

**MINUTES OF MEETING OF BOARD OF DIRECTORS OF
NORTH AUSTIN MUNICIPAL UTILITY DISTRICT NO. 1**

FEBRUARY 19, 2014

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

A regular meeting of the Board of Directors of North Austin Municipal Utility District No. 1, open to the public, was held on February 19, 2014, at the Rattan Creek Community Center, 7617 Elkhorn Mountain Trail, Austin, Texas, pursuant to notice duly given in accordance with law. A copy of the Certificate of Posting of said Notice is attached hereto as Exhibit "A".

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

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

and all of said Directors were present, thus constituting a quorum. Also in attendance at the meeting were Gary Spoons with Crossroads Utility Services; Mary Bott with Bott & Douthitt, P.L.L.C.; Bill Burke with Clearwater Management; David Malish with Murfee Engineering Co., Inc.; Richard Fadal with TexaScapes; Michael Wheelan and Scott Smiley representing the Alliance Parmer Lane; Pam Madere with Coats Rose; residents of the District; and Sharlene Collins with Armbrust & Brown, PLLC.

Director McNeil convened the meeting at 6:06 and noted that the Board would first consider approval of the minutes. He stated that the January 13 minutes would postponed until next month. Upon motion by Director Collins and second by Director Green, the Board approved the January 15 minutes with Director Jones abstaining.

Director McNeil noted there were no citizens in attendance who wished to speak.

The next item to come before the Board was to receive the landscape maintenance report. Mr. Fadal briefly reviewed his report with the Board. He discussed the spring planting schedule. He stated he had no proposals for the Board's consideration tonight.

The next item to come before the Board was to receive the pool and Community Center report including approval of related proposals and a request for the use of the tennis courts. Mr. Burke stated that he had not received the information from the Cedar Park Swim Team regarding the use of the District's pool. He then briefly reviewed his report, a copy of which is attached hereto as Exhibit "B". He reviewed several proposals for repairs. He discussed the need to fix certain cracks and repaint in the breezeway area. He stated that water had seeped between the stucco and the block wall causing the stucco to bubble. He then reviewed the proposal for painting of the Board's meeting room. He then discussed the repainting of the breezeway floor and

bathroom floors. He stated that due to insufficient sloping of the floors to the floor drain, paint needs to be repaired frequently. He also noted three budgeted repair items regarding the diving board, entrance gates and guard office. After discussion, upon motion by Director Conklin and second by Director Green, the Board unanimously approved all six proposals. A copy of the proposals is attached hereto as Exhibit "C".

The next item to come before the Board was to consider necessary action regarding an agreement with the Hurricane Swim Team for 2014. Director Conklin stated that the dates had been updated and that there would be three swim meets rather than two this year. Upon motion by Director Conklin and second by Director Collins, the Board unanimously approved the agreement, a copy of which is attached hereto as Exhibit "D".

Director McNeil stated that the Board would next receive a report from the District's general manager. Mr. Spoons briefly discussed the path and rock work project finished by Mr. Leticia. Director McNeil stated that he had also inspected the work and his only concern was whether or not there would be ponding on a portion of the trail. Mr. Spoons stated that they would make a note to inspect that area after the next rain event. Mr. Spoons then discussed the street failure on Dallas Drive at Adak Cove. He stated that apparently the storm drain had not been connected when the street was built back in the 1980's. He stated that because this was a danger to the public, they had a contractor bring out a steel plate to put over the damaged area until it could be repaired. He stated that the proposal for repair of the street was \$4,919.55 plus the cost of the rental of the steel plate. After discussion, upon motion by Director Collins and second by Director Green, the Board unanimously approved the proposal, a copy of which is attached hereto as Exhibit "E".

Director McNeil stated that the Board would next receive a report from the District's bookkeeper and consider payment of any invoices. Ms. Bott discussed the additional invoices that had been received since the Monday night meeting. Upon motion by Director Collins and second by Director Jones, the Board unanimously approved the payment of the additional bills as well as an additional transfer between accounts.

The next item to come before the Board was to consider approval of a Resolution Adopting Written Procedures for Post Bond Issuance Federal Tax Compliance. Ms. Collins stated that although the District's bond issue had been delayed indefinitely, McCall Parkhurst was requesting that all districts establish a written procedure for complying with federal tax law after the issuance of debt. Ms. Collins briefly reviewed the requirements of the procedures. She noted that in the event the District does issue bonds, it would be required to fill out an IRS form that includes a question as to whether the District has written procedures. She stated that it is important that the District be able to answer that affirmatively. Upon motion by Director Jones and second by Director Green, the Board unanimously adopted the Resolution, a copy of which is attached hereto as Exhibit "F".

The next item to come before the Board was to receive a report from the District's engineer and consider any related proposals. Mr. Malish introduced Michael Wheelan and Scott Smiley who proceeded to discuss the Broadstone Apartment project by Alliance Parmer Lane. Ms. Collins discussed the fact that the land use has always been designated as multi-family since the creation of the MUD. She stated that the land plan was modified in the 1990's from multi-family to multi-family and/or retail. Mr. Malish stated that the buyer has been addressing the concerns that had been noted during the processing by the City. Mr. Wheelan stated that the site plan has been

through the City of Austin process. He stated that he and his client did meet with the neighbors and will meet with them again to discuss the construction schedule and the process. Mr. Malish noted that he was happy with the installation of a single meter for water service. He stated that the City of Austin indicated that it might like to have two water meters which would make the cost much higher. Mr. Malish informed the Board that he was ready to recommend approval of the plans. No action was required. Mr. Wheelan and Mr. Smiley thanked the Board for their input and departed the meeting. Mr. Malish continued his report, stating that next month he would bring forward a proposal for a check valve. He stated that they also needed to consider televising more of the sewer lines before the weather gets hot. He stated that he would bring back a proposal next month.

Director McNeil stated that the Board would return to citizen communications. He recognized Renee Mullins, President of the RCNA. She stated that on March 22 they would like to hold a crawfish boil in the park parking lot. She stated that they would also like to have a keg of beer and would engage a deputy sheriff to be there. Director McNeil suggested that all of the parking lot be blocked off for safety purposes. Mr. Spoons suggested that the pavilion be reserved as well. Ms. Mullins stated that she would also like to have access to the kitchen. After discussion, the Board agreed that the park and parking lot could be used.

The next item to come before the Board was to receive a restrictive covenant and take any action. Ms. Collins stated that the report was in the packet and that no action was required tonight.

The next item to come before the Board was to take any necessary action regarding City-related items. Director McNeil noted the arrival of Pam Madere of Coats Rose. At 7:30 p.m. Director McNeil stated that the Board would convene in executive session pursuant to Government Code Section 551.071 to meet with the District's attorneys regarding pending settlement of threatened litigation. At 8:30 p.m. the Board reconvened in open session. Director McNeil stated that no action had been taken in executive session. The Board then took a brief recess.

At 8:32 p.m. the Board reconvened in executive session pursuant to Government Code Section 551.071 to discuss general counsel matters. The Board reconvened in open session at 9:20 p.m. Director McNeil stated no action was taken.

Director McNeil inquired as to whether there were any further items to come before the Board. There being none, the meeting was adjourned at 9:21 p.m.

(SEAL)



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Jo Jones, Secretary
Board of Directors

Date Signed: April 16, 2014