

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

November 20, 2018

THE STATE OF TEXAS §  
  §  
COUNTIES OF TRAVIS §  
  §  
  §  
  §

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, 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, except for Director Jones, 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; Kevin Flahive with Armbrust & Brown, PLLC; and Diana Christiano, a resident of the District.

Director McNeil called the meeting to order at 6:01 p.m., and stated that the Board would first consider the election items. The Board then canvassed the returns of the November 6, 2018 director election. Mr. Flahive distributed the official results from Travis and Williamson Counties to the Board members. The Board determined that Diana Christiano received the most votes, 1,227, for Place 4, and Director Conklin, who was unopposed, received the most votes for Place 2. Mr. Flahive then discussed with the Board Ms. Christiano’s election to delay being sworn in to office until the December 17, 2018 regular meeting, as her retirement from the Texas Commission on Environmental Quality (the “TCEQ”) would be effective on December 14, 2018 and both the TCEQ Law Department and Mr. Flahive had determined that Ms. Christiano’s service on the Board while under the employ of the TCEQ would create a conflict of interest. Mr. Flahive then administered the Oath of Office to Director Conklin. The Board next discussed having all Board members retain their present offices until the December 17, 2018 regular meeting. Mr. Flahive then explained that the only change to the District Registration Form to the filed with the TCEQ following the meeting would be Director Conklin’s new term of office. Upon motion by Director Green and second by Director Beaulieu, the Board voted unanimously to: (i) approve the Order Canvassing the Returns and Declaring the Results of North Austin Municipal Utility District No. 1 November 6, 2018 Director Election, attached as **Exhibit “B”**; (ii) Statement of Elected/Appointed Officer and Oath of Office for Director Conklin, attached as **Exhibit “C”**; (iii) to elect Director McNeil as President, Director Conklin as Vice President, Director Jones as Secretary, Director Green as Treasurer/Assistant Secretary, and Director Beaulieu as Assistant Secretary/Assistant Treasurer; and (iv) approve the revised District

Registration Form, attached as **Exhibit “D”**. The Board then elected to postpone the other election items until the December 17, 2108 regular meeting.

Director McNeil stated the Board would next consider approval of the October 15, 2018, October 16, 2018 and October 17, 2018 minutes. Director Conklin pointed out a correction to line 39 of the October 15, 2018 minutes to replace the phrase “the holidays” with “January 31, 2019.” Upon motion by Director McNeil and second by Director Conklin, the Board voted unanimously to approve the October 15, 2018 minutes, as modified. Upon motion by Director Conklin and second by Director Green, the Board voted unanimously to approve the October 16, 2018 minutes, as presented, with Director McNeil abstaining. Upon motion by Director Conklin and second by Director Beaulieu, the Board voted unanimously to approve the October 17, 2018 minutes, as presented.

The Board then received citizens communications. Mr. Hunt presented a letter from Mike Callen, a resident of the District, requesting a credit against his next water utility invoice from the District due to the City of Austin’s boil water incident. After discussion, the Board elected to take no action.

There being no report from the Rattan Creek Neighborhood Association (the “**RCNA**”), Director McNeil stated that the Board would next receive the restrictive covenants report. Ms. Sagnes discussed the open enforcement matters with the Board, stating that no Board action was required, with the exception of the enforcement action relating to 12601 Marimba Trail. After discussion, the Board elected not to proceed with the enforcement action relating to 12601 Marimba Trail.

Director McNeil stated that the Board would next receive the bookkeeper’s report. Ms. Bott stated that she had one additional check for approval, check number 20923 in the amount of \$105.00 to Able Restoration Services. Upon motion by Director Conklin and second by Director McNeil, the Board voted unanimously to approve the check. The Board then elected to postpone the other bookkeeper items until the December 17, 2108 regular meeting.

Director McNeil stated that the Board would next receive the security report. Sergeant Brogden reviewed his report, attached as **Exhibit “E”**. He stated that the Williamson County Sheriff’s Office had received 153 calls from within the District during the month of October. Sergeant Brogden stated that the biggest problem remained thefts, including mailbox thefts. He stated that increased patrols would continue through January 31, 2019. Sergeant Brogden and Mr. Hunt then discussed the flashing yellow light at the pedestrian crossing on Tamayo Drive, informing the Board that the light could not be changed from yellow to red without Williamson County conducting a traffic study and determining that such change was appropriate. The Board discussed with Sergeant Brogden and Mr. Hunt the possibility of adding additional flashing yellow lights to improve functionality and ease of use. Mr. Hunt stated that the would look into that option and report back to the Board.

The Board next received the solid waste services report. Mr. Hunt stated that he continued to work on the request for proposals and planned to present it to the Board at the December 17 regular meeting.

There being no park and landscape maintenance report, Director McNeil then addressed Mr. Marroquin to provide the pool and community center report. Mr. Marroquin reviewed his report, attached as **Exhibit “F”**. He stated October was an expectedly slow month at the pool. Director Green directed Mr. Marroquin to schedule a meeting with the Pool Committee and representative of the Hurricane Swim Team during the month of December to discuss continued

use of the pool in 2019. Mr. Marroquin then reported that election day at the community center went smoothly. He then discussed with the Board a proposal for cleaning services received from Jani-King. After discussion, the Board directed Mr. Marroquin to solicit additional proposals for presentation to the Board. Mr. Marroquin then reported that the community center kitchen project would not begin until after the holidays due to reservations for use of the kitchen.

The Board next received the general manager's report. Mr. Hunt referred the Board to his report, attached as **Exhibit "G"**, and reviewed it with the Board. He stated that water loss for the prior month was 6%. Mr. Hunt stated that eight fire hydrants had been replaced and his office would continue with additional fire hydrants to meet the 15 hydrants per year goal. He then discussed with the Board the reimbursement request from the owner of 12922 Steeplechase relating to a blockage in a District wastewater line, which reimbursement the Board had approved at the November 19 work session. Mr. Hunt then presented four write-offs for the Board's approval. He continued with his report and presented the Phase II (Small) MS4 Annual Report prepared by LJA Engineering, to be approved by the Board and filed with the TCEQ in December. Mr. Hunt then discussed with the Board the City of Austin's ongoing diligence and eventual pilot program for advanced metering infrastructure, which may not be implemented until at least 2024. He next discussed the City of Austin's boil water incident, the course of events and interactions between City of Austin staff and representatives of its wholesale customers. Director Conklin requested the Mr. Hunt prepare and present to the Board a timeline of events and actions taken by Crossroads Utility Services, L.L.C. on behalf of the District. Mr. Hunt stated that he would present Crossroads Utility Service, L.L.C.'s proposed Management Services Agreement to the Board at either the December 17 meeting or the January 16 meeting. Mr. Hunt and Mr. Flahive then discussed with the Board the scope of uses of funds deposited by applicants pursuant to Section II.F. of the District's March 15, 2017 rate order and appropriate timing of return of any excess funds to the applicant. Mr. Hunt stated that he and Ms. Bott would examine the current funds held in escrow and present recommendations regarding same to the Board at the December 17 regular meeting. Upon motion by Director Beaulieu and second by Director Green, the Board voted unanimously to approve the Phase II (Small) MS4 Annual Report and the four write-offs, as presented.

The Board then received the engineer's report from Mr. Malish. He referred the Board to his report, attached as **Exhibit "H"**, and reviewed it with the Board. Mr. Malish discussed the impact of the Atlas 14 methodology on the FEMA 100-year floodplain and his office's assessment of same in relation to the design of the Tamayo bridge project. He stated that his office had preliminarily determined that two additional culverts would greatly assist in removing, in whole or part, residential lots from the new FEMA 100-year floodplain. After discussion, the Board directed Mr. Malish to pursue modification of the existing City of Austin permit for the project to expand the scope from two culverts to four culverts. Mr. Malish stated that his office continued to coordinate with the Texas Department of Transportation regarding potential modifications to the Parmer Lane bridge to assist with removing residential lots from the new FEMA 100-year floodplain. He then stated that the Amber Oaks 4, 5 & 6 project and self-storage projects were ongoing. Mr. Malish stated that a Certificate of Compliance from the City of Austin had been obtained for the Grand Pavilion project, the \$7,195 deposit for erosion controls and revegetation had been released to the District, and the District had paid the corresponding \$7,195 of retainage to T Bar M Land Services, LLC. He stated that Oldcastle Materials, Inc. d/b/a Wheeler would repair the 12 manholes and resurface, restripe and add 17 wheel stops to the Rattan Creek Park parking lot once the weather allows. He then stated that he would soon submit the permit application for the waterline relocation project on the NW Austin Office Partners LLC tract to the City of Austin.

Director McNeil then asked if there were any bond projects to be reviewed. There being none, he reminded the Board that the District's bond payment amounts would increase significantly in 2019.

Director Conklin then provided an update on the District's wholesale rate cases and stated that the District's lobbyist, Marty De Leon, would provide a post-election update to the Board in the near term.

There being no attorneys report or other matters to come before the Board, upon motion by Director Green and second by Director Beaulieu, the Board voted unanimously to adjourn at 8:01 p.m.

(SEAL)



Diana Christiano  
Diana Christiano  
Secretary  
Board of Directors

Date: December 17, 2018