

**NORTHTOWN MUNICIPAL UTILITY DISTRICT
MINUTES OF BOARD OF DIRECTORS' MEETING**

March 28, 2017

THE STATE OF TEXAS §
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COUNTY OF TRAVIS §

A meeting of the Board of Directors of Northtown Municipal Utility District was held on March 28, 2017, at the Wells Branch Tech Center, 1421 Wells Branch Parkway, Suite 106, Pflugerville, Texas. The meeting was open to the public and notice was given as required by the Texas Open Meetings Act. A copy of the Certificate of Posting of the notice is attached as **Exhibit "A"**.

The following Directors were present, constituting a quorum:

Brenda Richter	-	Vice President
Kathy Haught	-	Secretary
Chris Capers	-	Assistant Secretary

Director Robin Campbell was absent and Director Amaro arrived later. Also present at the meeting were Mona Oliver, the District manager; Robert Anderson of Crossroads Utility Services, LLC ("Crossroads"); Scott Foster of 360 Professional Services, Inc.; Allen Douthitt of Bott & Douthitt, PLLC; Deputy Oscar Gonzalez of the Travis County Sheriff's Office; Richard Fadal of TexaScapes, Inc.; Lee Hill, a resident of the District; and Sue Brooks Littlefield of Armbrust & Brown, PLLC ("A&B"). Jenn Schmidt of the Brookfield Homeowners Association (the "HOA") arrived later.

Director Richter called the meeting to order at 5:45 p.m. and stated that the Board would first receive resident communications and Board member announcements. Mr. Hill requested that the Board consider the possibility of a homestead exemption at the next Board meeting. Director Haught stated that she recalled that the Board had agreed to do this. After a brief discussion, the Board directed that this item be placed on the next meeting agenda.

Director Richter stated that the Board would next consider approving the following consent items on the Board's meeting agenda: the minutes of the February 28, 2017 Board meeting and the Resolution Confirming Annual Review of Water Conservation and Drought Contingency Plan attached as **Exhibit "B"**. Upon motion by Director Haught and second by Director Capers, the Board voted unanimously to approve the consent items.

Director Richter stated that the Board would next receive the security report and recognized Deputy Gonzalez. Deputy Gonzalez stated that, for the month of February, there had been a few incidents, noting that one incident had been reported three times and he felt there was a relationship issue involved. He stated that there had been a residential burglary by means of an unlocked door, another theft by a known person, the

theft of packages taken off a porch, another theft and an incident of graffiti. He noted that the Brookfield neighborhood had experienced a couple of burglaries through unlocked doors. Deputy Gonzalez asked the Board to remind the residents to lock their doors, and added kids were out in the neighborhood later. Ms. Oliver pointed out one major graffiti incident, by someone named "Pinky". Deputy Gonzalez noted that the Sheriff's Office was trying to find out who this person was. At this point, Director Amaro arrived at the meeting. Ms. Oliver then reported that a car had been broken into at the park and that she was able to provide video from the security cameras to help in the investigation. Deputy Gonzalez stated that the deputies who worked within the District were looking for the vehicle, as they had good photographs, but added that no license plate was recorded. He stated that the occupants of the vehicle had broken into an unlocked car.

Director Richter stated that the Board would next receive a report from the Security Subcommittee. Ms. Oliver stated that the Security Subcommittee had discussed adding a camera that would register the license plates of everyone coming into the park. Director Haught stated that someone needed to review the security tapes to see if the cameras had full coverage. Director Richter asked about the cost of the additional cameras and Ms. Oliver responded that the Security Subcommittee was still looking into this. Director Amaro stated that the Security Subcommittee would like to have an annual budget. Ms. Oliver then proposed an annual security budget with the expenditures being reported on a monthly basis. Director Richter stated that she would like to ensure that there were adequate funds budgeted for the calendar year. Mr. Douthitt stated that expenses under the security budget line item were \$5,000 under budget at this time. Director Richter requested that the Security Subcommittee come back to the Board with a more specific proposal on the amount needed for the proposed additional security cameras at the next meeting and added that the Security Subcommittee could be given additional spending authority once the anticipated cost was known. Deputy Gonzalez then stated that there had been a professional Frisbee golf tournament held on the disc golf course with so many vehicles that the patrol had been called. Ms. Oliver then then advised the Board that Deputy Gonzalez would be unavailable for the next few months due to a training assignment and that a substitute would be attending the Board meetings for security purposes in his absence.

Director Richter then stated that the Board would consider landscape maintenance matters and recognized Mr. Fadal, who presented the Report attached as **Exhibit "C"**. Mr. Fadal also presented a "mini-wildflower meadow" as the plant of the month for March. Mr. Fadal explained the mowing protocol for the wildflowers as well as around the detention ponds. Director Amaro suggested that it would be advisable for Mr. Fadal to take some photos while the wildflowers were in bloom and he agreed to do so. Mr. Fadal stated that the invasive bastard cabbage was still a problem which his staff was trying to control. Mr. Fadal also noted that his crews had been doing the "Texas two-step" fire ant procedure to help control the fire ants. He then reported that two of TexaScapes' proposals had been completed and that the red Yucca planting would be completed by the end of the week.

Mr. Fadal then called the Board's attention to the Amended and Restated Landscape Maintenance Agreement attached as **Exhibit "D"** and noted that there had not been many changes from the prior contract. He stated that the pricing had remained constant, one section of right-of-way that was not District property had been deleted, and some areas in disc golf course had been added. He also explained that the compensation had been reallocated to reflect changes that had been made over time. Mr. Fadal noted that the revised contract also added duties required under the District MS4 permit. He stated that the Park Subcommittee had reviewed the Agreement and recommended approval. After discussion, upon motion by Director Haught and second by Director Amaro, the Board voted unanimously to approve the Agreement.

Director Richter stated that the Board would next receive the District manager's report and recognized Ms. Oliver. Ms. Oliver reminded the Board that she had been directed to pull a water sample from the 50-acre park well. She stated she had done this and sent the samples off for testing. She then called the Board's attention to her monthly report, attached as **Exhibit "E"**. Ms. Oliver stated that the Solid Waste report was also included in the packet. Director Haught stated that the District's new solid waste contract representative was expected to attend the next Solid Waste Subcommittee meeting.

Director Richter then stated that the Board would discuss park matters. Director Richter called the Board's attention to a revised version of the Order Establishing Rules and Regulations Governing Parks and Recreational Facilities and Greenbelt, Including Wet Pond, Facilities, noting that, at the last Board meeting, she had requested that Sections 1.02 and 1.03 be removed from the Order so that she could have an opportunity to review the attachments. She stated that she had completed her review and recommended approval of the Order as revised. Ms. Oliver pointed out a change to clarify that dogs 25 pounds and under were permitted in the small dog park. The Board then discussed protocols under the Order. Director Richter noted that the fees really only were paid by people who contacted the District and requested the use of a facility. The Board agreed that the Parks Subcommittee should develop signage to ensure that tournament use did not preclude resident use of the disc golf course. Ms. Oliver requested that the reservation policies be made effective August 1st to have time to implement them and the Board concurred. Upon motion by Director Amaro and second by Director Haught, the Board voted unanimously to approve the Order attached as **Exhibit "F"**, with an August 1 implementation date.

Mr. Foster then reported that a property at the corner of Howard included a small tract located between two district ponds that was being maintained, but there was no easement. He suggested seeking an easement from the property owner if there would be no cost to obtain it. After discussion, the Board directed that Mr. Foster proceed as proposed. Mr. Fadal stated that he would discontinue maintenance of the area until further notice.

Director Richter stated that the Board would next receive the engineer's report and recognized Mr. Foster. Mr. Foster presented his report, attached as **Exhibit "G"**, and reviewed it with the Board. He reported that the Village@Northtown was seeking a

permit for the Harris Ridge pond. He stated this had implications on other projects that were underway. He then presented Pay Estimate No. 3 in the amount of \$410,464.62, attached as **Exhibit "H"**, and Change Orders No. 1 and 2 in the amounts of \$9,600 and \$14,000, attached as **Exhibits "I" and "J"**, respectively, from CC Carlton Industries for the John Henry Faulk Water and Wastewater Improvements and recommended approval. He stated that the first change order was at the District's request and the second related to a vault for a pressure-reducing valve that was needed due to high ground water, noting that this would compensate the contractor for raising the vault out of the water, which was needed. Director Haught moved approval of the Pay Estimate and Change Orders and Director Capers seconded the motion, which was unanimously adopted.

Mr. Foster then reported that the annual report for the District's MS4 permit had been filed, and that Ms. Littlefield's office had subsequently been contacted by a representative of the Texas Commission on Environmental Quality to schedule an inspection of the District's facilities and paperwork. He noted that the inspector had said the inspection of the paperwork and facilities would take approximately four hours. He added that he felt the District was in good shape.

Mr. Foster then reported that he had submitted a draft of the license agreement for the fence project to Travis County.

Director Richter then recognized Mr. Douthitt for purposes of receiving the bookkeeper's report. Mr. Douthitt presented the updated cash activity report attached as **Exhibit "K"**. He recommended approval of a transfer from the District's JP Morgan Chase operating account to the JP Morgan Chase manager's account in the amount of \$14,700; a transfer from the District's Logic operating account to JP Morgan Chase operating account in the amount of \$150,000, a transfer from the District's Compass lockbox account to the TexPool general operating account in the amount of \$75,000; a transfer from the District's Logic tax account to the Logic operating account in the amount of \$82,598.19; a transfer from the District's Logic tax account to the Logic debt service account in the amount of \$100,000; a transfer from the Logic capital projects 2006 account to the Logic SR 2011 CPF account in the amount of \$33.37; a transfer from the District's Logic 2007 capital projects account to the Logic SR 2011 CPF in the amount of \$47,636.61; a transfer from the District's Logic SR 2009 CPF account to the Logic SR 2011 CPF account in the amount of \$34,368.44; and a transfer from the Logic SR 2011 CPF account to the Logic general operating account in the amount of \$251,986.58, as reflected on page one of his report. Mr. Douthitt then reviewed the payments that had been made out of the bookkeeper's account during the prior month, including deposit refunds and utility payments, and the payments being presented for approval. He noted that the March 28 per diem to Director Campbell would need to be voided due to his absence. Mr. Douthitt also stated that the Village@Northtown's escrow was about empty and that he had not received payment of the last invoice he had sent. The Board agreed that the consultants were not to do any more work related to Village@Northtown until the invoice was paid and the escrow replenished. After discussion, upon motion by Director Haught and second by Director Capers, the Board

voted unanimously to approve the payment of the bills and invoices, with the void of Director Campbell's per diem check as noted, and the transfers as recommended.

Director Amaro then recognized Mr. Anderson for purposes of receiving the utility operator's report. Mr. Anderson presented Crossroads' report, attached as **Exhibit "L"**, and noted that the District had 2,953 occupied single-family connections, a total of 3,836 accounts, and an estimated population of 11,349 as of the end of February. He reported that the District had received satisfactory lab results for all water samples and had experienced a water loss of 8.07% during the prior reporting period. He stated that JBS Leak Detection was currently at work in the District. He noted that two fire hydrants had been excavated and repaired and one manhole, including the ring, had been repaired. Mr. Anderson then called the Board's attention to the write-offs set forth on **Exhibit "M"** and recommended approval. Director Capers moved approval of the write-offs and Director Amaro seconded the motion, which was unanimously adopted.

Mr. Anderson reminded the Board that the District's Identity Theft Prevention Program was required to be reviewed by the Board on an annual basis. He noted that he was required to report on the effectiveness of the program and stated that no incidents of identity theft had occurred, the program was effective, and no revisions to the program were recommended. He called the Board's attention the Resolution Confirming Annual Review of Identity Theft Prevention Program attached as **Exhibit "N"**. After discussion, upon motion by Director Amaro and second by Director Haught, the Board voted unanimously to approve the Resolution.

Director Richter stated that the Board would next receive a report on the wholesale rate case. Mr. Anderson stated that he was still coordinating with Mr. Joyce on the City's wholesale bills.


Director Richter stated that the Board would next hear from developers' and landowners' representatives. There being none, Director Richter stated that the Board would perform consultant reviews and noted that the Board would convene in executive session to do so, as authorized by Sections 551.074 of the *Texas Government Code*. She announced that the time was 6:37 p.m. After the executive session, which included a consultant review for Armbrust & Brown, PLLC, the Board reconvened in open session at 6:47 p.m. Director Richter announced that no action had been taken in executive session.

There being no other business to come before the Board, upon motion by Director Amaro and second by Director Capers, the Board voted unanimously to adjourn the meeting at 6:48 p.m.

(SEAL)

Date: February 28, 2017




Kathy Haught, Secretary
Board of Directors