

RESOLUTION ADOPTING BUDGET

THE STATE OF TEXAS §
 §
COUNTIES OF TRAVIS §
 AND WILLIAMSON §

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DISTRICT THAT:

WHEREAS, the Board of Directors of North Austin Municipal Utility District No. 1 (the "District") has projected the operating expenses and revenues for the district for the period October 1, 2012 through September 30, 2013;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

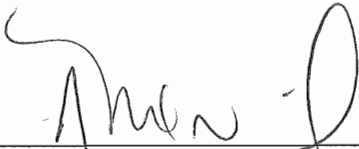
Section 1. That the Operating Budget attached hereto as Exhibit "A" is hereby adopted.

Section 2. That the Secretary of the Board of Directors is hereby directed to file a copy of this Resolution Adopting Budget in the official records of the District.

ADOPTED this 19th day of September, 2012.


(SEAL)





Alan McNeil, President
Board of Directors

ATTEST:



Jo Jones, Secretary
Board of Directors

EXHIBIT "A"

[Budget FTY 2012-2013]

**NORTH AUSTIN MUNICIPAL UTILITY DISTRICT NO. 1
FACT SHEET
Budget Year 2012 / 2013
APPROVED September 19, 2012**

Certified 2011 AV - \$725,177,656
 Certified 2012 AV - \$729,617,588

Connections - 2,615 (Includes District Irrigation meters and tracking only Transwestern Irrigation)

Tax Rates:

\$.2818/\$100	Operations & Maintenance (\$0.01 of O&M Tax = \$72,961)
\$.0901	Debt Service
<u>\$.3719</u>	Total

Tap Fees \$400 ea. Water & Sewer

REVENUE

RATES	PREVIOUS	PREVIOUS	APPROVED	APPROVED
	RESIDENTIAL	COMMERCIAL	RESIDENTIAL	COMMERCIAL
Water - Base Fee	\$6.00/1,000 gal.	Based on Meter Size	\$8.00/1,000 gal.	Based on Meter Size
	\$4.20/1,000 gal.	\$5.90/1,000 gal.	\$4.30/1,000 gal.	\$6.25/1,000 gal. (5.6% Increase)
Sewer - Base Fee	\$6.00/1,000 gal.	\$12 per connection	\$8.00/1,000 gal.	\$12 per connection
	\$5.95/1,000 gal.	\$7.90/1,000 gal.	\$6.30/1,000 gal.	\$8.40/1,000 gal. (6% Increase)
Garbage Collection	\$17.00/month		\$18.00/month	
	\$29.00 Total		\$34.00 Total	

EXPENSES

CITY OF AUSTIN RATES

CURRENT

Water	\$3.71/1,000 gal.	Water - \$3.60/1,000 Gallons
Wastewater	\$5.19/1,000 gal.	Wastewater - \$5.52/1,000 Gallons (6.9% Increase)

ROUND ROCK REFUSE

2011	As of October 1, 2012:
\$15.87 per Connection	\$16.66 per Connection
(\$40,468.50/month)	(\$42,483/month) (4.8% Increase)

New City of Austin base fee-\$20,836/mth goes into effect February 2013
 New City of Austin wastewater rates will go into effect October 2012. Water rates go into effect February 2013.

NORTH AUSTIN MUNICIPAL UTILITY DISTRICT NO. 1
Budget Year 2012 / 2013
APPROVED September 19, 2012

<u>REVENUE</u>	<u>Approved 2011 / 2012</u>	<u>Approved 2012 / 2013</u>
1) Water / Sewer Fees	\$ 3,634,696	\$ 3,800,000
2) Service Application Fees & Late Fees	\$ 65,000	\$ 52,000
3) Water / Sewer Tap Fees	\$ 1,650	\$ -
4) Property Tax (x .2818)	\$ 1,897,745	\$ 2,046,347
5) Penalties on Tax	\$ 5,000	\$ 5,000
6) Pool & Park Fees	\$ 55,000	\$ 52,000
7) Investment Interest	\$ 23,000	\$ 15,000
8) Interest on Checking	\$ 500	\$ 500
9) Reimbursable Revenue	\$ 6,000	\$ 6,000
10) Miscellaneous	\$ 500	\$ 1,000
11) Unified Garbage Fees (\$18 per connection)	\$ 520,200	\$ 551,000
12) Recycle Rebate	\$ 1,000	\$ 1,000
13) Surplus Bond Funds	\$ -	\$ -
14) Reimbursement from RRISD for Pool Winter Gas	\$ 9,000	\$ 9,000
15) Community Center Fees	\$ 12,000	\$ 10,000
16) Williamson County Foot Bridge Grant	\$ 190,000	\$ 140,000
17) Surplus Transfer from General Operating Fund	\$ -	\$ -
TOTAL	\$ 6,421,291	\$ 6,688,847

NORTH AUSTIN MUNICIPAL UTILITY DISTRICT NO. 1
Budget Year 2012 / 2013
APPROVED September 19, 2012

<u>REVENUE</u>	<u>PER YEAR</u>
1)* <u>Water and Sewer Fees</u>	\$ 3,800,000
<u>Water Revenue</u>	
Rates \$8.00/1,000 Gallons	
\$4.30/1,000 Gallons	
390,000,000 gallons is the 3-year average (Assumes water loss factor & District Irrigation of 5,000,000 which no revenue is generated)	
Assume current connections = 2,593	
2,593 Connections x \$8 x 12 mo. =	\$ 248,928
300,000,000 gallons x \$4.30/1,000 gal. =	<u>\$ 1,290,000</u>
(1,000 gals is in base for each residential use)	
	\$ 1,538,928
	<u>\$ 400,000</u>
	\$ 1,938,928
<u>Sewer Revenue</u>	
Rates \$8.00/1,000 Gallons	
\$6.30/1,000 Gallons	
Assume 2,593 median connections:	
2,593 x \$8.00 x 12 mo. =	\$ 248,928
2,593 x 7,500 gallons = 20,000,000 Gallons	
x 12 mo. = 240,000,000 Gallons	
x \$6.30/1,000 Gallons =	<u>\$ 1,512,000</u>
	\$ 1,760,928
	Commercial \$ 100,000
	<u>\$ 1,860,928</u>
(Sewer assigned to District meters receives no revenue - 12,000,000 gal)	
2) <u>Service Application Fees</u> - Includes penalties charged to Customer Accounts for non-payment of bills.	\$ 52,000
A) Customer Penalties	
B) Reconnect Fees @ \$40.00	
C) Pulled Meter Fees @ \$100.00	
D) New Service Application Fees @ \$30.00	
3) <u>Water and Sewer Taps</u> - None assumed (Commercial - 1" Meter)	\$ -
4) <u>Property Tax</u> - Assuming \$729,617,588 total taxable value: @ 0.2818/\$100 (Each 1 cent = \$72,961)	\$ 2,046,347
5) <u>Penalties on Tax</u>	\$ 5,000
6) <u>Pool and Park Fees</u> - 2012 Pool Memberships, Tennis Court Fees	\$ 52,000
7) <u>Investment Interest</u> - Interest on operating account balances.	\$ 15,000
8) <u>Interest on Checking</u>	\$ 500
9) <u>Potential Reimbursable Revenue</u> - Revenue derived from reimbursement of Engineering Review Fees and Inspection Fees	\$ 6,000
10) <u>Miscellaneous Income</u> -	\$ 1,000
11) <u>Unified Garbage Contract</u> - \$18.00/mo. per connect x 2,550 connects = \$45,900 month x 12 =	\$ 551,000

* District Averages 430,000,000 gals per year.
430,000,000-40,000,000 Water loss & District Irrigation
390,000,000-30,000,000 (Base fee has 1,000 gals per meter)
360,000,000-60,000,000 Commercial use = 300,000,000 gals

NORTH AUSTIN MUNICIPAL UTILITY DISTRICT NO. 1
Budget Year 2012 / 2013
APPROVED September 19, 2012

<u>REVENUE</u>	<u>PER YEAR</u>
12) <u>Recycle Rebate</u>	\$ 1,000
13) <u>Surplus Bond Funds</u>	\$ -
14) <u>Reimbursement from RRISD for Pool Winter Gas</u>	\$ 9,000
15) <u>Community Center Fees</u>	\$ 10,000
16) <u>Williamson County Foot Bridge Grant</u>	\$ 140,000
17) <u>Surplus Transfer from General Operating Fund</u>	\$ -

NORTH AUSTIN MUNICIPAL UTILITY DISTRICT NO. 1
Budget Year 2012 / 2013
APPROVED September 19, 2012

<u>EXPENSES</u>	<u>Approved 2011 / 2012</u>	<u>Approved 2012 / 2013</u>
1) Water / Sewer Purchases	\$ 3,183,600	\$ 3,362,768
2) Unified Garbage Fees	\$ 485,622	\$ 513,796
3) Night Watchman	\$ 33,000	\$ 31,200
4) Electricity for Booster Stations	\$ 15,000	\$ 15,996
5) Water / Sewer Maintenance	\$ 100,000	\$ 50,000
6) Water Maintenance Contingency-Meter Changeouts	\$ -	\$ 50,000
7) Water / Sewer Inspection Fees	\$ 2,500	\$ -
8) Director Fees / Conference / Travel	\$ 46,000	\$ 46,000
9) Legal Fees	\$ 300,000	\$ 160,000
10) Election Expenses	\$ 7,500	\$ 7,500
11) Engineering - Projects Funded from Annual Operating Budget	\$ 163,600	\$ 421,600
12) Engineering - Projects Funded w/ Revenues/ Grants from Others	\$ 105,000	\$ 140,000
Proposed Projects Scheduled for Payment from Future Bond Proceeds	\$ 325,000	\$ _____
13) Deed Restriction Enforcement	\$ 9,000	\$ 9,000
14) Management Services	\$ 225,000	\$ 255,000
15) Bookkeeping Fees	\$ 42,000	\$ 55,000
16) Auditing Fees	\$ 14,200	\$ 14,200
17) Credit Card Processing Fees	\$ 5,000	\$ -
18) Tax Collection / Appraisal	\$ 18,000	\$ 18,000
19) Park / Greenbelt Maintenance (Robinson & Rattan)	\$ 244,190	\$ 217,815
20) Park Improvements & Greenbelt Improvements (See Wishlist)	\$ 138,400	\$ 127,700

NORTH AUSTIN MUNICIPAL UTILITY DISTRICT NO. 1
Budget Year 2012 / 2013
APPROVED September 19, 2012

<u>EXPENSES</u>	<u>Approved 2011 / 2012</u>	<u>Approved 2012 / 2013</u>
21) Park Expenses	\$ 5,000	\$ 141,000
Park Signage	\$ 10,000	\$
Park & Tennis Court Repairs/Maint/Vandalism	\$ 10,000	\$
22) Pool Expenses	\$ 64,700	\$ 85,800
23) Non-reoccurring Pool Expenses	\$ 77,100	\$ 105,600
24) Restroom Maintenance (Robinson Park & Rattan Creek)	\$ 12,000	\$ 12,000
25) Lifeguards	\$ 172,500	\$ 172,500
26) Base Services for Pool	\$ 18,000	\$ 17,400
27) Insurance - General Liability	\$ 18,000	\$ 18,000
28) Security Services	\$ 87,000	\$ 87,000
29) Miscellaneous Permits	\$ 18,000	\$ 18,000
30) Community Center Operations	\$ 148,000	\$ 108,573
31) Website Upgrades/Maintenance	\$ 2,500	\$ 3,000
32) Contingency Funds	\$ 216,879	\$ 371,399
33) Financial Advisor Fees	\$ 3,000	\$ 3,000
34) MS4 Stormwater Fees	\$ 10,000	\$ 10,000
Water Well / Irrigation / Maintenance	\$ 20,000	\$
Well Electricity	\$ 4,000	\$
35) Amasia Park Playscape	\$ 13,000	\$ 35,000
TF Harper Safety Inspections - Pool & Park	\$ 26,000	\$

NORTH AUSTIN MUNICIPAL UTILITY DISTRICT NO. 1
Budget Year 2012 / 2013
APPROVED September 19, 2012

<u>EXPENSES</u>	<u>Approved 2011 / 2012</u>	<u>Approved 2012 / 2013</u>
Trail Repair	\$ 10,000	\$
Addition of Mulch of Playscape Areas	\$ 8,000	\$
36) Newsletter/Communication	\$ 5,000	\$ 5,000
TOTAL	\$ 6,421,291	\$ 6,688,847

NORTH AUSTIN MUNICIPAL UTILITY DISTRICT NO. 1
 Budget Year 2012 / 2013
 APPROVED September 19, 2012

<u>EXPENSES</u>	<u>PER YEAR</u>
1) <u>Water and Sewer Purchases</u>	\$ 3,362,768
<u>Water Expense</u> 3.71/1,000 gallons (Oct-Jan) 3.60/1,000 gals (Feb-Sept)	
Monthly service charge for master meters	\$ 1,500 (Oct-Jan) \$ 20,838 (Feb-Sept)
Estimated water purchased from COA will be 430,000,000 gallons	
120,000,000 x 3.71/1000	\$ 445,200
Master Meter Service Charge	\$ 6,000
TOTAL WATER EXPENSE	\$ 451,200
310,000,000 x 3.60/1000	\$ 1,116,000
Master Meter Service Charge	\$ 166,688
TOTAL WATER EXPENSE	\$ 1,282,688
<u>Sewer Expenses</u>	
\$5.52/1,000 Gallons	
Estimated wastewater average as set by COA is 24,500,000 gallons.	
Winter average \$135,240 per month	\$ 1,622,880
Service Charge \$500.00 per month =	\$ 6,000
TOTAL SEWER EXPENSE	\$ 1,628,880
2) <u>Unified Garbage Fees</u> - \$16.66 per connection x 2,550 = \$42,483 per month x 12 + \$4,000 annual clean up	\$ 513,796
3) <u>Nightwatchman/Electricity</u> - Street Lighting Average Monthly Expense = \$2,600 x 12 =	\$ 31,200
4) <u>Electricity for Booster Stations</u> \$1,333/month x 12 =	\$ 15,996
5) <u>Water / Sewer Maintenance</u> - Includes 500 Meter Change Outs	\$ 50,000
6) <u>Water Maintenance Contingency - Meter Changeouts</u>	\$ 50,000
7) <u>Water / Sewer Inspection Fees</u>	\$ -
8) <u>Directors Fees</u> - \$150 per regular meeting, \$150.00 per subcommittee.	\$ 46,000
A) Conference	\$ 10,000
B) Fees	\$ 36,000
9) <u>Legal Fees</u> - To Included general and special activities -	\$ 160,000
A) General	\$ 50,000
B) Deed Enforcement	\$ 15,000
C) JPI / Outside Lawyers Fees	\$ 50,000
D) Water Rate Study Group Fees	\$ 25,000
E) Incidentals	\$ 20,000
10) <u>Election Expenses</u> -	\$ 7,500

NORTH AUSTIN MUNICIPAL UTILITY DISTRICT NO. 1
 Budget Year 2012 / 2013
 APPROVED September 19, 2012

EXPENSES

PER YEAR

11) <u>Projects Funded from Annual Operating Budget</u>	<u>Engineer's Budget</u>	<u>Other Support</u>	<u>Construction/</u>
<u>Item</u>		<u>Consultant's Budget</u>	<u>Production</u>
Rattan Creek Coordination w/ Upper Brushy Creek	\$25,000		
TV Sewer Line	\$7,000	\$60,000	\$25,000
Water Leak Investigations	\$5,000	?	\$30,000
Major Rattan Creek Tributary Analysis	\$8,500	\$2,500	
Special Drainage Project	\$8,000		
Update/Revise Utility Maps	\$5,000	\$2,500	
City of Austin Issues			
- Pass Through Service	\$8,000	\$100,000	
- Water Rates	\$2,500	\$25,000	
- Footbridge Additional Construction	\$1,600	\$4,500	\$40,000
Annual Engineering Fees	\$21,600		
West Tamayo Mitigation & Irrigation Meter			\$40,000
	<hr/> \$92,100	<hr/> \$194,500	<hr/> \$135,000
12) <u>Projects Funded with Revenues/Grants from Others</u>	<u>Engineer's Budget</u>	<u>Other Support</u>	<u>Construction/</u>
<u>Item</u>		<u>Consultant's Budget</u>	<u>Production</u>
Plan Reviews (Cost recovered by applicant)	\$6,000		
Rattan Creek Footbridge	\$4,000	\$5,000	\$125,000
	<hr/> \$10,000	<hr/> \$5,000	<hr/> \$125,000
13) <u>Deed Restriction Enforcement</u> - Assumed cost for enforcement activities		\$ 9,000	
14) <u>Management Services</u>		\$ 255,000	
\$20,350 x 12 months plus AVR Expenses			
15) <u>Bookkeeping</u>		\$ 55,000	
Municipal Accounts & Consulting costs for bookkeeping, including printing, postage, travel & delivery expenses			
16) <u>Auditing Fees</u> - Preparation of yearly audit		\$ 14,200	
17) <u>Credit Card Processing Fees</u>		\$ -	
18) <u>Tax Collection/Appraisal</u> - Fees split between debt service & O&M Estimated Fees:		\$ 18,000	

NORTH AUSTIN MUNICIPAL UTILITY DISTRICT NO. 1
 Budget Year 2012 / 2013
 APPROVED September 19, 2012

EXPENSES

PER YEAR

19)	<u>Park / Greenbelt Maintenance (Robinson & Rattan) -</u>		\$ 217,815
	<u>A) Ongoing Landscape Maintenance</u>		
	1) 2012/2013 Landscape Maintenance Base Fee - Unchanged	\$ 164,040	
	2) Estimated Irrigation Repairs	\$ 7,200	
	3) Fall Overseeding Irrigated Turf & Soccer Fields:	\$ 8,850	
	4) Fall Lite Topdressing Irr. Turf & Soccer if Overseeding Approved	\$ 6,000	
	5) Annual Mulching Beds, Tree Rings, All Parks & Entrances to 1"	\$ 5,500	
	6) Annual Mitigation Mulching	\$ 975	
	7) Seasonal Color Rattan & Tamayo - others now perennials	\$ 2,450	
		\$ 195,015	
	<u>B) Seasonal Landscape Services</u>		
	1) Rattan Soccer Topdress & Summer Repair (Winter above)	\$ 3,000	
	2) Robinson Soccer Topdressing & Summer Repair (Winter above)	\$ 6,100	
	3) Landscape Plant Replacement Allowance	\$ 6,000	
	4) Winter Mowing of Robinson Park Natural Area (Its overgrown)	\$ 3,200	
	5) Annual Polson Ivy Program of 3 Treatments	\$ 4,500	
		\$ 22,800	
20)	<u>Park Improvements & Greenbelt Improvements -</u>		\$ 127,700
	1) Rattan Creek/Trail Replanting 16 Trees with 60 days watering	\$ 14,000	
	2) Rattan Creek/Trail New Tree Hand Watering for remainder of year (est)	\$ 7,200	
	3) Dallas Residents Back Fence Line Fire Lane & General Clearing	\$ 18,000	
	4) Dead Tree Removal & Pruning	\$ 45,000	
	5) Oak Wilt Mitigation by Davey Tree	\$ 10,000	
	6) Water Fountain at Robinson Parking Lot- Tom L.	\$ 8,000	
	7) Rattan Park Trail Tamayo Entry Landscape & Irrigation	\$ 5,500	
	8) Landscape and Park Contingency	\$ 20,000	
21)	<u>Park Expenses</u>		\$ 141,000
	A) Electricity	\$ 12,000	
	B) Signage	\$ 10,000	
	C) Vandallism	\$ 10,000	
	D) Well Maintenance	\$ 15,000	
	E) Well Electricity	\$ 4,000	
	F) Trail Repair	\$ 70,000	
	G) TF Harper Safety Inspections-Pool & Park Equipment & Repair	\$ 15,000	
	H) Mulch to Play Areas	\$ 5,000	

NORTH AUSTIN MUNICIPAL UTILITY DISTRICT NO. 1
 Budget Year 2012 / 2013
 APPROVED September 19, 2012

EXPENSES

PER YEAR

22)	<u>Pool Expenses -</u>		\$	85,800
	A) Chemicals	\$		12,000
	B) Systems Maintenance Reserve Fund	\$		10,000
	C) Utilities/Natural Gas	\$		15,000
	D) Pool Coating Reserve Fund	\$		15,000
	E) Community CPR 50 people x 55.00	\$		2,800
	F) Insurance	\$		5,000
	G) Contingence (Major Repairs-Pumps, Filters)	\$		15,000
	H) Maintenance/Repairs/Supplies (heater, furniture, lane rope, pool cover)	\$		11,000
23)	<u>Non-reoccurring Pool Expenses</u>		\$	105,600
	A) Phase Converter Rebuild	\$		2,500
	B) Replace Metal Roof - Pump Room	\$		3,000
	C) Replace Both Sand Filters	\$		3,000
	D) Resurface Baby Pool	\$		5,500
	E) Replace Baby Pool Expansion Joints	\$		1,500
	F) Replace Main Pool Expansion Joints	\$		6,000
	G) Replace All Other Expansion Joints	\$		11,000
	H) Cut Deck Repair from Settling	\$		600
	I) Contingence Heater Replacement	\$		20,000
	J) Pool Patch	\$		1,000
	K) Repaint Bathrooms & Breezeway	\$		1,500
	L) Pool Resurfacing (Est)	\$		50,000
24)	Restroom Maintenance (Amasia Park & 2 Outside Restrooms at Community Building)		\$	12,000
25)	<u>Lifeguards</u> Includes Summer Rates \$132,500 & Winter Rates \$40,000		\$	172,500
26)	<u>Base Services - Pool (Per Contract)</u> \$1,450 per month x 12 = \$17,400		\$	17,400
27)	<u>Insurance - General Liability / To Include Lockbox</u>		\$	18,000
28)	<u>Security Services -</u>		\$	87,000
	A) \$45.43 per hour x 100 hours month (\$4,543/mo.)	\$		54,516
	B) Special Security Hours (Holidays, etc.)	\$		5,000
	C) Additional 50 hours per month (\$2,272/mo)	\$		27,258
29)	<u>Miscellaneous/Permits -</u>		\$	18,000
	A) Delivery/Mailouts - Customer Confidence Reports	\$		3,000
	B) Miscellaneous - Water & Wastewater Permit Fees	\$		10,000
	C) Miscellaneous Expense / Other	\$		5,000

NORTH AUSTIN MUNICIPAL UTILITY DISTRICT NO. 1
 Budget Year 2012 / 2013
 APPROVED September 19, 2012

<u>EXPENSES</u>		<u>PER YEAR</u>
30) <u>Community Center Operations (Includes Utilities)</u>		\$ 108,573
A) Utilities - Electric/Gas/AT&T	\$ 9,000	
B) Janitorial Services	\$ 18,000	
C) Staffing	\$ 50,000	
D) Contingency Repairs	\$ 3,000	
E) Supplies	\$ 3,750	
F) Insurance	\$ 1,000	
G) Furniture/Kitchen	\$ 3,000	
H) Closet/Chair Rail	\$ 2,000	
I) Maintenance/Pest Control/Floor/Fire Riser/HVAC	\$ 5,450	
J) Tennis Courts		
Master Burglar	\$ 2,900	
Electrical	\$ 1,873	
Concrete Cuts	\$ 600	
K) Board Functions		
Meeting Snacks	\$ 3,000	
Supplies	\$ 2,000	
Open House/Public Relations	\$ 3,000	
31) <u>Website Upgrades/Maintenance</u>		\$ 3,000
32) <u>Contingency Funds</u>		\$ 371,399
33) <u>Financial Advisor Fees</u>		\$ 3,000
34) <u>MS4 Stormwater Program</u>		\$ 10,000
35) <u>Amasia Park Playscape</u>		\$ 35,000
36) <u>Newsletter/Communication</u>		\$ 5,000

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS §
 §
COUNTIES OF TRAVIS §
 AND WILLIAMSON §

The undersigned officer of the Board of Directors of North Austin Municipal Utility District No. 1 hereby certifies as follows:

1. The Board of Directors of North Austin Municipal Utility District No. 1 convened in a regular meeting on the 19th day of September, 2012, at the District Community Center, 7617 Elkhorn Mountain Trail, Austin, Texas, and the roll was called of the duly constituted officers and members of the Board, to wit:

Alan McNeil	-	President
Donald G. Conklin	-	Vice President
Jo Jones	-	Secretary
Keith Collins	-	Treasurer
John Lenz	-	Assistant Secretary/Treasurer

and all of said Directors were present, except Director(s) Conklin, thus constituting a quorum. Whereupon, among other business, the following was transacted at the meeting:

RESOLUTION ADOPTING BUDGET 2012-2013

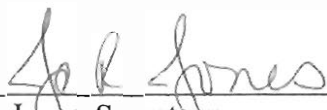
was introduced for the consideration of the Board. It was then duly moved and seconded that the Resolution be adopted, and, after due discussion, the motion, carrying with it the adoption of the Resolution, prevailed and carried by majority of the Board.

2. A true, full and correct copy of the Resolution adopted at the meeting described in the above paragraph is attached to this certificate; the Resolution has been duly recorded in the Board's minutes of the meeting; the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of the Board as indicated therein, each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid meeting, and that the Resolution would be introduced and considered for adoption at the meeting, and each of the officers and members consented, in advance, to the holding of the meeting for such purpose; the meeting was open to the public as required by law; and public notice of the time, place and subject to the meeting was given as required by Chapter 551 of the Government Code.

SIGNED AND SEALED this 19th day of September, 2012.

(SEAL)



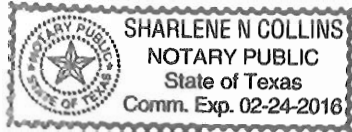


Jo Jones, Secretary
Board of Directors

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

This instrument was acknowledged before me on September 19, 2012, by Jo Jones, Secretary of the Board of Directors of North Austin Municipal Utility District No. 1 on behalf of said District.

(Seal)





Notary Public Signature