

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

March 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 March 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 hereto as **Exhibit "A"**.

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

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

and all of said Directors were present, thus constituting a quorum. Also in attendance at the meeting were David Malish with Murfee Engineering Co., Inc.; Mary Bott with Bott & Douthitt, P.L.L.C.; Marc Marroquin with Premier Recreation Management; Andrew Hunt with Crossroads Utility Services, L.L.C.; Sergeant Troy Brogden with the Williamson County Sheriff's Office; Jimmy and Diana Sagnes with Sage Management Services; Deana Tollerton with the Rattan Creek Neighborhood Association; Mike Lavengco and Adolph Lopez with Central Texas Refuse, Inc.; Steve Shannon, John Harris and Chris Kjar with Waste Connections; Doug Smith and Rick Fraumann with Texas Disposal Systems; and Kevin Flahive with Armbrust & Brown, PLLC.

Director Jones called the meeting to order at 6:06 p.m., and stated that the Board would first consider approval of the February 18, 2019 and February 20, 2019 minutes. Director Christiano pointed out a correction in line 16 of the February 18, 2019 minutes. Upon motion by Director Beaulieu and second by Director Green, the Board voted unanimously to approve the February 18, 2019 minutes, as corrected. Director Beaulieu pointed out corrections in lines 84, 88, 89 and 92 of the February 20, 2019 minutes. Upon motion by Director Beaulieu and second by Director Christiano, the Board voted unanimously to approve the February 20, 2019 minutes, as corrected, with Director Conklin abstaining.

There being no citizens in attendance desiring to address the Board, Director Jones stated that the Board would next receive a report from the Rattan Creek Neighborhood Association. Ms. Tollerton distributed door hangers listing upcoming community events, which she stated would be distributed within the District later in the week.

The Board next received the restrictive covenants report. Mr. and Mrs. Sagnes discussed the open enforcement matters with the Board. They stated that three new complaints had been received, which would be addressed in their next tour of the District. The Board directed Mr. and Mrs. Sagnes to wait to take action with respect to the two properties on Margit Drive until the applicable restrictive covenants could be determined. The Board further directed Mr. and

Mrs. Sagnes to contact the owner of the property on Modena Trail informally in an effort to resolve the alleged violation.

The Board next received the bookkeeper's report. Ms. Bott distributed an updated cash activity report, attached as **Exhibit "B"**, which contained five new checks. She then presented the Resolution Regarding Operating Account, attached as **Exhibit "C"**. Mr. Malish then requested the Board's approval of payment of a \$2,769.52 site plan review fee to the City of Austin in relation to the waterline relocation project on the NW Austin Office Partners LLC site. After discussion, upon motion by Director Conklin and second by Director Jones, the Board voted unanimously to approve the five additional checks referenced on the updated cash activity report, the Resolution Regarding Operating Account, and payment of the site plan review fee, as presented.

Director Jones stated that the Board would next receive the security report. Sergeant Brogden reviewed his report, attached as **Exhibit "D"**. He stated that the Williamson County Sheriff's Office had received 166 calls from within the District during the month of February. Sergeant Brogden stated that disturbance calls had increased. He then discussed the upcoming Sheriff's Forum with the Board. The Board directed Mr. Hunt to coordinate the event with Sheriff Chody's office, including a meet and greet with Sheriff Chody prior to the event, if possible.

Director Jones stated that the Board had received the landscape maintenance report on March 18, 2019. Director Green stated that the Parks & Greenbelt Committee had directed TexaScapes, Inc. to mow the wildflower area within the District's greenbelt on a high setting, which would occur later in the week at no additional cost to the District.

The Board next discussed the proposals submitted by solid waste providers in response to the District's request for proposal. Director Jones first addressed Steve Shannon, John Harris and Chris Kjar with Waste Connections. Mr. Harris reviewed their proposal with the Board and answered questions from the Board regarding same. Director Jones then addressed Doug Smith and Rick Fraumann with Texas Disposal Systems. Mr. Fraumann reviewed their proposal with the Board and answered questions from the Board regarding same. Director Jones then addressed Mike Lavengco and Adolph Lopez with Central Texas Refuse, Inc. Mr. Lavengco reviewed their proposal with the Board and answered questions from the Board regarding same. He then addressed the Board's request for a proposal for unlimited leaf bag pickups during the Oak leaf drop. After discussion, Mr. Lavengco stated that Central Texas Refuse, Inc. would provide four weekly unlimited leaf bag pickups under the contractor's existing contract with the District at no additional cost to the District. The Board elected to schedule the leaf bag pickups on four successive Mondays beginning on March 25, 2019. The Board directed Mr. Hunt to obtain written confirmation from Central Texas Refuse, Inc. regarding same. The Board then discussed the proposals from the three solid waste providers and elected to defer action on the matter until the April 17, 2019 regular meeting.

At 8:19 p.m., Director Jones stated that the Board would take a brief recess. The Board reconvened at 8:23 p.m. and received the pool and community center report. Mr. Marroquin reviewed his report, attached as **Exhibit "E"**. He stated that the pool repair project took longer than anticipated, but he was able to re-open the pool on March 8, 2019, as scheduled. He stated that the Pool Use Agreement with the Hurricane Swim Team had been approved at the March 18, 2019 meeting. Mr. Marroquin then distributed and reviewed a proposal for pool furniture, attached as **Exhibit "F"**, and requested that the Board approve an amount not to exceed \$30,000 to ensure that all shipping costs would be covered. After discussion, upon motion by Director Green and second by Director Christiano, the Board voted unanimously to approve the proposal in an amount not to exceed \$30,000. Mr. Marroquin then continued his report,

stating that he expected to present janitorial services proposals to the Board for consideration at the April 17, 2019 regular meeting. The Board directed Mr. Marroquin to distribute the proposals to the Board via email in advance of the April 17, 2019 meeting. Mr. Marroquin then discussed with the Board capabilities of the eSoft Planner software to facilitate online reservation of pavilions within Rattan Creek Park and rooms within the Community Center, which he would discuss with the Community Center Committee. He then presented the Assignment and Assumption of and First Amendment to Management Services Agreement for Community Center and Pool, attached as **Exhibit "G"**. Mr. Marroquin stated that he had formed Premier Recreation Management Services, LLC and desired to assign his services agreement with the District to his new business entity. After discussion, upon motion by Director Green and second by Director Christiano, the Board voted unanimously to approve the Assignment and Assumption of and First Amendment to Management Services Agreement for Community Center and Pool, as presented.

The Board next received 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 water loss for the prior month was 4%. Mr. Hunt stated that he anticipated replacing three to four fire hydrants in April or May, in continuation of the hydrant replacement project. He stated that he had one write-off for the Board's approval. Mr. Hunt then stated that Duke Garwood had submitted a letter to the Texas Department of Licensing and Regulation regarding the Robinson Park restroom project. He stated that he had received two proposals for re-surfacing the tennis courts in Rattan Creek Park, which he would discuss with the Parks & Greenbelt Committee and present to the Board at the April 17, 2019 regular meeting. Mr. Hunt then discussed with the Board the findings of t.f. harper & associates LP's annual inspection of the District's park and playground equipment. He presented to the Board two proposals from t.f. harper & associates LP: (i) proposal no. 31919-05TB for repairs at Rattan Creek Park in the amount of \$8,668.00, attached as **Exhibit "I"**; and (ii) proposal no. 31919-04TB for repairs at Robinson Park in the amount of \$4,856.00, attached as **Exhibit "J"**. The Board discussed the high cost of shipping referenced in the proposals. After discussion, upon motion by Director Conklin and second by Director Green, the Board voted unanimously to approve both proposals in an amount not to exceed a total of \$13,524.00, with the directive that Mr. Hunt seek to reduce the shipping costs. Mr. Hunt then continued with his report and presented the correspondence from Williamson County Citizen's Bond Committee requesting proposals for bond projects. After discussion, the Board directed Mr. Hunt to contact Williamson County Commissioner Terry Cook's office to request more time to submit the District's proposals. Mr. Hunt then discussed with the Board his analysis of customer payment methods, fees associated with same, and estimated expense to the District if it begins to pay those fees, as previously discussed with the Board at the February 20, 2019 regular meeting. He then presented: (i) an Addendum to Card Services Agreement By and Among North Austin Municipal Utility District No. 1 of Travis and Williamson Counties, Texas, Global Payments Direct, Inc., Wells Fargo Bank, N.A., Pace Payment Systems, Inc. and AVR, Inc., attached as **Exhibit "K"**; and (ii) a Merchant Application from Pace Payment Systems, Inc., attached as **Exhibit "L"** (collectively, the "*Conversion Items*"). After discussion, upon motion by Director Conklin and second by Director Green, the Board voted unanimously to approve the Conversion Items, as presented, and to absorb the fees associated with the various payment methods.

The Board then received the engineer's report from Mr. Malish. He referred the Board to his report, attached as **Exhibit "M"**, and reviewed it with the Board. Mr. Malish stated that City of Austin staff had provided many comments to the updated plans for the expanded Tamayo bridge project, which his office would address. He continued his report, stating that the plans for the waterline relocation project on the NW Austin Office Partners LLC tract were under review by the City of Austin. He stated that the Oldcastle Materials, Inc. d/b/a Wheeler

was still awaiting drier weather to resurface, restripe and add 17 wheel stops to the Rattan Creek Park parking lot. Mr. Malish then presented a proposal from Oldcastle Materials, Inc. d/b/a Wheeler for 12 remaining manholes to be repaired in the amount of \$22,050, attached as **Exhibit “N”**. Upon motion by Director Christiano and second by Director Conklin, the Board voted unanimously to approve the proposal, as presented. Mr. Malish then discussed the Parmer Lane bridge project, which he said Williamson County staff was interested in sponsoring or co-sponsoring with the District. He stated that he would coordinate a meeting between the Bond Projects Committee and Bob Daigh, the Williamson County Director of Infrastructure, to discuss the project.

There being no lobbyists’ report, bond projects to be reviewed, future annexation, limited district conversion, or other City of Austin related issues to come before the Board, the Board next received the attorney’s report. Mr. Flahive first stated that the Board had not taken action on the one write-off presented by Mr. Hunt. Upon motion by Director Conklin and second by Director Jones, the Board voted unanimously to approve the write-off, as presented. Mr. Flahive then presented the Resolution Adopting an Exemption from Taxation of a Portion of the Appraised Value of Residential Homesteads of Individuals Who are Disabled or 65 or Older, attached as **Exhibit “O”**. He discussed with the Board the statutory requirement that individuals that qualify for both exemptions may only claim one exemption. After discussion, upon motion by Director Conklin and second by Director Beaulieu, the Board voted unanimously to approve the resolution, with both exemption amounts set at \$15,000.

Director Jones then asked if there were any other matters to come before the Board. Director Conklin commented on the three proposals for solid waste services. Some of the Board members elected to tour the Texas Disposal Systems site and directed Mr. Hunt to coordinate the tour. The Board then discussed addressing both the budget review and consideration of changes to the District’s restrictive covenants enforcement policy and template correspondence at a single special meeting to be held at the Community Center on April 25, 2019 at 6:30 p.m.

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 10:17 p.m.

(SEAL)



Diana Christiano
Diana Christiano, Secretary
Board of Directors

Date: April 17, 2019