Board recognized Jimmy Rommel of MLR who confirmed that the Directors had received draft copies of the Financial Statements and Supplemental Information for the year ended September 30, 2018 and Independent Auditors Report (“Financial Statements”). Mr. Romell reviewed such materials in detail with the Board, along with accompanying correspondence directed to the Board. Mr. Rommel noted that the audit was a clean audit. He confirmed there were no new auditing standards imposed in the past year and reviewed the footnotes and relevant portions of the audit in detail with the Board. Following a full review of such materials and motion by Director Wachsmann, seconded by Director Harris and unanimously carried, the Board approved such

Financial Statements and Supplemental Information and Independent Auditors' Report and accompanying management report as presented with minor revisions as suggested by counsel to the District and to be confirmed by MLR, acknowledged receipt of the management representation letter utilized in the preparation of such reports, and authorized the filing of the final report with the TCEQ and with Alan Petrov of Johnson Petrov LLP, disclosure counsel for the District, for filing with the Municipal Securities Rulemaking Board, through its Electronic Municipal Market Access ("EMMA") system. In addition, Judy McAngus noted that in compliance with recent legislation, she would also be uploading and filing the final audit on the State Comptroller's website. Additionally with respect to the Board's existing policy relating to postings on the joint District and Hays County Water Control and Improvement District No. 1 ("HCWCID No. 1") website, Ms. McAngus noted that Inframark would need to post the final audit on the website.

3. With regard to the Kubota bid for the WWTP membrane replacement project, Matt Kutac noted that Kubota had approved the requested changes to the proposed warranty language. Also, he confirmed that Robby Callegari with CMA had issued a Notice to Proceed with regard to the project. He further noted that Mr. Callegari is continuing to work with Kubota on the cost of the proposed new bar screens with any changes related to the bar screen proposal to be handled by change order to the contract as necessary.

4. With regard to an update on the 210 irrigation expansion construction project, Matt Kutac confirmed that the contract with WLE had been executed and WLE is now underway with some initial erosion control measures, with a pre-construction meeting being scheduled for tomorrow. Lauren Barzilla noted that it was the intent to get the project construction started as soon as possible. She further noted that she anticipated that WLE would go through all zones and figure out which areas will be the easiest (and most cost effective) to remove from the scope of the project as discussed previously, but that CMA would monitor such field decisions carefully and as efficiently as possible.

There being no further business to conduct, Director Wachsmann moved that the meeting be adjourned, which motion was seconded by Director Harris and unanimously approved, and the Board adjourned until further call.

APPROVED AND ADOPTED this 21st day of February, 2019.


Sean McGillicuddy, Secretary

