

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

September 21, 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 September 21, 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, thus constituting a quorum. Also in attendance at the meeting were Mary Bott with Bott & Douthitt, P.L.L.C.; David Malish with Murfee Engineering Co., Inc.; Marc Marroquin, Jr. with Clearwater Management; Joshua Baran with JAB Engineering, LLC; Kevin Hunter with CSW Development; Leah Bojo with Drenner Group, PC; Kevin Flahive with Armbrust & Brown, PLLC; Will Washington, President of the Rattan Creek Neighborhood Association; and Rachel Beaulieu and Reb Wayne, residents of the District.

Director McNeil called the meeting to order at 6:15 p.m. and stated that the Board would first receive citizen communications. There being no citizens desiring to address the Board, Director McNeil recognized Mr. Washington or provide a report from the Rattan Creek Neighborhood Association. Mr. Washington stated that RattanFest would be held in the Rattan Creek Park on Saturday, September 24. He stated that rain was anticipated, in which event they would do their best to relocated the event inside the community center.

The Board next considered approval of the July 18, August 4, August 15 and August 17 meeting minutes. Upon motion by Director Collins and second by Director Jones, the Board voted unanimously to approve the July 18 minutes, as presented. Upon motion by Director Collins and second by Director Jones, the Board voted unanimously to approve the August 4 minutes, as presented. Upon motion by Director Jones and second by Director Green, the Board voted unanimously to approve the August 15 minutes, as presented. Upon motion by Director Jones and second by Director Collins, the Board voted unanimously to approve the August 17 minutes, as presented.

Director McNeil stated the Board would then consider the proposed Land Use Plan amendment and restrictive covenant requested by CSW Development for the 4.244 acre lot located at the corner of Anderson Mill Road and West Parmer Lane and recognized Mr. Flahive. Mr. Flahive distributed to the Board the proposed restrictive covenant, as he had modified it, attached as **Exhibit "B"**. He discussed with the Board the requested Land Use Plan

amendment, to add a "Commercial" designation to the subject lot, which would allow a number of additional commercial uses on the lot. Mr. Flahive stated that the proposed Land Use Plan amendment could be processed administratively by CSW with the City of Austin, meaning the amendment would be approved by staff and not go before City of Austin boards and commissions for approval. He continued that due to the Board's concerns about the additional uses that could be conducted on the lot, in addition to the Convenience Storage use that CSW desired to develop the proposed self-storage facility on the lot, CSW had proposed the restrictive covenant to be enforceable by the District and serve to prohibit all additional commercial uses permitted on the lot pursuant to the Land Use Plan amendment, other than the Convenience Storage use. Mr. Flahive discussed with the Board the content of the restrictive covenant, including the provision providing for automatic termination upon dissolution of the District. The Board determined that the restrictive covenant was acceptable, as revised by Mr. Flahive. Mr. Flahive then distributed to the Board the proposed Resolution Approving Land Use Plan Amendment, as modified by Mr. Flahive prior to the Board meeting, attached as **Exhibit "C"**. He discussed with the Board the process that CSW would follow to obtain the Land Use Plan amendment and the conditions precedent to the Board's approval of same, including CSW recording of the restrictive covenant prior to Mr. Malish's delivery of the Mylar revised Land Use Plan to CSW for final, formal approval by the City of Austin. After discussion and upon motion by Director Conklin and second by Director Collins, the Board voted unanimously to approve the restrictive covenant, as modified by Mr. Flahive, and the Resolution Approving Land Use Plan Amendment, as modified by Mr. Flahive.

Director McNeil then stated that, there being no park and landscape report or proposals, the Board would receive the pool and community center report. Mr. Marroquin distributed his report, attached as **Exhibit "D"**, and reviewed the report with the Board. Director Conklin then confirmed with Mr. Marroquin that he would be in attendance to assist with RattanFest on Saturday, September 24 and that he was able to operate the security system and cameras for the community center. The Board then considered approval of the Management Services Agreement for Community Center and Pool, attached as **Exhibit "E"**. Upon motion by Director Jones and second by Director Collins, the Board voted unanimously to approve the agreement, as presented.

There being no general manager's report, Director Conklin asked Mr. Flahive if he had been contacted by Gary Spoons regarding the dispute with a resident relating to payments of invoices for water utility service. Mr. Flahive stated that he had discussed the matter with Mr. Spoons, reviewed information provided by Mr. Spoons, and prepared a response letter to the resident's counsel. He stated that he would deliver the letter the next day, if acceptable to the Board. The Board directed Mr. Flahive to deliver the letter and to direct Mr. Spoons' office to direct any further communications from the resident or the resident's counsel relating to the dispute to Mr. Flahive's office.

Director McNeil stated the Board would next receive the bookkeeper's report. Ms. Bott distributed the cash activity report, attached as **Exhibit "F"**. She stated there were five additional checks proposed for approval by the Board, including checks for lab fees, drop box lock repairs, water and wastewater purchases, in amounts reviewed and approved by Jay Joyce, SWMP implementation and the fire hydrant painting project. Upon motion by Director Collins and second by Director Green, the Board voted unanimously to approve the five additional checks as proposed.

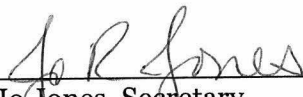
The Board next received a report from the District's engineer. Mr. Malish stated that he had reviewed his report with the Board at the September 19 meeting. He stated that he had been in contact with the project engineer for the Continental Properties project under

construction. He stated that the contractor's failure to schedule and conduct the required pre-construction meeting with District representatives was due to the contractor's lack of familiarity with the process, as the contractor was based in Houston. Mr. Malish stated that he had advised the project engineer to contact Mr. Spoons to learn all requirements of the District relating to construction of the project. Director McNeil asked if erosion controls has been installed, as he had not noticed them when passing the project site. Mr. Malish stated he would visit the site to check. He then discussed with the Board a request he had received from an architect to construct improvements over one of the District's easements. Mr. Malish stated that he had requested more information but had not received a response.

There being no discussion of bond projects, restrictive covenants report, future annexation, limited district conversion or other City of Austin items to discuss, or attorney's report, Director McNeil asked if there were any other matters to come before the Board. Director Conklin discussed with the other Board members, the consultants and Ms. Beaulieu and Mr. Wayne the scheduling of a Town Hall Meeting prior to the November 8 election. The Board decided on October 18, at the community center, with a meet and greet beginning at 6:30 p.m. and the meeting to begin at 7:00 p.m. The Board determined that the three candidates for Place 1 on the Board would be provided with 3 minutes each to address the residents in attendance. The Board directed Mr. Flahive to post notice for the Town Hall Meeting. The Board also discussed the coyote sighting in Rattan Creek Park late at night during the prior week. Director Conklin stated that he had been in touch with Captain Gleason regarding requesting the assistance of a wildlife management professional.

There being no other matters to come before the Board, upon motion by Director Conklin and second by Director McNeil, the Board voted unanimously to adjourn at 7:13 p.m.





Jo Jones, Secretary
Board of Directors

Date: October 18, 2016