

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

July 18, 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 July 18, 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 them 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.; Richard Fadal with TexaScapes, Inc.; David Malish with Murfee Engineering Co. Inc.; Tom Letizia with T Bar M Land Services, LLC; Bill Burke with Clearwater Management; and Carol Martin with Clearwater Management to record the minutes.

Director McNeil called the meeting to order at 6:08 p.m. and stated that the Board would first receive the bookkeeper's report and consider bills, invoices, transfers and investments. Ms. Bott reviewed the updated cash activity report, attached hereto as **Exhibit "B"**, and stated that the items for approval included director and vendor payments, a transfer in the amount of \$150,000.00 from First Citizens Bank Operating Account to First State Bank Manager's Account; a transfer in the amount of \$260,000.00 from Compass Lockbox Account to First State Bank Operating Account; and a transfer in the amount of \$26,709.77 from the TexPool SR2014 Capital Projects Account to TexPool Operating Account. Ms. Bott then recommended renewal of the Post Oak Bank General Fund Certificate of Deposit in the amount of \$240,000.00, which matures on July 20, 2016, for a term of one year. Ms. Bott recommended the approval of bond payments for Series 1999 in the amount of \$268,425.50 and Series 2014 in the amount of \$108,187.50. She noted that she would correct the interest rate for Compass Bank Premier Certificate of Deposit #8246 which was listed incorrectly in the Board packet. There was discussion about the process in which deposit funds are returned to residents and whether there is a record of due diligence prior to said funds being sent to Texas Comptroller. There was discussion of the budget review. Director McNeil asked about the status of the fire hydrant painting project. Mr. Letizia stated that weather had been interrupting project plans and that it was still being worked on. Director McNeil stated that he would like to hold the payment to Travis County WCID No. 10 until an itemized invoice is received by 3 Point Partners. Upon motion by Director Collins and seconded by Director Green, the Board voted 5-0 to approve the bills

and invoices as discussed. Upon motion by Director Collins and seconded by Director Green, the Board voted 5-0 to approve the transfers and renewals as presented.

Director McNeil then stated that the Board would next receive the park and landscape maintenance report. Mr. Fadal informed the Board that the parks were being watered regularly and recommended that the Parks Committee evaluate the benefits of expanding the mulch in shaded areas. There was discussion about rail replacements or removals on Anderson Mill Road at Robinson Park and on Amasia Cove. Director McNeil requested that Mr. Fadal arrange a committee meeting to further discuss the issue. Mr. Spoons noted that he would be receiving a proposal from Madden to remove a tree with dead oak.

Director McNeil asked if there was anything for the pool and community center report. Mr. Burke discussed a recent increase in park traffic in the evening from 11:00 p.m. to 1:00 a.m. due to Pokémon Go popularity. He reported that he had already spoken with Captain Gleason and security would be increased during these times. Mr. Burke informed the board that Teen Night had been expanding in terms of attendance and that a long term employee would be leaving the pool staff.

Director McNeil stated the Board would next receive the General Manager's report, and referred the Board to the report in their meeting packets, attached hereto as **Exhibit "C"**. Mr. Spoons informed the Board that the collection on copper samples in the District was in process. Director McNeil requested information on the status of water reports. Mr. Spoons noted that a recent sewer gasket issue should have a proposal by the following meeting, July 20, 2016. Mr. Spoons stated that corrugated signs had been placed throughout the District to remind residents of leash law requirements. He stated that 25 of 50 signs were displayed and that the rest would be kept in storage for replacements. He mentioned that Officer Gleason stated that several tickets per week were being written to enforce leash laws. Director Collins requested that Mr. Spoons give that information to a concerned resident. There was discussion about license agreements for lighting at the postal kiosks in the District. Mr. Spoons stated that he had been given permission to make additions for increased security. There was discussion about the type of lights that should be considered for installation. Director Jones suggested installing solar panels rather than running electricity lines to the light poles. There was discussion about which postal kiosks were being considered. Mr. Spoons requested a preliminary budget for the next meeting and requested a write-off of \$132.82 to be sent to collections. Director Conklin made a motion, Director Collins seconded, and Board voted 5-0 to approve the write-off.

Mr. Letizia of T Bar M Land Services, LLC discussed proposed trail repairs as set forth in the proposal attached hereto as **Exhibit "D"**. He proposed to replace rain out areas in Robinson Park with concrete, to extend areas in the parking lot near the soccer fields, and other typical repairs. There was discussion about whether proper request for proposal procedures were followed regarding the repairs. Director Collins made a motion, Director McNeil seconded, and the Board voted 5-0 to approve the trail maintenance proposals as presented. Mr. Letizia informed the Board that it would be about a month before he could begin the repairs. Mr. Spoons stated that he would check with Mr. Maxwell about receiving duplicate emails and emails from the Sheenomo website.

Director McNeil asked if there was anything further to discuss from the bookkeeper's report. Mrs. Bott stated that there was none.

Director McNeil asked if there was anything to discuss for the engineer's report. Mr. Malish reviewed the report provided in the Board packet and attached hereto as **Exhibit "E"**. He reviewed the status of Amber Oaks, Lots 4, 5, and 6 stating that one lot would be developed as a dental office and the other two lots were still vacant. The lots would need Amberglen Boulevard access with water and sewer lines through the private drive. There was discussion about easements and District ability to make repairs without further obligation. Mr. Malish stated that master meters would be required for all lots. He stated that the Tamayo Bridge project had been authorized. Mr. Malish reviewed the status of site plan reviews for Continental Properties and Standard Pacific Properties. He noted that the sewer lines were shallow and lift stations needed to be installed. Detailed surveys were done to show that the district facilities had sufficient capacity for the increased wet weather flow. The properties would be billed for the surveys and upon payment, Mr. Malish stated that he would be ready to recommend approval of the plans. Mr. Malish requested that a payment of \$1040 be prepared for City of Austin upon approval of the Booster Station Building, Robinson Park Restrooms, and Park Pavilion projects. Mr. Spoonts discussed heat concerns in the Booster Station Enclosures and recommended the Board install an air conditioning unit. Director Collins stated that it would need to be a wall mounted, self-contained unit and recommended that it be added on as an alternative plan. Mr. Malish stated that following the wastewater line TV inspection, Mr. Spoonts would need to consider a minor defect near the intersection of Tamayo Drive and Grovedale Trail. Mr. Malish then discussed two land plan amendment requests he had received. Director McNeil inquired as to how it would impact the tax base. Mr. Malish stated that no decisions needed to be made until a full report was returned and that the District had full discretion on the decision. There was discussion on tax base concerns and probable longevity of the businesses requesting the amendments. Mr. Malish stated that anyone requesting amendments would also need to pay park fees.

Director McNeil then asked if there were any future annexation, limited district conversion, and City of Austin related issues to discuss. There was discussion about improving communication between different lawyers, Crossroads Utility Services, and the District Board of Directors regarding retail rates being given to City of Austin. The discussion was tabled until the following meeting on July 20, 2016.

Director McNeil asked if there was anything to discuss regarding the agenda for Wednesday, July 20, 2016. It was noted that Jim Sagnes with Sage Management would be at the meeting to review their contract.

Director McNeil inquired as to whether there were any further items to come before the Board. There being no further items to discuss, Director Jones made a motion to adjourn the meeting, Director Green seconded, and the meeting was adjourned at 7:23 p.m.



September 21, 2016

Jo R Jones

Jo Jones, Secretary
Board of Directors