

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

November 20, 2019

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 November 20, 2019, 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 as **Exhibit “A”**.

The roll was called of the members of the Board, to-wit:

Donald G. Conklin	-	President
Jo Jones	-	Vice President
Diana Christiano	-	Secretary
Kim Green	-	Treasurer/Assistant Secretary
Rachel Beaulieu	-	Assistant Secretary/Assistant Treasurer

and all of said Directors were present, except for Director Jones, 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.; Richard Fadal with TexaScapes, Inc.; Marc Marroquin with Premier Recreation Management Services, LLC; Andrew Hunt with Crossroads Utility Services, L.L.C.; Ja-Mar Prince with Texas Disposal Services, Inc.; Sergeant Scott Zion with the Williamson County Sheriff’s Office; Pete Peters, Karen Gross and Natalia Riusech with Concept Development & Planning LLC; Helen Gilbert with Gilbert Wilburn, PLLC; Kevin Flahive with Armbrust & Brown, PLLC; and residents of the District, including but not limited to Kari Smith, Kristi Copeland and Michael and Inez Vanderburg.

Director Conklin called the meeting to order at 6:04 p.m., stated that the Board would first receive citizen communications, and recognized Ms. Smith. Ms. Smith stated that she wanted to follow up on her complaint regarding the residence located at 7646 Elkhorn Mountain, the owner of which was operating a short-term rental of individual rooms within the residence. She stated that the use of the residence for short-term rental of individual rooms was ongoing. Director Conklin stated that the matter was in the District’s process, that the District had contacted the resident, and that the Board would receive legal advice from its general counsel later in the meeting and consider additional action at that time.

Director Conklin then addressed Ms. Copeland, who asked if the Board had any plans for traffic calming improvements within the District. Director Conklin responded that the District did not have jurisdiction over streets within the District, which are owned, operated and maintained by Williamson and Travis Counties. He encouraged Ms. Copeland to contact the appropriate county commissioner to report any traffic concerns. The Board then discussed with the residents in attendance that areas and time periods of particular concern relating to fast or reckless driving within the District should be communicated to Mr. Hunt, who would then inform the Williamson County Sheriff’s Deputies patrolling the District for focused enforcement.

Director Conklin next addressed Mr. Vanderburg. Mr. Vanderburg asked about the District's restrictive covenant enforcement process, whether complainants received feedback from the Board, and whether the parks within the District would be impacted by the new Federal Emergency Management Agency ("FEMA") 100 year floodplain. Director Conklin briefly described the District's restrictive covenant enforcement process and confirmed that it was public information and could be requested by anyone. He then stated that the Board was working to refine and improve the process. Director Conklin stated that the District was looking at all options for seeking to address the new FEMA 100 year floodplain, but that the District's engineer, Mr. Malish, was generally not in favor of channelizing the creek. He stated that the Tamayo Bridge project would be the initial project that the District would perform. Director Conklin concluded by stating that he did not anticipate drastic changes within the District's greenbelts.

Director Conklin then addressed Ms. Vanderburg, who asked how frequently the Board met and whether the Board had the discretion to expedite a restrictive covenant enforcement matter. Director Conklin confirmed that the Board generally meets twice per month, with a regular meeting on the third Wednesday of each month, and a work session the Monday before each regular meeting. He stated that additional meetings, such as the annual town hall meeting, would be held, but special meetings of the Board were infrequent. Ms. Vanderburg then asked that the Board consider wildlife when designing projects within the District's greenbelts to address the FEMA 100 year floodplain. Director Conklin confirmed that the Board takes wildlife into consideration as it designs such projects.

The Board next considered approval of the October 14, 2019, October 15, 2019 and October 16, 2019 minutes. Upon motion by Director Green and second by Director Conklin, the Board voted unanimously to approve the October 14, 2019 minutes, as presented. Upon motion by Director Green and second by Director Christiano, the Board voted unanimously to approve the October 15, 2019 minutes, as presented. Mr. Flahive then distributed a redline of the October 16, 2019 minutes reflecting corrections that his office had prepared. Upon motion by Director Green and second by Director Christiano, the Board voted unanimously to approve the October 16, 2019 minutes, as corrected in Mr. Flahive's redline.

There being no report from the Rattan Creek Neighborhood Association, at 6:27 p.m., Director Conklin stated that the Board would convene in executive session pursuant to Section 551.071 of the Texas Government Code to receive legal advice from Ms. Gilbert regarding the City of Austin wholesale rate cases. The Board reconvened in open meeting at 6:55 p.m. and Director Conklin stated that no action was taken during executive session.

The Board next received the District accountant's report. Ms. Bott reviewed the updated cash activity report, attached as **Exhibit "B"**. She stated that eight checks had been added to the report discussed with and approved by the Board at the November 18, 2019 work session, and reviewed those additional checks with the Board. Ms. Bott then responded to questions raised by the Board at the November 18, 2019 work session. Director Conklin commented that property tax protests by residents of the District were at the lowest percentage of value within the District over the past five years. Upon motion by Director Conklin and second by Director Christiano, the Board voted unanimously to approve the eight additional checks, as set forth in the updated cash activity report.

Director Conklin then stated that the Board would receive the restrictive covenants report. At 7:00 p.m., Director Conklin stated that the Board would convene in executive session pursuant to Section 551.071 of the Texas Government Code to receive legal advice from Mr.

Flahive regarding restrictive covenant enforcement matters. The Board reconvened in open meeting at 8:18 p.m. and Director Conklin stated that no action was taken during executive session.

The Board then reviewed the restrictive covenant report. After discussion, upon motion by Director Conklin and second by Director Green, the Board voted unanimously to direct Mr. Flahive to resume the enforcement action relating to the fence in the front yard of 13106 Amarillo Drive by delivering the Initial Notice. After discussion, upon motion by Director Conklin and second by Director Green, the Board voted unanimously to direct Mr. Flahive to continue the enforcement action relating to the debris in the front yard of 13204 Quadros Pass by delivering the Final Notice. Director Beaulieu stated that she wanted to send written correspondence to complainants within the District to inform them of the status of their complaint. The Board then discussed 13008 Moorcroft Lane. Upon motion by Director Green and second by Director Conklin, the Board voted unanimously to discontinue the enforcement action relating to the small amount of debris in the front yard of 13008 Moorcroft Lane. After discussion, upon motion by Director Conklin and second by Director Beaulieu, the Board voted unanimously to direct Mr. Flahive to continue the enforcement action relating to the boat and trailer parked in front of 8101 Avella Drive by delivering the Second Notice. After discussion, upon motion by Director Conklin and second by Director Green, the Board voted 3-1 with Director Beaulieu voting against, to direct Mr. Flahive to resume the enforcement action relating to the fence on the side yard of 7635 Elkhorn Mountain Trail. After discussion, upon motion by Director Conklin and second by Director Beaulieu, the Board voted unanimously to direct Mr. Flahive to continue the enforcement action relating to the debris in the front yard of 13263 Darwin Lane by delivering the Second Notice. After discussion, upon amended motion by Director Green and second by Director Conklin, the Board voted unanimously to direct Mr. Flahive to continue the enforcement action relating to the debris in the side yard and the car without a license plate parked on 13107 Tamayo Drive by delivering the Initial Notice. After discussion, upon motion by Director Conklin and second by Director Green, the Board voted unanimously to direct Mr. Flahive to expedite the enforcement action relating to the non-single-family residential use and non-single-family modifications to the residence at 7646 Elkhorn Mountain Trail by delivering the Notice of Impending Litigation and to contact the complainant, Ms. Smith, to communicate the status of the District's enforcement action. After discussion, upon motion by director Conklin and second by Director Beaulieu, the Board voted unanimously to direct Mr. Flahive to continue the enforcement action regarding potential non-single family residential use of the residence and the fence in the front yard of 13244 Kerrville Folkway by immediately delivering a supplemental postcard regarding the fence, followed by an Initial Notice if the violations were not resolved prior to the upcoming tour by Sage Management. After discussion, upon motion by Director Conklin and second by Director Beaulieu, the Board voted unanimously to direct Mr. Flahive to continue the enforcement action relating to the debris in the front yard of 13251 Kerrville Folkway by delivering the Initial Notice if the violation was not resolved prior to the upcoming tour by Sage Management. After discussion, upon motion by Director Conklin and second by Director Green, the Board voted unanimously to direct Mr. Flahive to continue the enforcement action relating to the commercial use of 7406 Napier Trail by delivering the Initial Notice if the violation was not resolved prior to the upcoming tour by Sage Management.

After discussion, upon motion by Director Conklin and second by Director Green, the Board voted unanimously to direct Mr. Flahive to prepare three form letters to complainants for the Board's consideration at the December 16, 2019 regular meeting to: (i) acknowledge receipt of the complaint; (ii) inform the complainant that the District was pursuing enforcement, having determined that an enforceable restrictive covenant violation was present; and (iii) inform the

complainant that the District was not pursuing enforcement, having determined that an enforceable restrictive covenant violation was not present. Director Beaulieu then stated that she wanted the Board to place an item on the agenda for the December 16, 2019 regular meeting to discuss and consider preparing a form letter to go to District residents that were complained against, but which the District did not pursue an enforcement action against, having determined that an enforceable restrictive covenant violation was not present. Director Conklin stated that the District's scope of authority was limited to restrictive covenants that were enforceable under state statute and such correspondence would not be appropriate. The Board then discussed seeking to align resources, such as the Boy Scouts or church youth groups, with residents in need of assistance with property maintenance.

Director Conklin stated that the Board would next receive the solid waste services report, attached as **Exhibit "C"**, and recognized Mr. Prince. Mr. Prince reviewed his report with the Board and answered the Board's questions. He stated that leaf pickup had started and would continue through December 9, 2019. Mr. Prince discussed the extra solid waste pickup provided to the approximately 90 District residents that were initially missed at the time Texas Disposal Services, Inc. began providing solid waste services to the District. In response to questions posed by Director Green, Mr. Prince stated that the "courtesy pickups" referenced in his report were pickups that were not requested by the resident ahead of time, but were made anyway, and that "bulky waste" referenced in his report were bulk item pickups that were requested by the resident ahead of time and made by the solid waste services provider.

The Board then received the security report, attached as **Exhibit "D"**. Sergeant Zion stated that there were 177 calls within the District during the month of October. He stated that the calls were not serious in that there were no burglaries or assaults. Sergeant Zion stated that there was some vandalism of the playscape in Rattan Creek Park, which was being cleaned up. He stated that the increased patrols for the holiday season directed by the Board had commenced. Director Conklin asked about contracting with the Travis County Sheriff's Department for extra patrols in the portion of the District located in Travis County. Mr. Hunt stated that he had been in touch with the Travis County Sheriff's Department and was working to identify available options for the Board's consideration. The Board discussed a desire to provide the same level of additional patrols within the portion of the District located in Travis County that was being provided to the portion of the District located in Williamson County. Mr. Hunt stated that he would continue to work with the Security Committee to bring options to the Board in the near term.

Director Conklin then addressed Mr. Fadal to provide the park and landscape maintenance report. Mr. Fadal referred the Board to the report, attached as **Exhibit "E"**, and reviewed the report with the Board. He stated that the over-seeded turf had begun to germinate. Mr. Fadal then handed out the door-hanger that his office had prepared to notify residents of routine tree maintenance within the greenbelt in the vicinity of the residents' property, attached as **Exhibit "F"**. He requested that the Board provide any comments or changes to him via email by the following day.

The Board then received the pool and community center report. Mr. Marroquin reviewed his report, attached as **Exhibit "G"**. He stated that the transition to the pool's winter season had been smooth and that the new tarps for the pool had been ordered and should arrive by mid-December. Mr. Marroquin stated that many reservations of rooms within the community center had been made for the month of December. He stated that the holiday lights had been installed and were turned on for the Board to see following the meeting. Director Christiano then left the meeting at 9:18 p.m. Mr. Marroquin then presented a proposal to paint

the pump house building the same color as the community center at a cost not to exceed \$2,500, attached as **Exhibit “H”**. Upon motion by Director Green and second by Director Conklin, the Board voted 3-0 to approve the proposal. Mr. Marroquin then presented a proposal for the event coordinator position with Premier Recreation Management Services, LLC, which would be for 15-20 hours per week, at a rate of \$40 per hour, not to exceed \$36,000 per year, attached as **Exhibit “H”**. Mr. Flahive stated that this would be a change in the scope of services provided by Premier Recreation Management Services, LLC to the District that would require an amendment to the Management Services Agreement for Community Center and Pool with Premier Recreation Management Services, LLC. Director Green stated that for each of the prior six years the District had budgeted for the position and she desired to move forward with it. Director Christiano then returned at 9:24 p.m. Director Conklin stated that he would support the event coordinator position if it was expected to help recoup some of the costs of operation of the community center by increasing rentals. Director Beaulieu stated that she wanted the community center to be a better amenity to the residents of the District, and was less concerned with recouping operating costs through the addition of an event coordinator. Director Green stated that she thought there was a need for the position. After further discussion, the Board directed Mr. Marroquin, Mr. Flahive and the Parks & Community Center Committee to prepare a proposed amendment to the Management Services Agreement for community center and Pool with Premier Recreation Management Services, LLC for consideration by the Board at the December 16, 2019 regular meeting. Mr. Marroquin then presented a proposal to install a new security system in the community center, pool and Rattan Creek Park at a cost not to exceed \$32,000, attached as **Exhibit “H”**. After discussion, upon motion by Director Green and second by Director Conklin, the Board voted unanimously approve the project, as presented. Mr. Marroquin concluded by discussing the Williamson County & Cities Health District’s new Public Swimming Pool Program, which would require that the District to obtain a permit to operate the pool. He confirmed that no changes would need to be made to the pool. Mr. Hunt stated that the Williamson County Commissioners Court had not yet approved the program and that he would continue to monitor the matter.

The Board next received the general manager’s report. Mr. Hunt reviewed his report, attached as **Exhibit “I”**, with the Board. He stated that the District had a 4% water gain in October, possibly due to a malfunctioning master meter that was being addressed. Mr. Hunt stated that he had no write-offs for the Board’s consideration. He stated that only one website inquiry was received in October, which inquiry related to the bulk item pickup day. The Board then discussed and directed Mr. Hunt to put up temporary signage within the District advising residents of the ongoing weekly leaf pickup through December 9, 2019. Mr. Hunt then presented the MS4 annual report, attached as **Exhibit “J”**. Upon motion by Director Conklin and second by Director Beaulieu, the Board voted unanimously to approve the report, as presented. Mr. Hunt next stated that he had toured Rattan Creek Park with Davey Tree representatives to identify tree canopies to be raised. He stated that he would coordinate with the Parks & Community Center Committee to bring a proposal to the Board at the December 16, 2019 regular meeting. He stated that the lead and copper sampling had revealed acceptable levels within the District’s water supply. Mr. Hunt confirmed that he had transferred all of the District residents’ accounts to the new billing system. He discussed issues with the new billing system that he was working through with the provider. After discussion, upon motion by Director Conklin and second by Director Christiano, the Board voted unanimously to suspend all late fee assessments against District residents’ accounts until the issues with the new billing system are resolved. The Board then directed Mr. Flahive to report to the Board at the December 16, 2019 regular meeting on his office’s concerns regarding Vanco Payment Solution’s proposal for billing services. After further discussion, upon motion by Director Conklin and second by Director Green, the Board voted unanimously to suspend water cut-offs thorough

December 31, 2019, while Mr. Hunt's office works to resolve the billing system issues. Mr. Hunt then discussed the new water meter billing software that his office had implemented, at no additional cost to the District, which would likely reduce billing disputes. He next presented his letter regarding two instances of unauthorized water use within the District by Environmental Design, a tree moving company, attached as **Exhibit "K"**. After discussion, upon motion by Director Conklin and second by Director Green, the Board voted unanimously to levy a fine of \$2,000, being a \$1,000 fine for each occurrence, pursuant to Article VI of the District's Amended and Restated Order Establishing Water and Wastewater Service Rates, Charges and Tap Fees, and Adopting General Policies with Respect to the District's Water, Wastewater and Drainage Systems (March 15, 2017). Mr. Hunt continued his report by stating that the Addendum to Card Services Agreement by and among North Austin Municipal Utility District No. 1 of Travis and Williamson Counties, Texas, and Bluefin Payment Systems, LLC had not yet been finalized and he would bring the final version to the Board for consideration at the December 16, 2019 regular meeting. He then reviewed the Logo and Visual Identity Round 2 from Hot Dog Marketing, attached as **Exhibit "L"**, with the Board. The Board elected to postpone consideration of the item until the December 16, 2019 regular meeting so that Director Jones could be present for the discussion. Director Beaulieu then asked Mr. Hunt if his office had the ability to email the District's residents regarding the leaf pickup. Mr. Hunt responded that he could, but those emails frequently go to recipients' spam folders. Director Beaulieu then asked Mr. Hunt about some fire hydrants within the District that had been painted. After discussion, Director Beaulieu stated that she would take photos of the subject fire hydrants and send them to Mr. Hunt.

Director Conklin then recognized Mr. Malish to provide the District engineer's report, attached as **Exhibit "M"**. Mr. Malish stated that his office had received comments on the Tamayo Drive bridge project from Williamson County and he anticipated those comments would be satisfactorily addressed and the permit issued within the next one to two weeks. He reported that Texas Gas Service had not yet commenced its gas main relocation project, which must occur prior to the District's Tamayo Drive bridge project. After discussion, the Board directed Mr. Flahive to contact Texas Gas Service's in-house counsel regarding the timeline for the gas main relocation project. Director Conklin then left the meeting at 10:32 p.m. Mr. Malish then discussed the water line relocation project on the NW Austin Office Partners LLC site, stating that bids were opened on October 29, 2019, four qualifying bids were received, and JBS Underground was the low bidder at \$118,784.61, as shown on the bid tabulation and recommendation letter attached as **Exhibit "N"**. Director Conklin then returned to the meeting at 10:36 p.m. Mr. Malish recommended that the Board award the contract to JBS Underground. Upon motion by Director Conklin and second by Director Green, the Board voted unanimously to award the contract for the water line relocation project on the NW Austin Office Partners LLC site to JBS Underground, as recommended. Mr. Malish then continued his report, stating that he was awaiting the plans for the Parmer Lane bridge project from the Texas Department of Transportation in order to continue with design work on the project. He then stated that construction of the 7-Eleven project was underway and that he had been in contact with the project engineer. Mr. Malish concluded by discussing his representation, as an expert witness, of all four coalition member districts in the ongoing City of Austin wholesale rate cases.

There being no lobbyists' report, the Board next reviewed bond projects, and Director Conklin distributed a handout describing the public outreach performed by the Drainage Committee, with assistance from Concept Development & Planning LLC, Mr. Malish and Mr. Flahive. Director Conklin stated that the response from District residents had been very positive.

There being no future annexation, limited district conversion or other City of Austin related issues to come before the Board, or attorney's report, Director Conklin asked if there were any other items to come before the Board. There being no other matters to come before the Board, upon motion by Director Green and second by Director Conklin, the Board voted unanimously to adjourn at 10:58 pm.

(SEAL)



*Diana Christiano*

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Diana Christiano, Secretary  
Board of Directors

Date: December 16, 2019