

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

March 16, 2016

THE STATE OF TEXAS     §  
  §  
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 March 16, 2016, 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 for 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.; Richard Fadal with TexaScapes, Inc.; David Malish with Murfee Engineering Co., Inc.; Bill Burke with Clearwater Management; Diana Sagnes with Sage Management Services; Kevin Flahive with Armbrust & Brown, PLLC; Will Washington, a resident of the District and President of the Rattan Creek Neighborhood Association; and Daniel Briscoe and Kim Hosmer, residents of the District.

Director Conklin called the meeting to order at 6:01 p.m. and stated the Board would first receive citizen communications. Mr. Briscoe stated that he and Ms. Hosmer were representatives of a local improve group called MES and they desired to rent the great room in the community center from 11:00 a.m. to 5:00 p.m. on the third Saturday of each month and the meeting room from 11:00 a.m. to midnight on the fourth Saturday of each month, beginning in April, if possible. He stated that they were both residents of the District. Director Green asked if they were seeking use of the community center for free or at a discounted rate. Mr. Briscoe responded that they desired to pay the full rental amount. Director Green stated that she and Director Jones, as the members of the Community Center Committee would contact Mr. Briscoe and Ms. Hosmer to discuss the request.

Director Conklin then stated that the Board would receive a report from the Rattan Creek Neighborhood Association. Mr. Washington stated that he had been elected President of the RCNA at their February meeting. He discussed with the Board the other RCNA officers elected at the February meeting. Mr. Washington asked about ownership of the lot adjacent to Tutor Time within the District. Director Collins responded that the District owns the lot. Mr. Washington then discussed with the Board the possibility of using the lot as a community garden or dog park. Director Conklin stated that no permanent improvements could be installed on the lot, so a dog park would not be a viable use. He also pointed out that there was no parking available to serve the lot. Director Collins stated that the Board would consider a

proposal from the residents for use of the lot as a community garden, if there was sufficient interest among residents of the District. Mr. Washington then asked whether the District had any authority to prohibit the parking of commercial vehicles within the District. Director Conklin stated that Williamson and Travis Counties had authority over the roadways within the District. Mr. Washington then discussed with the Board, Mr. Burke and Mr. Fadal preparations for and logistics for the Easter egg hunt in Rattan Park on March 26. He then asked if the Board intended to continue to purchase ad space in the RCNA newsletter. The Board responded that they would continue to do so. Mr. Washington then asked how the teen nights at the pool were scheduled. Mr. Burke stated that he scheduled the events based on availability. Mr. Spoonts then stated that Williamson County staff would present to the residents of the District at an event held by the RCNA in the community center great room on April 27 from 5:30 p.m. to 7:00 p.m. to discuss the upcoming repaving of roads within the portion of the District in Williamson County during the months of May and June. Mr. Burke confirmed with the Board that the community center would not be open prior to the crawfish boil in Rattan Park on April 23. Director Conklin then discussed with the other Board members whether the Board desired to visit with the residents after the Williamson County staff presentation on April 27. The Board and Mr. Washington determined that some Board members would be present and would make themselves available to answer questions from residents regarding the District.

The next item to come before the Board was to approve the minutes of the February 15 and February 17 meetings. Upon motion by Director Collins and second by Director Jones, the Board voted unanimously to approve the February 15 minutes as presented. Director Conklin pointed out to Mr. Flahive a correction on page 1 of the February 17 minutes. Upon motion by Director Conklin and second by Director Jones, the Board voted unanimously to approve the February 17 minutes, as corrected.

Director Conklin stated the Board would next receive the park and landscape maintenance report. Mr. Fadal stated that the winter tasks had been completed in February and there were no issues at the moment. He stated that he had conducted the parks and greenbelt tour with the Park Committee and handed out minutes relating to that tour. Mr. Fadal stated that proposals may be brought to the Board by the Park Committee based on the tour. He confirmed to Mr. Flahive that Proposal No. 8916 was approved by the Board at the March 14 meeting. Mr. Fadal then stated that he would delay the spring/summer color installation for a little while, since the current planting were still in good shape.

The Board next received the pool and community center report. Mr. Burke referred the Board to his report, a copy of which is attached hereto as **Exhibit "B"**. He stated that there were no major issues to report. Mr. Burke stated that there were many parties and events at the community center and pool in coming weeks and months. He stated that lifeguard training and recertification classes were ongoing at the pool. Mr. Burke then stated that he was continuing to contact other pool and community center operators in an effort to identify candidates for the Board's consideration. He stated that he would direct any candidate to the appropriate committee. Director Conklin then asked Mr. Spoonts if Crossroads Utility Services would consider staffing the pool and/or community center. Mr. Spoonts discussed with the Board challenges that Crossroads had faced in the past with retaining employees to staff community centers. He stated that he would work with the appropriate committees to prepare scopes of services relating to the pool and the community center for consideration by Crossroads.

Director Conklin stated the Board would next receive the District general manager's report. Mr. Spoonts stated that he had reviewed his report with the Board at the March 14 meeting. He confirmed with Mr. Flahive that Proposal No. 1361/24832259/EVG from The Davey Tree Expert Company was approved by the Board at the March 14 meeting. Mr. Flahive

stated that his office had not yet received the Texas Ethics Commission-issued number to confirm HB 1295 compliance. He stated that his office would hold the proposal until that was received. Mr. Spoons then stated that he wanted to schedule a meeting with the Sign Committee in the near term to discuss the replacement signage within the District.

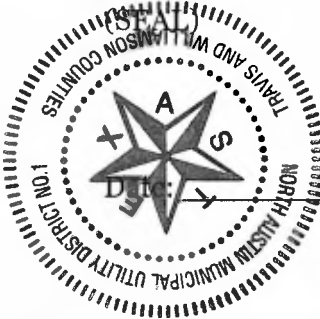
The Board next received a report from the District's bookkeeper. Ms. Bott stated that she had no new items for the Board's approval. She then reviewed with the Board calculations of the appraised values within the District, as they were impacted by valuation protests by owners within the District.

Director Conklin stated the Board would next receive a report from the District's engineer. Mr. Malish referred the Board to his report, a copy of which is attached as **Exhibit "C"**. He stated that he had not received anything from the developer of Amber Oaks, Lots 4, 5 and 6 in months. Mr. Malish then stated that his analysis of the Rattan Creek Drainage study was about 80% completed. He stated that upon completion he would prepare a report with options available to the Board and cost estimates for those options. Mr. Malish then discussed with the Board two illustrations of lots impacted by the new floodplain and measures that could be taken by the District to recover those lots from the floodplain. He discussed with the Board requirements for issuance of an elevation certificate for each residence evidencing that the finished floor elevation of the residence is located above the floodplain. Mr. Flahive and Mr. Malish then discussed with the Board types of flood insurance coverages available in Texas, the circumstances under which mortgage lenders generally require that such coverages be purchased by homeowners, and programs to decrease the premium costs for those coverages. Mr. Flahive stated that he and Mr. Malish needed to confirm the facts relating to the affected lots before more specific advice relating to insurance could be provided to the Board. Mr. Malish stated that he hoped to complete his report by the April Board meetings, after which he proposed that the Board conduct a work session to review the report and select options. Mr. Malish then continued reviewing his report, stating that he had received a set of plans for the Amberglen Multi-family project and had only one comment. Mr. Malish stated that the WPAP exemption applications for the booster station buildings, Robinson Park restroom project and the amphitheater had been submitted to the TCEQ. He then asked if the Board had the soils report performed in connection with development of the Community Center, which the architect could use for the amphitheater project and save on costs. Mr. Malish then recommended the Board's approval of the proposal for TVing of wastewater lines from Utility Testing and Services of Texas, a copy of which is attached as **Exhibit "D"**. Mr. Flahive stated that the contractor had met the reporting requirements of HB 1295. After discussion and upon motion by Director Collins and second by Director Jones, the Board voted unanimously to approve the proposal.

There being no bond projects to discuss, the next item to come before the Board was to receive the restrictive covenants report. Mr. Flahive stated there were two issues brought to his attention since the February Board meeting. He stated the first issue was complaints relating to short-term rentals within the District. Mr. Flahive discussed with the Board a recent opinion from the Third Court of Appeals in Austin based on facts that were very similar to those present in the District with respect to provisions of applicable restrictive covenants and the actions of homeowners. He stated that, pursuant to the court opinion, the short-term rental of a home within the District, in and of itself, would not likely be deemed a violation of the single-family residential use restriction in the applicable restrictive covenants. Mr. Flahive then discussed with the Board the options available to it relating to a property in Milwood Section 27B. After discussion, the Board directed Ms. Sagnes to send a violation letter to the owner of the subject property.

There being no report from the District's attorney or future annexation, limited district conversion, and other City of Austin related issues to discuss, Director Conklin asked if there were any other matters to come before the Board. Director Jones stated that one member of the ACC had resigned and a replacement member had been appointed. She stated that she would provide the names of the individuals to Mr. Flahive so that he could prepare and file the necessary notice in the Official Public Records of Williamson and Travis Counties.

There being no other matters to come before the Board, upon motion by Director Collins and second by Director Conklin, the Board voted unanimously to adjourn at 7:21 p.m.



April 20, 2016

Jo R Jones  
Jo Jones, Secretary  
Board of Directors