

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

November 15, 2017

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 November 15, 2017, 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
Kim Green	-	Treasurer
Rachel Beaulieu	-	Assistant Secretary/Treasurer

and all of said Directors were present, including Director Conklin, who arrived late, 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.; Deputy David Oberg with the Williamson County Sheriff's Office; James and Diana Sagnes with Sage Management Services; Richard Fadal with TexaScapes, Inc.; Andrew Hunt with Crossroads Utility Services, L.L.C.; Marc Marroquin with Premier Recreation Management; Tom Letizia with T Bar M Land Services, LLC; Kevin Flahive with Armbrust & Brown, PLLC; April Bliss, a resident of the District and President of the Rattan Creek Neighborhood Association; and the following residents of the District: Dallas Hall, Michael Vanderburg, Carl and Julie Clark, Terri Short, Dee Ayers and Ghazanfer Hussain.

Director McNeil called the meeting to order at 6:02 p.m., and stated that the Board would consider approval of the October 16 and October 18 minutes. Upon motion by Director Jones and second by Director Beaulieu, the Board voted unanimously to approve the October 16 minutes, as presented. Upon motion by Director Jones and second by Director Beaulieu, the Board voted unanimously to approve the October 18 minutes, with one correction on line 94 to insert the word "be".

Director McNeil then stated that the Board would receive citizen communications and recognized Ms. Short. She stated that tree trimming along her property line with District property was needed and she requested that she be present during the trimming. Mr. Fadal stated that the area had been identified by the Parks & Greenbelt Committee for underbrush removal/cleanup. Director Conklin arrived at 6:06 p.m. Ms. Ayers then addressed the Board, stating that she had attended the October 18 Board meeting to address the mowed trail within the greenbelt behind Dallas Drive. She asked about the Board's future plans for constructing a trail in the area. Director McNeil stated that over time many residents had requested that the District expand its trails in the greenbelts. Director Green stated that the Parks & Greenbelt Committee did not currently propose further trail improvements in the area. Mr. Fadal stated

that he had a proposal for the Board's consideration to remove underbrush, dead trees and limbs and debris from the area, but no further clearing or trail improvements. Director McNeil stated that the mowed trail also served as a fire break, which the Board had been advised by a Jollyville Fire Department representative was needed in the greenbelt. Director Conklin asked if the primary purpose of the mowed trail was to serve as a pedestrian path or a fire break. Director McNeil stated the mowed trail was intended to serve both purposes, but due to resident feedback at the October 18 meeting, he would be agreeable to removing the regular mowing of the trail from Mr. Fadal's scope of services. Mr. Fadal then discussed with the Board that the clearing of the mowed trail was performed pursuant to a proposal presented to and approved by the Board during the Spring. Director McNeil then addressed Mr. Hussain, who discussed with the Board recent problems with utility billing. He stated that he had resolved the problems with Crossroads Utility Services, L.L.C. ("*Crossroads*"), but requested that the Board consider providing a longer period of time after utility invoices become delinquent before shutting off water service. The Board and Mr. Hunt discussed the District's process with Mr. Hussain and Mr. Hunt stated that his office was in the process of moving to an electronic funds transfer payment process, which would be more efficient and produce more current recording keeping. Mr. Clark then addressed the Board, stating that he and his wife reside next door to the undeveloped lot located at 7613 Windrush. He stated that he intended to purchase the residence that he was renting and the adjacent lot and asked about the restrictive covenants applicable to the lot. The Board directed Mr. Sagnes to provide a copy of the applicable restrictive covenants to Mr. Clark. Mr. Vanderburg thanked the Board for the high level of maintenance within the District's parks and greenbelts. He then requested that the Board consider increasing the security services provided by the Williamson County Sheriff's Department during the holidays. Director Conklin stated that the Board had increased the number of hours of security services being provided a couple of years ago and did not presently intend to further increase those hours.

The Board next received a report from the Rattan Creek Neighborhood Association (the "*RCNA*"). Ms. Bliss discussed with the Board the process for delivering the RCNA's quarterly newsletter, as it was mailed by Crossroads as a separate mailing one time and then included with the District's utility invoice the second time. Mr. Hunt stated that the current process was to include the newsletter with the District's utility invoice and that it was mailed separately one time because it was not ready in time to include with the invoice that month. He stated that he was concerned about including the newsletter with the District's invoices moving forward, as the newsletter included a perforated return form that may be delivered to his office, rather than the RCNA. The Board, Ms. Bliss, Ms. Hall and Mr. Hunt then discussed the Board's position on the matter in light of a desire not to create confusion among District residents, while supporting the RCNA in an appropriate manner. The Board then proposed that the RCNA expand its quarterly newsletter to include a portion dedicated to District content provided by the Board pursuant to a sponsorship that would offset the RCNA's postage expense and have Crossroads deliver the newsletter as a separate mailing. Ms. Bliss stated that she wanted to consider the proposal and would return to the December 18 meeting to discuss it with the Board. She then stated that the Caroling in the Park event would be held on December 17 in Rattan Creek Park.

The Board then received the pool and community center report, attached as **Exhibit "B"**. Mr. Marroquin reviewed his report with the Board, stating that the new portable lift had been received, the diving board had been reinstalled, and a new pump for the wading pool would be installed over the winter months. He stated that he hoped to bring proposals for upgrades to the community center kitchen to the Board for consideration at the December 18 meeting.

Director McNeil stated that the Board would next receive the security report and recognized Deputy Oberg. Deputy Oberg stated that there were very few car break-ins within

the District, but many thefts from unlocked cars. The Board then discussed with Deputy Oberg whether increased patrols may be necessary or desirable during the holidays. Upon motion by Director Conklin and second by Director McNeil, the Board voted unanimously to direct the Safety & Security Committee, comprised of Director Conklin and Director Jones, to direct increased patrols over the current 125 hours/month by no more than 100 additional hours/month through the end of January, as the committee deems appropriate. Deputy Oberg then reported on the recent incident on Steeple-Chase Drive involving narcotics and shots fired. He confirmed that no one was shot and that investigation of the incident was ongoing.

The Board next received the park and landscape report. Mr. Fadal reviewed his report, attached as **Exhibit "C"**. He stated that the Fall overseeding and topdressing of irrigated turf had been completed, the Fall/Winter color installation was in process, and the Robinson Park bathroom landscaping repairs/improvements had been completed. Mr. Fadal then presented proposal 9235, for Robinson Park clearing, pruning and cleanup in area B, in the amount of \$8,150.00, attached as **Exhibit "D"**, which he proposed to perform during the winter months when the poison ivy is dormant. Upon motion by Director Green and second by Director McNeil, the Board voted unanimously to approve the proposal, as presented. Mr. Fadal then presented proposal 9238, for Dallas Drive greenbelt additional dead tree and debris removal, in the amount of \$7,360.00, attached as **Exhibit "E"**. He stated that Mr. Hunt would contact area residents prior to the project so they could remove any items located on District property. After discussion, the Board elected to have Mr. Hunt contact the residents and directed Mr. Fadal to bring the proposal back at the January 17 meeting for discussion and possible action. Mr. Fadal then presented proposal 9240, for Rattan Creek wildflower area "A" trial, in the amount of \$5,520.00, attached as **Exhibit "F"**, which would be a more formal, dedicated wildflower area with boulders around it. He explained that the area would be mowed only two to three times per year. After discussion, the Board elected to proceed with the trial, utilizing less frequent mowing in that area, but not to approve the proposal.

Mr. Hunt then referred the Board to the cleaning services report, attached as **Exhibit "G"**.

Director McNeil then stated that the Board would receive the restrictive covenants report. Mr. and Ms. Sagnes reviewed her report with the Board and answered questions from the Board regarding same. They also distributed examples of informal notes used in other districts to notify residents of violations. The Board then discussed taking a proactive approach to restrictive covenants enforcement. Director Green stated that she supported delivering a mailing to all District residents informing them of increased enforcement prior to commencement. After discussion, the Board directed Mr. Flahive to prepare the draft letter for the Board's consideration at the December 18 meeting. The Board also directed Mr. Flahive to review his files and provide examples of the reports prepared by the District's previous restrictive covenant enforcement consultants for provision to Mr. and Mrs. Sagnes to use moving forward in order to create clearer timelines of actions taken with respect to each property. Mr. Flahive then recommended to the Board that it revisit its enforcement process to determine whether the Board desired to make any changes. The Board also discussed including restrictive covenants-related content in the District's portion of the RCNA quarterly newsletters, if the RCNA elects to move forward with the proposal. The Board also directed Mr. Flahive to provide the two letter templates used by Sage Management Services to the Board via email.

Director McNeil then addressed Mr. Hunt to provide the general manager's report. Mr. Hunt referred the Board to his report, attached as **Exhibit "H"**, and reviewed it with the Board. He stated that the new restrooms in Robinson Park had been vandalized and that his office

would address the matter. Mr. Hunt stated that water loss within the District remained a problem and that he would continue efforts to locate and address the leaks. He then presented four write-offs for the Board's approval. Mr. Hunt then stated that he would file the District's MS4 annual report and would present it to the Board at the December 18 meeting. He then discussed with the Board installation of a timer and automatic locks for the Robinson Park restrooms. After discussion, upon motion by Director Jones and second by Director McNeil, the Board voted unanimously to authorize Mr. Hunt to perform the project at a cost not to exceed \$3,000.00. Mr. Hunt then discussed with the Board finishing out the interiors of the booster station enclosures. After discussion, the Board directed Mr. Hunt and Mr. Malish to meet with contractors to refine the scope of the project for the Board's consideration at a future meeting. Mr. Hunt then discussed pruning three Live Oak trees around the parking lot in Robinson Park. Upon motion by Director Conklin and second by Director Jones, the Board voted unanimously to direct Mr. Hunt to perform the project at a cost not to exceed \$1,020.00. Mr. Hunt then presented a request from TLO TX2 Investments, LLC for the Board's waiver of \$578.15 in late fees for the property located at 9601 Amberglen. The Board declined to grant the requested late fee waiver. Mr. Hunt then discussed with the Board his efforts with the Sign Committee to create consistency among signage within the District and to identify areas where new signage is needed. Upon motion by Director Jones and second by Director McNeil, the Board voted unanimously to approve the four write-offs.

Director McNeil then addressed Ms. Bott to provide the bookkeeper's report. Ms. Bott stated that the Board had taken all necessary actions at the November 13 meeting and that she had nothing further to report.

The Board next received the engineer's report from Mr. Malish. He referred the Board to his report, attached as **Exhibit "I"**, and reviewed it with the Board. Mr. Malish stated that he had addressed the booster station building and Robinson Park restroom projects with the Board at the November 13 meeting. He then reviewed the bid tabulation for the Rattan Park pavilion project, attached as **Exhibit "J"**, stating that T Bar M Land Services, LLC was the low bidder in the amount of \$329,298.79, and recommended that the Board approve the low bid. Director McNeil asked when the project would be completed. Mr. Letizia stated that he expected to complete the project by April 2018. Upon motion by Director Jones and second by Director Green, the Board voted unanimously to approve the bid by T Bar M Land Services, LLC. Mr. Malish stated that he was still waiting on the City of Austin to approve the permit for the Tamayo Drive bridge project. He then discussed the Rattan Creek drainage study with the Board, stating that information could be provided at the town hall meeting and the potentially impacted residents could be contacted, even though the final findings of the study were not yet known. Mr. Malish stated that he anticipated completing his plan review for the Champion Real Estate School project by the end of the year. He concluded by stating that he had received a partial set of plans for extension of utilities to the 5-acre tract owned by CSW Development. Ms. Bott stated that she had received the \$20,000.00 plan review deposit.

There being no bond projects to discuss, the Board next addressed the City of Austin wholesale rate cases. Director Conklin reported to the Board on the content of discussion at the recent City of Austin cost of service presentation.

There being no future annexation, limited district conversion or other City of Austin items to address, the Board next received a report from Mr. Flahive. Mr. Flahive stated that Mr. Malish, Ronee Gilbert in his office, Jeff Hobbs and NW Austin Office Partners, LLC's counsel and consulting engineer would meet on November 29 to engage in settlement negotiations. He then reviewed the Payment Plan Agreement with Edward Hauser, attached as **Exhibit "K"**,

with the Board. Mr. Hunt stated that Mr. Hauser had not made any payments required under the agreement. Upon motion by Director McNeil and second by Director Jones, the Board voted unanimously to direct Mr. Flahive to deliver a demand letter to Mr. Hauser. Mr. Flahive then reviewed the Standard Agreement with Local Governmental Entity Regarding Off-Duty Contracting of County Sheriff Deputies, attached as **Exhibit "L"**. He stated that the Williamson County Sheriff had requested the agreement to provide his name, rather than his predecessor. Upon motion by Director Conklin and second by Director Jones, the Board voted unanimously to approve the agreement, as presented. Mr. Flahive then reviewed the 2017 legislative update memorandum with the Board.

Director McNeil then asked if there were any other matters to come before the Board. Mr. Flahive stated that the Board would hold its regular meeting on December 18 and have its holiday dinner on December 20. Director Green then recommended that the Board consider appointing an RCNA Liaison Committee to attend RCNA meetings as District representatives and facilitate communication between the RCNA and the Board. Upon motion by Director Green and second by Director Jones, the Board voted unanimously to appoint Director Jones and Director Beaulieu to the RCNA Liaison Committee. There being no other matters to come before the Board, upon motion by Director McNeil and second by Director Green, the Board voted unanimously to adjourn at 11:04 p.m.

(SEAL)



Kim Green, Secretary Pro Tem
Board of Directors

Date: December 18, 2017