

Director Almond asked if the blower exceeded its life expectancy. Earl advised that it did not, as it was expected to last between 15-25 years. Unfortunately, it was discovered that they stopped making that blower after it was installed. Earl hopes that, with a totally refurbished blower, they will get at least another 10 years. He explained that this type of blower is more energy efficient and the upside is that it saves approximately \$1,500 per month on electricity.

Director Stiles moved to authorize the General Manager to move forward with refurbishing the turbo blower at the Wastewater Treatment Plant as recommended; Director Almond seconded the motion, which carried 5-0.

3. Consider, discuss, and take any necessary action on drainage and MS4.

Kurt provided the report as follows:

- No new drainage plans under review.
- 21 Glen Rock Drive and 12 Glenway Drive are still under construction and should be completed by Spring 2026.
- Leak on Monarch Oaks Lane and The Hills Drive has been repaired.
- Approximately 400 residents from The Hills and Lakeway utilized the Household Hazardous Waste Collection event on October 15, 2025.

4. Consider, discuss, and take any necessary action to approve the Minutes of the September 15, 2025, Regular Board Meeting.

Director Coskey recommended changing the word 'insured' to 'installed' in the last paragraph under Item No. 6.

Director Maroney moved to approve the Minutes of the September 15, 2025, Regular Board Meeting with the recommended change; Director Wingard seconded the motion, which carried 5-0.

5. Consider, discuss, and take any necessary action to approve the September 2025 Bookkeeper's Report and paid invoices.

Beth Caccamisi reviewed the written report with the Board. The General Fund closed the month with a balance of \$1.4 million and the Debt Service Fund closed the month with a balance of just over \$110,000. 4.17% interest was earned in TexPool for the month of September, and it was at 4.16% this morning. 98.95% of the property taxes were collected by the end of September. Revenues were over budget by \$6,800 and \$135,000 for the year. Expenses were under budget by over \$31,000 for the month and \$155,000 for the year.

Beth shared that the District has added the Positive Pay module to the current banking services for an added layer of protection against fraud. It does require staff to enter every payment made into the banking system, but it is worth it for added security. Staff will also be working closely with Tyler Technologies to switch over to the cloud system.

Earl noted that while the Board had budgeted \$158,000 in revenues over expenses, the revenues exceeded the budget by \$450,000, which is very good.

Director Coskey asked about publishing costs for public notices. Earl explained those are legally required notices. Director Coskey also recommended asking the vendor for the blower to issue credit for their site visit since the District is purchasing refurbished equipment.

Director Wingard asked about the water usage and Earl reminded the Board that the rate increase in 2025 was issued after the budget was approved.

Director Wingard moved to approve the September 2025 Bookkeeper's Report and paid invoices; Director Stiles seconded the motion, which carried 5-0.

6. Consider, discuss, and take any necessary action to approve the September 2025 Manager's Operating Report.

Earl reviewed the written report with the Board highlighting the following:

- Debt Service Fund – 98.95% of the property taxes have been collected, and the final Bond payment for the fiscal year was made on September 23.
- Tax Rate – Everything went through with regard to setting the tax rate. December and January are big months for tax payments to come in.
- Connections Summary – There are 1,218 connections with two new homes currently under construction.
- Water Restriction Violations and Notifications – There were 78 customers contacted regarding water restriction violations during the month of September. Staff have noticed that while the system registered 269 violators for the month, most of them were only slightly outside their designated watering time.
- Operations – 31 million gallons of water were pumped from the lake in September, 639 total acre feet for the year (contract allows for 1,200). The Wastewater Treatment Plant continues to treat well. There was 0.85 inches of rain in September.
- Pond – Staff were able to retrieve the floating intake, and the pump has been installed. 210 customers are back in business. The Pond liner is in excellent condition.

Director Wingard asked about Proposition 4, the Allocate Portion of Sales Tax Revenue to Water Fund Amendment that is on the upcoming election ballot and what those funds cover. Earl advised he would look into it and report back.

Director Almond moved to approve the September 2025 Manager's Operating Report; Director Stiles seconded the motion, which carried 5-0.

7. Consider, discuss, and take any necessary action regarding The Hills Property Owners Association office lease.

Earl provided the report regarding this item. An office lease agreement has been signed and the POA plans to move their office into the South Conference Room for the monthly rate of \$1,350 beginning November 1, 2025. The monthly rate will increase annually based on the Consumer Price Index. The lease will automatically renew every year unless either party provides at least 60-days written notice of termination prior to the anniversary date.

8. ***The Board may go into Executive Session pursuant to Texas Government Code Sections §551.071 – Consultation with Attorney; §551.072 – Deliberation Regarding Real Property; §551.073 – Deliberation Regarding Prospective Gift; §551.074 – Personnel Matters; and/or §551.076 - Deliberation Regarding Security Devices or Security Audits.***

Director Coskey moved to adjourn the meeting; Director Stiles seconded the motion, which carried 5-0.

The meeting adjourned at 11:02 A.M.

Signed this 17th day of November 2025.

(seal)




Mike Maroney, Secretary