

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

MAY 21, 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 May 21, 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, except Director McNeil, 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; and Kevin Flahive with Armbrust & Brown, PLLC.

Director Conklin called the meeting to order at 6:07 p.m. and stated that the Board would first consider approval of various sets of meeting minutes. Upon motion by Director Collins and second by Director Conklin, the Board unanimously approved the March 17 minutes. Upon motion by Director Conklin and second by Director Green, the Board approved the April 14 minutes with Director Collins abstaining. Upon motion by Director Collins and second by Director Jones, the Board unanimously approved the April 16 minutes. Upon motion by Director Collins and second by Director Jones, the Board approved the April 28 minutes with Director Conklin abstaining.

The next item to come before the Board was citizens' communications. Director Conklin addressed Ms. Karen Dale Wolman, a resident who has rented space in the Community Center for supplemental home school classes. Ms. Wolman stated that she understood there were issues with children running around the Community Center and that she had addressed the issue and desired to rent space within the Community Center for use twice per week during the next academic year. Director Green stated that in the past the group had used more space than it had paid for and that it must use only the portion of the Community Center for which it pays. Ms. Wolman acknowledged that prior use exceeded the portion of the Community Center that was rented and stated that she understood an additional fee would be required in the future. Director Green asked Ms. Wolman if she had served food in the Community Center. Ms. Wolman stated that she did have a pot luck, for which she had requested and received permission. Director Collins asked whether Ms. Wolman's group was the group that was using the Community Center during the MS4 meeting that he attended. Ms. Wolman stated that they were. Director Collins stated that he was appalled at the lack of supervision and the impact they had on his MS4 meeting. Ms. Wolman stated that she was

conducting additional training to ensure better supervision in the future. Director Collins asked how many children Ms. Wolman proposed having within a portion of the Community Center during the next academic year. Ms. Wolman stated up to eight children, but she expected seven children. Director Green described the situation that occurred where a child was dropped off at the Community Center on a date that Ms. Wolman's group had cancelled a class and the child was very distraught. Ms. Wolman stated that the miscommunication was unacceptable. Director Conklin then asked if the Community Center Committee had a recommendation regarding whether to allow Ms. Wolman to rent a portion of the Community Center during the next academic year. Director Green stated that the Committee recommended that Ms. Wolman could continue to rent a portion of the Community Center, but that the contract would need to be reviewed and updated. Director Jones asked Ms. Wolman when her proposed classes would begin. Ms. Wolman stated that the classes would begin the second week of September and continue through May. Director Conklin then recognized Wayne Tucker from Boy Scout Troop #146. Mr. Tucker stated and he was in attendance at the meeting to take notes for his communications merit badge. Director Conklin thanked Mr. Tucker for attending.

At 6:27 p.m. Director Conklin stated that the Board would then go into executive session pursuant to Government Code Section 551.071 for legal consultation with the District's attorney regarding the proposed JPI settlement. At 6:45 p.m., the Board reconvened in open session. Director Conklin stated that no action had been taken in executive session.

The next item to come before the Board was to receive a report from the District's landscape maintenance contractor and consider any proposals. Director Conklin stated that the item had been addressed by the Board in the work session on May 19 and that there were no new items to address.

The next item to come before the Board was to receive a pool and Community Center report and consider any proposals. Director Conklin stated that the item had been addressed by the Board in the work session on May 19 and that there were no new items to address.

Director Conklin stated the Board would next receive a report from the District's general manager. A copy of the general manager's report is attached hereto as Exhibit "B". Mr. Spoons stated that he had a couple of issues to address. He stated that he had not yet received the proposal that he had requested for replacement of the valve on the Tamayo booster station. Mr. Spoons requested that an item be added to the agenda for the next regular meeting to address the issue. He then stated that he would also bring back the meter recalibration/replacement issue at the next regular meeting. Mr. Spoons stated that the wastewater television inspection would be completed in about three weeks. Mr. Spoons then discussed the landscaping and hardscaping that was installed in the front yard of 13251 Kerrville Folkway without ACC approval. Following discussion, the Board declined to take action. Mr. Spoons then discussed the improvements constructed and installed at 7936 Snook Hook Trail and the adjacent residents' complaints regarding same. Director Collins asked whether the improvements were approved by the ACC. Director Jones stated that she understood that the improvements were approved by the ACC, but had not seen any documentation of such approval. Mr. Spoons stated that he would contact Ms. Camilla Joseph and request a copy of the submittal to the ACC and the ACC's approval. Director Jones stated that the complaining neighbor met with the Rattan Creek Neighborhood Association to voice complaints. Director Collins stated that he would like to review the submittal to the ACC and the approval by the ACC with photos of the improvements. Mr. Spoons stated that he would obtain the information and provide to the Board. Director Conklin then asked if there was anything else to discuss. Mr. Spoons stated that the Williamson County Commissioners Court had not taken any

action regarding adoption of the proposed policy for outside employment of off-duty peace officers. Director Conklin stated that he saw that the item was not on the Commissioners Court's agenda and contacted the offices of County Judge Gattis and Commissioner Covey and understands that the item has been postponed indefinitely. Director Conklin stated that the biggest issue is the vehicle use fee. Director Conklin asked Mr. Spoons about the amount of the quote from TML for increased insurance coverage if peace officers are employed by the District. Mr. Spoons stated that he thought the increase was approximately \$10,000 to \$12,000 per year, but would verify and provide the quote to Director Conklin.

The next item to come before the Board was a report from the District's bookkeeper. Ms. Bott stated that the only items in addition to those addressed and acted on at the work session on May 19 is payment of Director Green's fee and payment of utilities for the month of April. Upon motion by Director Conklin and second by Director Jones, the Board approved the two additional payments with Director Green not present.

The next item to come before the Board was to receive a report from the District's engineer and consider any proposals. Director Conklin stated that Mr. Malish was not present and there would be no discussion. A copy of the District engineer's report is attached hereto as Exhibit "C".

Director Conklin stated that the Board would next receive the restrictive covenants report and consider any necessary action. A copy of the restrictive covenants report is attached hereto as Exhibit "D". Mr. Flahive stated that no violations had been sent to him and the only items to be discussed were those relating to 13251 Kerrville Folkway and 7936 Snook Hook Trail, which were discussed with the District general manager's report. He stated that Ms. Joseph did state that a second letter had not yet been delivered to the owner of 13251 Kerrville Folkway, as was customary, and that she would deliver such letter unless the Board elected otherwise. Director Conklin stated that delivery of the second letter was fine and the Board took no action.

Director Conklin inquired as to whether there were any items to discuss with respect to future annexation, limited district conversion or other City of Austin related issues. There were none.

Director Conklin then stated that due to the CASE conference, both meetings in June would be combined into a single regular meeting on June 18.

Director Conklin inquired as to whether there were any further items to come before the Board. There being none, upon motion by Director Collins and second by Director Conklin, the Board adjourned with Director Green absent.

(SEAL)



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Jo Jones, Secretary
Board of Directors

Date: June 18, 2014