

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

February 21, 2018

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 February 21, 2018, 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/Assistant Secretary
Rachel Beaulieu	-	Assistant Secretary/Assistant Treasurer

and all of said Directors were present, with Director Conklin and Director Jones arriving later, 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.; James and Diana Sagnes with Sage Management Services; Marc Marroquin with Premier Recreation Management; Richard Fadal with TexaScapes, Inc.; Andrew Hunt with Crossroads Utility Services, L.L.C.; Sergeant Brodgen with the Williamson County Sheriff's Office; and Kevin Flahive with Armbrust & Brown, PLLC. Jeff Hobbs with Armbrust & Brown, PLLC participated by telephone conference.

Director McNeil called the meeting to order at 6:00 p.m., and stated that the Board would first consider approval of the November 13, 2017, January 15, 2018, January 17, 2018 and January 25, 2018 minutes. Upon motion by Director Beaulieu and second by Director Green, the Board voted unanimously to approve the November 13, 2017 minutes, as presented. Upon motion by Director Green and second by Director Beaulieu, the Board voted unanimously to approve the January 15, 2018 minutes, as presented. Upon motion by Director McNeil and second by Director Beaulieu, the Board voted unanimously to approve the January 17, 2018 minutes, as presented. Upon motion by Director McNeil and second by Director Green, the Board voted unanimously to approve the January 25, 2018 minutes, as presented.

There being no citizens in attendance desiring to address the Board and no Rattan Creek Neighborhood Association representative in attendance to provide a report to the Board, the Board next considered approval of the Resolution Confirming Annual Review of Written Procedures for Post Bond Issuance Federal Tax Compliance, attached as **Exhibit "B"**. Upon motion by Director McNeil and second by Director Green, the Board voted unanimously to approve the resolution, as presented.

Director McNeil then addressed Ms. Bott to provide the bookkeeper's report. Ms. Bott referred the Board to the cash activity report that she handed out, attached as **Exhibit "C"**. She

reviewed with the Board the three checks for approval, two of which are shown on the report and the one of which was check no. 2665 in the amount of \$83.23, payable to Director Jones, which is not shown on the report. Upon motion by Director Green and second by Director Beaulieu, the Board voted unanimously to approve the three checks. Director Conklin arrived at 6:08 p.m.

The Board next received the security report. Sergeant Brogden stated that the recent shooting incident involving a resident of the District involved teenagers with an air gun. He then discussed the content of his presentation to the residents of the District at the Town Hall Meeting the following evening. The Board notified Sergeant Brogden of recent incidents of use of District soccer fields by non-residents. Director Jones arrived at 6:18 p.m. Sergeant Brogden then discussed with the Board a recent event at the Community Center at which alcohol was served and for which security services were provided for a portion of the duration of the event. The Board confirmed with Sergeant Brogden that parties that rent District facilities for events at which alcohol is served must pay for security services for the entire duration of the event.

There being no Central Texas Refuse representative in attendance to provide a report to the Board, Mr. Hunt addressed the Board and discussed increased enforcement of the contractor's policy limiting the number of yard refuse bags that will be removed each time services are rendered to 6-7 bags, which he advised was permitted pursuant to the District's services agreement with the contractor.

Director McNeil stated that the Board would next receive the park and landscape report. Mr. Fadal reviewed his report, attached as **Exhibit "D"**. He stated that the rye grass was growing well. Mr. Fadal stated that some of the landscaping had suffered damage from freezing temperatures over the winter. He stated that all projects approved by the Board—proposals 9235, 9238, 9253 and 9256—had been completed. Mr. Fadal then presented proposal 9239, for Rattan greenbelt selective areas cleanup, in the amount of \$7,800.00, attached as **Exhibit "E"**. He explained that the amount was a not-to-exceed amount, as the areas to be addressed may not require all four days of work included in the cost. After discussion, the Board elected to delay action on the proposal to allow the Parks & Greenbelt Committee to identify the specific tasks to be performed and engage area residents prior to commencing work. Mr. Fadal then presented proposal 9279, for Robinson Park area "A" clearance pruning and cleanup, in the amount of \$6,580.00, attached as **Exhibit "F"**. After discussion, upon motion by Director McNeil and second by Director Green, the Board voted unanimously to approve proposal 9279, as presented.

Director McNeil then addressed Mr. Marroquin to provide the pool and community center report. Mr. Marroquin reviewed his report and handout regarding January pool and community center rentals, as directed by Director Conklin at the January 17 regular Board meeting, both attached as **Exhibit "G"**, with the Board. He then presented the proposed Pool Use Agreement with the Hurricane Swim Team, attached as **Exhibit "H"**. Mr. Flahive discussed the addition of the lane line purchase obligation described in Section 3 of the agreement. The Board then discussed use of the two storage sheds and the historical arrangement between the District and the swim team regarding the sheds. The Board directed Mr. Flahive to review his files regarding same and provide his findings to the Board via email. Upon motion by Director McNeil and second by Director Conklin, the Board voted unanimously to approve the Pool Use Agreement, as presented. Mr. Marroquin then discussed with the Board a project to install wire mesh in the roof of the small pavilion in Rattan Creek Park to protect against bird droppings on the table in the pavilion, at a cost not to exceed \$1,400.00. Upon motion by Director Conklin and second by Director McNeil, the Board voted unanimously to authorize Premier Recreation Management to perform the work.

The Board next convened in executive session at 6:58 p.m. pursuant to Section 551.071 of the Texas Government Code to receive legal advice from Mr. Flahive and Mr. Hobbs relating to pending litigation with NW Austin Office Partners LLC and to receive legal advice from Mr. Flahive relating to pending litigation with Edward Gary Hauser. The Board reconvened in the open meeting at 7:22 p.m. and Director McNeil stated that no actions were taken during executive session.

Director McNeil stated that the Board would next receive the restrictive covenants report. Mr. and Ms. Sagnes reviewed their report with the Board and answered questions from the Board regarding same. Mr. Flahive then reviewed with the Board the revised draft Resolution Adopting Rules Relating to Enforcement of Restrictive Covenants, including additional recommended changes to Section 1.04(a). After discussion, upon motion by Director Conklin and second by Director Jones, the Board voted unanimously to approve the resolution, as modified, attached as Exhibit "I". Mr. Flahive then presented the recommended template for restrictive covenant reports, attached as Exhibit "J". Upon motion by Director Conklin and second by Director Jones, the Board voted unanimously to approve the new template. Mr. Hunt then presented the proposal from Maxwebs Co. to modify the District's website to include all restrictive covenants and an interactive page that residents may use to identify the restrictive covenants applicable to their property, in the amount of \$1,500.00, attached as Exhibit "K". The Board discussed verification of addresses using online resources, in lieu of driving the District. Upon motion by Director McNeil and second by Director Jones, the Board voted unanimously to approve the proposal, as a not-to-exceed amount and directed Mr. Hunt to discuss the verification of addresses using online resources to reduce time and expense with Mark Maxwell.

Director McNeil then addressed Mr. Hunt to provide the general manager's report. Mr. Hunt referred the Board to his report, attached as Exhibit "L", and reviewed it with the Board. He stated that the Dallas Drive booster station project had been completed. Mr. Hunt then presented five write-offs for Board approval. He then discussed a series of projects for which he had prepared or obtained proposals. After discussion, upon motion by Director Green and second by Director Jones, the Board voted unanimously to approve proposal 131.1 from Crossroads Utility Services, L.L.C., for upgrades and repairs to the Robinson Park volleyball court, in the amount of \$5,350.00, attached as Exhibit "M". Upon motion by Director McNeil and second by Director Green, the Board voted unanimously to approve proposal 131.3 from Crossroads Utility Services, L.L.C., for removal and possible replacement of the soccer kickboard in Robinson Park, depending on the outcome of Mr. Hunt's discussions with soccer coaches that utilize the park to determine whether they would prefer that the improvement be removed or replaced, in an amount not to exceed \$4,450.00, attached as Exhibit "N". Upon motion by Director Jones and second by Director Green, the Board voted unanimously to approve proposal 131.4 from Crossroads Utility Services, L.L.C., for replacement and upgrade of lights in the pavilions in Rattan Creek Park, in the amount of \$5,480.00, attached as Exhibit "O". After discussion, upon motion by Director McNeil and second by Director Jones, the Board voted unanimously to approve quote 020918-04tb from t.f. harper & associates, LP, for installation of new picnic tables and one trash can in Robinson Park, the pool area, and the pavilions in Rattan Creek Park, modified to be an amount not to exceed \$12,000.00, with the variety of tables to be installed in the pool area to be determined by the Pool & Community Center Committee, and further modified to provide that grated tables be installed in the Rattan Creek Park pavilions, attached as Exhibit "P". Upon motion by Director McNeil and second by Director Green, the Board voted unanimously to approve quote 020918-03tb from t.f. harper & associates, LP, for installation of new picnic tables in Robinson Park, in the amount of \$4,713.21, attached as Exhibit "Q". Mr. Hunt then presented the proposal from JBS Associates for leak detection

services in the District in the amount of \$5,275.00, attached as **Exhibit “R”**. Upon motion by Director Conklin and second by Director McNeil, the Board voted unanimously to approve the proposal, as presented, subject to the contractor’s compliance with HB 1295. Mr. Hunt then presented the proposal from LaCosta Environmental LLC, for preparation of the annual water loss audit and ongoing maintenance of the District’s water conservation and drought contingency plan, in an amount not to exceed \$3,000.00, attached as **Exhibit “S”**. Mr. Hunt then presented his report of no incidences and a recommendation of no changes to the District’s identity theft prevention program, attached as **Exhibit “T”**. Upon motion by Director Jones and second by Director Green, the Board voted unanimously to approve the Resolution Confirming Annual Review of Identity Theft Prevention Program, attached as **Exhibit “U”**, and the five write-offs presented by Mr. Hunt.

The Board next received the engineer’s report from Mr. Malish. He referred the Board to his report, attached as **Exhibit “V”**, and reviewed it with the Board. Mr. Malish presented the bid tabulation for the Tamayo Drive bridge project, attached as **Exhibit “W”**, and recommended that the Board award the construction contract for the project to the low bidder, Joe Bland Construction, LP, in the amount of \$283,837.25. Upon motion by Director Jones and second by Director Green, the Board voted unanimously to award the construction contract for the Tamayo Drive bridge project to the low bidder, Joe Bland Construction, LP, in the amount of \$283,837.25. Mr. Malish then stated that all plans for the Champion School of Real Estate project had been approved and he and Mr. Flahive would prepare the Water Lines Easement to provide for automatic termination upon the City of Austin’s annexation of the District, as required by the City of Austin. He stated that the developer of the Amber Oaks, Lots 4, 5 & 6 project continued to address easement issues with the City of Austin. Mr. Malish stated that the Advanced Smiles Dental applicant was working with the City of Austin to remove language prohibiting the District’s water line from being located in an easement to the District, which the District does require, in order to obtain the District’s approval of the plans for the project. He stated that he was reviewing the plans for the five-acre storage site and 7-Eleven project. Mr. Malish then stated that he would request a proposal from Utility Testing and Services for TVing the District’s wastewater lines.

There being no bond projects, City of Austin wholesale rate case matters, future annexation, limited district conversion or other City of Austin items to address, or attorney’s report, Director McNeil asked if there were any other matters to come before the Board. Director Conklin then reviewed the slides for his presentation to the residents of the District at the Town Hall Meeting the following evening with the other Board members.

There being no other matters to come before the Board, upon motion by Director Conklin and second by Director Green, the Board voted unanimously to adjourn at 9:27 p.m.

(SEAL)



Date: March 21, 2018



Jo Jones, Secretary
Board of Directors