

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

July 19, 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 July 19, 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, except for Director Conklin and Director Green, thus constituting a quorum. Also in attendance at the meeting were Mary Bott with Bott & Douthitt, P.L.L.C.; Dennis Lozano with Murfee Engineering Co., Inc.; Marc Marroquin with Premier Recreation Management; Andrew Hunt with Crossroads Utility Services, L.L.C.; Richard Fadal with TexaScapes, Inc.; Kevin Flahive with Armbrust & Brown, PLLC; Chris Blackburn and Walter Duke with CalAtlantic Homes; and Barbara Yandell and Robert Adams, residents of the District.

Director McNeil called the meeting to order at 6:02 p.m. and stated that the Board would first consider approval of the May 15, June 19 and June 21 minutes. Upon motion by Director Jones and second by Director Beaulieu, the Board voted unanimously to approve the May 15 minutes, as presented. Upon motion by Director Jones and second by Director Beaulieu, the Board voted unanimously to approve the June 19 minutes, as presented. Upon motion by Director Jones and second by Director Beaulieu, the Board voted unanimously to approve the June 21 minutes, as presented.

Director McNeil then stated that the Board would receive citizens communications and addressed Ms. Yandell. She discussed with the Board her concerns about properties located on Crowley Trail and New Boston Bend, including the non-compliance with applicable restrictive covenants and state and local law. The Board requested that Ms. Yandell determine the address of the property on Crowley Trail and provide to the District's restrictive covenant enforcement contractor, Sage Management, for follow-up relating to non-compliance with applicable restrictive covenants and recommended that she contact the Travis County Sheriff's Office with respect to her other concerns relating to illegal activity on or near the property. Mr. Flahive discussed with Ms. Yandell the actions taken by Sage Management, his office, the District's manager and the Board relating to the property at issue on New Boston Bend. Director McNeil then addressed Mr. Blackburn and Mr. Duke, representatives of CalAtlantic Homes, the developer and homebuilder of the Amber Oaks development within the District. Mr. Blackburn

and Mr. Duke discussed with the Board their request that the District issue a water meter for their model home, despite the project not yet having electrical utility service to the lift station facilitating the District's provision of wastewater utility service to the project. They explained that the lift station would be operated using a gas generator until such time as electrical service was connected. After discussion, Director McNeil stated that upon the recommendation of the District's manager and engineer, the Board declined to issue the requested water meter. Director McNeil then addressed Mr. Adams, a neighbor of Ms. Yandell, who stated his shared concerns regarding the condition of and illegal activity occurring on or near the subject property on Crowley Trail. The Board again recommended that the Travis County Sheriff's Office be contacted, repeatedly, with such concerns regarding such activity occurring on or near the property. The Board directed Mr. Flahive to contact Sage Management regarding the property on Crowley Trail.

There being no report from the Rattan Creek Neighborhood Association, Director McNeil stated that the next items on the agenda related to the District's 2017-2018 budget and tax rate. He stated that the Board was not ready to take up such items and would do so at its meetings in August.

Director McNeil then recognized Mr. Hunt to provide the security report in Sergeant Brogden's absence. Mr. Hunt referred the Board to the report, attached as Exhibit "B", and reviewed the report with the Board.

The Board next received the park and landscape report. Mr. Fadal referred the Board to his report, attached as Exhibit "C", and reviewed it with the Board. He stated that the greenbelt dead tree and brush clean-up and trimming project (proposal 9113) was in process. Mr. Fadal stated that the poison ivy treatment project (proposal 9119) was also in process and would be completed in the fall. Director McNeil asked Mr. Fadal to inspect the landscape screening that had been installed in Robinson Park along Anderson Mill Road, as it appeared to him that a couple of plantings had been cut down or removed. Mr. Fadal stated he would inspect the area. He then stated that his staff was keeping a close eye on the District's irrigation systems, ensuring proper function, due to the hot conditions. Mr. Fadal and Mr. Hunt then discussed with the Board the contactor's removal of four small trees in connection with installation of the wastewater service line serving the Robinson Park Restroom project. The Board directed Mr. Fadal to prepare and present a plan for revegetating and landscaping the portion of Robinson Park disturbed in connection with construction of the project. Mr. Fadal stated that he would like to meet with the Parks & Greenbelt Committee within the next week or two to discuss 2017-2018 budget items and would email the committee members. Mr. Fadal and Mr. Hunt then discussed with the Board the available options for provision of water service to the Cpl. Chad Eric Oligschlaeger memorial bench in the greenbelt near the Greybull Trail trailhead, as requested by Mr. Dennis Minks at the June 21 regular Board meeting. They described two options, one for provision of potable water and the other for provision of non-potable water, estimating that the potable option would cost approximately \$15,000.00 and the non-potable option would likely exceed that amount. Director Jones asked if the required plantings in connection with the Tamayo Bridge project, to which irrigation must be provided, could be located in a manner that would facilitate a more affordable extension of water service to the memorial bench area. Mr. Fadal stated that he would discuss the matter with the Parks & Greenbelt Committee at the upcoming meeting.

Director McNeil then addressed Mr. Marroquin to provide the pool and community center report. Mr. Marroquin referred the Board to his report, attached as Exhibit "D", and reviewed it with the Board. He stated that he had no record of any particular groups utilizing

the outdoor restroom at the community center on the date the vandalism occurred. Mr. Marroquin stated that the power washing component of the project to repaint the exterior of the community center, pergolas and wrought-iron fences had been completed and the painting would begin on Friday and continue through the following week. He stated that he had received the required certificate of insurance from the Karate group and provided a copy to Mr. Flahive. Director McNeil directed Mr. Flahive to have his office calendar the expiration date of the insurance policy, and the insurance policy maintained by the Kinderdance group, to ensure that such groups maintain the required insurance coverage. Mr. Flahive stated that he would do so.

There being no cleaning services report, Director McNeil then addressed Mr. Hunt to provide the general manager's report. Mr. Hunt referred the Board to his report, attached as **Exhibit "E"**, and reviewed it with the Board. He recommended that the Board direct Crossroads Utility Services L.L.C. ("Crossroads") to engage James Schiele with JBS Water Inc. to spend two to three days in early August surveying the older subdivisions within the District for sources of water loss. Mr. Hunt then discussed an increase in missed solid waste pickups in the District by Central Texas Refuse, Inc. and stated that he would contact the contractor about the issue. He then discussed an anticipated change order from T Bar M Land Services, LLC pursuant to the Contractor Agreement approved by the Board on June 21 to provide for additional stringers on the new footbridges. Mr. Hunt stated that T.F. Harper & Associates, LP had ordered the parts for the playscape repair project. He then discussed with the Board the one write-off in the amount of \$115.79 proposed for approval. Mr. Hunt then discussed with the Board the recent occurrence of an open bypass valve providing unmetered water utility service to the Lifetime Fitness project. He stated that the property owner's project engineer contacted Crossroads twice regarding lower than usual water usage and invoices. Mr. Hunt stated that he had invoiced the property owner for the estimated amount of the unmetered water service, but elected not to assess any penalties due to the actions of the property owner's project engineer. The Board agreed with Mr. Hunt's determination and stated appreciation for the project engineer's actions. Mr. Hunt stated that the vault had been secured and Crossroads would continue inspecting other larger meters within the District to ensure proper function and replacing those that do not function properly. Upon motion by Director Jones and second by Director Beaulieu, the Board voted unanimously to direct Mr. Hunt to move forward with the change order with T Bar M Land Services, LLC, to approve the write-off, as proposed, and to direct Mr. Hunt to have James Schiele continue the water loss surveying.

There being no report from the bookkeeper, the Board next received the engineer's report from Mr. Lozano. He referred the Board to his report, attached as **Exhibit "F"**, and reviewed it with the Board. Mr. Lozano distributed an updated Change Order No. 1 from G Creek Construction in relation to the Booster Station Enclosure and Robinson Park Restroom projects, attached as **Exhibit "G"**, providing for use of a rock saw and associated tree trimming, added electrical wire and breaker for air-conditioning service to the project, and additional access panels, at a total cost of \$7,610.53. Upon motion by Director Jones and second by Director Beaulieu, the Board voted unanimously to approve Change Order No. 1, as proposed. Director McNeil then discussed his concern with the slow progress of the projects and directed Mr. Lozano to confirm the timing requirements of the contractor pursuant to the construction contract and provide that information to the Board. Mr. Lozano stated that he would do so. Mr. Lozano and Mr. Fadal then discussed with the Board their preparation of an initial conceptual design for the reflection ponds in the District's greenbelts. The Board directed Mr. Lozano and Mr. Fadal to give the initial presentation to the Parks & Greenbelt Committee.

There being no discussion or action regarding bond projects, the Board next received the lobbyists' report. Mr. Hunt reviewed correspondence from the District's lobbyists regarding the Special Session with the Board.

The Board next received the restrictive covenants report. Mr. Flahive stated that no new matters had been referred to his office. The Board directed Mr. Flahive to research and report to the Board regarding exercise of authority and available remedies to the District upon suspicion and subsequent confirmation of illegal connections to the District's utility systems. Mr. Flahive stated that he would do so and report to the Board at the August 16 regular Board meeting.

Director McNeil then distributed and discussed with the other Board members the correspondence received from the District's counsel for the City of Austin wholesale rate cases regarding the status of those cases.


There being no future annexation, limited district conversion, or other City of Austin related issues, the Board next received a report from the District's attorney. Mr. Flahive provided the Board with an update regarding the status of the litigation relating to the Water Line Easement (OPRWTC 2001060527), stating that he anticipated having Mr. Jeff Hobbs join the Board at either the August 16 or the September 20 regular Board meeting to address the Board regarding the case.

There being no other matters to come before the Board, upon motion by Director McNeil and second by Director Jones, the Board voted unanimously to adjourn at 7:35 p.m.

(SEAL)



Date: August 16, 2017



Jo Jones, Secretary
Board of Directors