

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

April 28, 2015

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 April 28, 2015, 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"**.

All of the members of the Board were present, as follows:

Robin Campbell	-	President
Brenda Campbell	-	Vice President
Kathy Haught	-	Secretary
Felix Amaro, Jr.	-	Treasurer
Chris Capers	-	Assistant Secretary

Also present at the meeting were Mona Oliver, the District's on-site manager and covenant administrator; Robert Anderson of Crossroads Utility Services, LLC ("Crossroads"); Allen Douthitt of Bott & Douthitt, PLLC; Scott Foster of 360 Professional Services, Inc.; Deputy Oscar Gonzales of the Travis County Sheriff's Department; Richard Fadal of TexaScapes, Inc.; Lee Hill, a resident of the District; and Sue Brooks Littlefield of Armbrust & Brown, PLLC.

Director Campbell called the meeting to order at 5:45 p.m. and asked if there were any residents present who wished to address the Board. Mr. Lee thanked the Board for Ms. Oliver's communications and for the District's removal of invasive plants near his neighborhood.

Director Campbell stated that the Board would next consider approving the minutes of the March 24, 2015 Board meeting. After discussion, upon motion by Director Richter and second by Director Haught, the Board voted unanimously to approve the minutes.

Director Campbell then stated that the Board would receive the District's security report. Deputy Gonzales stated that there had been a couple of burglaries of residences and vehicles over the past month. He stated that he had researched these incidents and explained that the attempted vehicle theft was of a deputy's personal vehicle. Deputy Gonzales stated that one of the burglaries of a residence was through an unlocked back door. He noted that another complaint of a theft was for an incident that allegedly occurred in 2006 and the case had been closed. Deputy Gonzales reported that another case was for entry by force through a back door and that there had been another

reported theft that related to a dispute between roommates over a dog. He reported that the burglaries were all of small items and that most of the burglaries of vehicles were of unlocked vehicles. Director Richter stated that this was still a reduction in incidents over what had previously occurred and she felt the deputies were doing a great job. The Board asked Deputy Gonzales to thank the other deputies working with him. Director Haught then reported that Ms. Oliver had been working with Deputy Gonzales on obtaining educational materials and would be providing crime prevention tips to the residents through a mail-out. Ms. Oliver stated that Deputy Gonzales had also offered to provide some crime deterrence audits while he was on duty. Deputy Gonzales stated that one thing that would assist in deterring burglaries was for residents to lock the gates to their back yards. Ms. Oliver reported that the District would be participating in the National Night Out program later in the year.

Director Campbell then stated that the Board would receive the landscape maintenance report and recognized Mr. Fadal. Mr. Fadal presented the plant of the month, Burr Oak, noting that their acorns sometimes grew as big as a hen's egg. He then reviewed the landscape maintenance report attached as **Exhibit "B"** and stated that all work was on target. Mr. Fadal noted that there were a lot of different kinds of wildflowers this year and explained that some of the current mowing patterns were designed to let the wildflowers go to seed. He noted that this could lead to areas getting raggedy-looking before they were mowed and that he and Ms. Oliver would be monitoring the need for mowing. Mr. Fadal stated that the grow zone around the creek was still doing a good job deterring erosion. He stated that fire ants were currently the biggest problem and explained that these had to be controlled through twice annual applications of treatments as well as spot treatments throughout the year. He stated that his company had completed the annual ladybug release, noting that ladybugs controlled aphid problems.

Director Campbell stated that the Board would next receive the on-site manager's report and recognized Ms. Oliver. Ms. Oliver reviewed her monthly report, attached as **Exhibit "C"**, with the Board. She stated that she did not have any directives. Ms. Oliver advised the Board that the fence that had been damaged by the stolen vehicle had been repaired, and that she was coordinating a claim for the cost with Texas Municipal League Intergovernmental Risk Pool ("TMLIRP"). Director Richter stated that she felt it should be the District's policy to have the fencing company make any repair that involved more than one section of fence since this would be more efficient. She noted that this damage had involved three sections of fence as well as damage to the posts. Director Richter then moved that the Board grant Ms. Oliver the authority to effect emergency repairs as necessary between Board meetings, subject to the concurrence of one Board member. Upon second by Director Amaro, the motion was unanimously adopted. Ms. Oliver then reviewed the Clean-Up Day flyer with the Board. She stated that the cost of the flyer would be \$560. Director Amaro asked if Texas Disposal Systems ("TDS") accepted paint and other hazardous materials and the Board discussed the need to provide residents with an opportunity to dispose of these types of materials since TDS didn't collect them on a Clean-Up Day. Ms. Oliver then presented the proposal from TMLIRP for renewal of the District's staff's insurance coverage. Upon motion by Director Amaro and second by Director Richter, the Board voted

unanimously to approve the renewal and the related agreements attached as **Exhibit “D”**.

Director Campbell then stated that the Board would receive the park development report. Director Richter stated that there was nothing to report at this time.

Director Campbell then recognized Mr. Foster for purposes of receiving the engineer’s report. Mr. Foster presented his report, attached as **Exhibit “E”**. He stated that Oaks at Techridge, Phase III and the Heatherwilde Retail Center were nearing construction and that the remainder of the development projects were on hold. Mr. Foster stated that the inspections of the District ponds had been delayed due to the rain. He reported that the force main project had been accepted by the City and that he was awaiting receipt of a formal acceptance letter. He noted that Mike Byrne had reported that TCEQ’s approval of the District’s surplus funds application was expected to be received early in May. Mr. Foster stated that the City permitting process for the metal storage building was complete and that bids, which were due May 19th, would be brought to the next Board meeting. He noted that he had solicited nine bids and hoped to receive one.

Director Campbell then recognized Mr. Douthitt, who presented the updated bookkeeping report attached as **Exhibit “F”**. Mr. Douthitt reviewed the proposed funds transfers summarized on page one of his report, including a transfer from the District’s operating account to the manager’s account in the amount of \$12,900, a transfer from the TexPool operating account to the Chase operating account in the amount of \$250,000 and a transfer from the District’s Lockbox account to the District’s TexPool operating account in the amount of \$136,472.68. He also reviewed the Director and vendor payments that were being presented for approval and called the Board’s attention to payments related to the City of Austin rate case. Mr. Douthitt pointed out the additional checks that had been added to the check register since the Board’s packet date and the payments that had been made out of the manager’s account since the last Board meeting, noting that these were mainly utility payments and customer deposit refunds. He reported that the District was running ahead of budget, especially with the transfer of the force main related expenses from the Capital Projects fund to the operating account. Upon motion by Director Richter and second by Director Haught, the Board voted unanimously to approve the payment of the bills and invoices and the transfers, as recommended.

Director Campbell then recognized Mr. Anderson for purposes of receiving the general manager’s report. Mr. Anderson noted that the District currently had 2,946 occupied single-family connections, a total of 3,005 accounts and an estimated population of 9,432. He added that the District had experienced an 8.7% water loss for the prior reporting period. Director Campbell noted that he had asked Mr. Anderson to monitor new construction and that he had agreed to do so. Mr. Anderson then called the Board’s attention to the write-offs set forth on the list attached as **Exhibit “G”**. He noted that he had included the billing histories for the larger write-offs and requested approval of the write-offs. Director Richter noted that none of the write-offs appeared

out of the ordinary. After discussion, upon motion by Director Richter and second by Director Haught, the Board voted unanimously to approve the write-offs, as presented.

Mr. Anderson then called the Board's attention to the Texas Commission on Environmental Quality inspection letter attached as **Exhibit "H"**, and noted that everything was in excellent condition.

Director Campbell then recognized Ms. Littlefield for purposes of receiving the attorney's report. Ms. Littlefield advised the Board that she had included an agenda item related to the legislative process at Director Richter's request in order to allow the Board to consider whether there was an advantage for the District to retain a lobbyist. After discussion, no action was taken.

Director Campbell then updated the Board on the status of the proposed bond refunding, which he explained was still going through the normal City process. He also explained that, due to a merger, Ms. Allen's prior firm was now merged with her prior employer and, due to regulatory guidance, she had recommended use of a different underwriter.

There being no reports from developers' and landowners' representatives, and no other business to come before the Board, the meeting was adjourned.

Date: _____

(SEAL)

Kathy Haught, Secretary
Board of Directors