

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

June 25, 2019

THE STATE OF TEXAS           §  
  §  
COUNTY OF TRAVIS           §

A meeting of the Board of Directors of Northtown Municipal Utility District was held on June 25, 2019, 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 Directors were present, as follows:

Brenda Richter	-	President
Robin Campbell	-	Vice-President
Chris Capers	-	Secretary
Lee Hill	-	Assistant Secretary
Felix T. Amaro, Jr	-	Treasurer

Also present at the meeting were Linda Lindsey, Gretchen Little, and James Kanirie, residents of the District; Mona Oliver, the District manager; Richard Fadal of TexaScapes, Inc.; Allen Douthitt of Bott & Douthitt, PLLC (“Bott & Douthitt”); Robert Anderson of Crossroads Utility Services, LLC (“Crossroads”); Deputy Oscar Gonzalez of the Travis County Sheriff’s Department; and Sue Brooks Littlefield of Armbrust & Brown, PLLC (“A&B”).

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. Ms. Lindsey addressed the Board, noting that she lived on Letti Lane. She stated that she had some concerns about old junk that had been sitting in front of a house for a long time, including an old chair, as well as big recreational vehicles, 18-wheelers and boats that were parked on the street. Director Richter introduced Ms. Oliver and explained that Ms. Oliver was the District manager and oversaw covenant enforcement. She added that each area of the District had a different set of covenants. Ms. Oliver stated that, if Ms. Lindsey would provide a list of the addresses about which she had concerns, she would check on them. Ms. Oliver added that, in Ms. Lindsey’s neighborhood, Northtown Park, some streets were not prohibited from having large recreational vehicles. Director Amaro stated that he and Director Richter were the Board members who oversaw the enforcement of covenants and that the more information she could provide, the better. Director Hill noted that even he reported violations in his neighborhood to Ms. Oliver. Director Campbell pointed out that the enforcement process was slow due to the requirement that the violators get notice and added that sometimes the District had to go all the way to setting a court date before someone would comply, but encouraged her to send information on the violations she had

observed to Ms. Oliver. Director Amaro noted that Ms. Oliver documented violations through time-dated photos. Ms. Oliver encouraged Ms. Lindsey to call her if she would prefer to discuss this on the telephone and added that there was a covenant violation report included in the Board's meeting packet and that a copy was located on the desk at the entry to the meeting room. She noted that there were some violations on Letti Lane included in the current report. Director Campbell pointed out that the meeting packet was posted on the District's website each month and there was also a map that provided a link to the covenants for each neighborhood. Director Richter thanked Ms. Lindsay for attending the meeting and bringing her concerns to the Board, noting that it was appreciated.

Director Richter then recognized Mr. Kanirie, who stated that he lived on Friendship Quilt, and was concerned that a street light had been out for almost a year. Director Hill stated that this was a County matter and Ms. Oliver concurred, noting that the outage should be reported to the County and the County would want the street light number. Mr. Kanirie then stated that he wanted to install fake shutters on the front of his house and add some landscaping and wanted to ensure that there would be no violation of the covenants in his doing so. After discussion, he agreed to contact Ms. Oliver to ensure that the proper procedure was followed. Ms. Oliver noted that there were also some setbacks that he would need to avoid. Mr. Kanirie stated that he had trouble determining setbacks from the information online. Ms. Littlefield agreed to pull the subdivision plat showing the building setbacks and provide it to Ms. Oliver.

Director Richter then inquired if there were any Board member announcements. Director Campbell thanked the Board for its recognition of his twenty years of service, noting that Director Richter would also have served twenty years soon. He stated that, looking at the minutes, he had seen a statement that the Board's goal was to leave the area better than it found it when the District finished the force main project, and noted that he was not sure this was achievable. Director Hill stated that his goal was to make sure that the area was not left in a poorer condition. Director Campbell then thanked the Board for its patience while he had been dealing with problems with his back and been unable to attend the Board meetings. Director Richter then presented Director Campbell with a plaque commemorating his service and the Director Campbell thanked the Board for this recognition.

Director Capers then reported that three of the Directors had attended the CASE conference and that it was a very good conference. He stated that he would like the Board to consider District-owned devices for District communications going forward. Director Hill stated that he kept a segregated email address for District communications and added that, if there was an open records request, he could provide his user name and password and this would allow the District's attorney to pull this information. Director Campbell stated that the website had this feature available. Director Capers stated that he would like the Board members to have more uniform email addresses. Director Amaro asked that this be put on the next meeting agenda and also requested that Ms. Littlefield provide her take on legislative changes.

There being no Board announcements, Director Richter stated that the Board would next consider approving the minutes of the May 21, 2019 and May 28, 2019

Board meetings. Upon motion by Director Campbell and second by Director Amaro, the Board voted unanimously to approve the minutes.

Director Richter then stated that the Board would discuss District security. Deputy Gonzalez reported that the District's crime statistics for May included a couple of burglaries of residences, one of which was through an unlocked gate and entry through the rear of the house on Wild Senna, and one of which, on Lipton Lane, involved a house with a lot of people coming and going that wasn't a forced entry. He stated that there was also an online report of a theft. He stated that there had been two burglaries of vehicles, an incident of vandalism of a vehicle parked on Harris Ridge, and an incident of graffiti at the park. Director Campbell pointed out that this was only high activity in comparison to the extremely low levels of activity experienced by the District recently. Ms. Oliver reported that the Security Subcommittee would like to provide the deputies in attendance at the Night Out event \$5.00 in food coupons and to reimburse the vendors for any coupons that were redeemed. She stated that this would help the school have a better fundraiser as well as show the deputies the District's appreciation. Ms. Littlefield suggested that this be done out of donations rather than public funds and added that she would make a contribution towards this expense. Ms. Oliver then stated that she was still looking for local musical talent and encouraged the Board to contact her if they were aware of any musicians who would be interested in playing at the Night Out event. She reported that she had hired a face painter and, to date, had received \$500 in donations to be used for door prizes and food.

Director Richter then stated that the Board would consider landscape maintenance matters and recognized Mr. Fadal. Mr. Fadal first presented the plant of the month, Coneflower or Echinacea, which he explained as a U.S. native, a full sun plant, and a member of the daisy family. Mr. Fadal then reviewed the landscape maintenance report attached as **Exhibit "B"**. He noted that his crews were generally able to keep up on a weekly basis, even though the District had been getting rain every week. He stated that this had affected the playing field repairs due to their inability to get top dressing delivered and to get equipment onto the fields to do the work.

Director Richter stated that the Board would next receive the District manager's report and recognized Ms. Oliver. Ms. Oliver called the Board's attention to the monthly reports included in the meeting packet. She noted that the District was getting more reservations this year than the last. Ms. Oliver stated that there had been another lightning strike and added that the District's contractor still hadn't fully diagnosed problems from the first strike, because the vendors who did this work were so busy, and this had a domino effect. She stated that, starting with the security cameras, she had been given a budget not to exceed \$2,000, but, due to the second lightning strike, she now expected to need to be about an additional \$8,000. She stated that some of the \$2,000 originally allocated had been spent. Director Richter asked if this was because of entire system damage. Ms. Oliver responded that, until the new cameras were installed, she wouldn't know if new lines would be required. Ms. Oliver stated that she had contacted TML and the District's insurance representative had agreed to handle all of the damage as a single claim. Upon motion by Director Amaro and second by Director Capers, the Board voted unanimously to approve the requested additional repair budget of \$8,000. Ms. Oliver then explained that she had been researching a

“whole house surge protector” and had been in discussion with an engineer who designed these systems. She requested approval to have a site assessment and survey performed to determine the best system. Ms. Oliver stated that this would not cost more than \$2,500, including evaluating the system to ensure everything was properly grounded. Director Hill stated that the District did not have much in the pavilion pulling energy, so probably would need a smaller style of uninterruptable power source (“UPS”). He noted that, for a UPS, the replacement of the battery was required every three years and the entire UPS had to be replaced every six years, so the District would not want to over buy. After discussion, the Board agreed that Director Hill and Amaro should serve as the Board’s subcommittee for this project. Upon motion by Director Campbell and second by Director Capers, the Board voted unanimously to authorize Ms. Oliver to proceed with the assessment as proposed. Ms. Oliver stated that this would also protect the well system, which had been struck twice as well. She stated that she thought the \$15,000 authorization for repair of the well would be sufficient. Ms. Oliver reported that the well cistern design had been approved by Mr. Foster and sent to the fabricator and they anticipated the project would be complete in late September or early October.

Director Richter then stated that the Board would discuss District parks and recreational facilities. Ms. Oliver presented and recommended approval of Pay Estimate No. 2 in the amount of \$31,950 from G. Creek Inc. for the MeadowPointe and Wildflower improvement projects, a copy of which is attached as Exhibit “C”. After discussion, upon motion by Director Campbell and second by Director Hill, the Board voted unanimously to approve the Pay Estimate. Ms. Oliver stated that parts were scheduled to be received on July 11 and installation was scheduled to begin on July 18 and would take three or four days.

Director Richter stated that the Board would next receive the engineer’s report and noted that Mr. Foster’s report, attached as Exhibit “D”, was in the packet and that Mr. Foster had not been able to attend the meeting. Director Hill reported that Village @ Northtown’s contractor was working on sidewalks along John Henry Faulk and the School Board had approved a contract to have the same contractor relocate the driveway for the elementary school and related utilities, which would help keep things keep moving along. Director Amaro requested that Mr. Foster provide an update at the next Board meeting on MS4 permit and other engineering matters that had been reported on at the CASE conference.

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 “E” and reviewed it with the Board. He recommended approval of a transfer by check from the District’s JP Morgan Chase Bank operating account to the ABC Bank customer refund account in the amount of \$5,000; a transfer by check from the JP Morgan Chase Bank operating account to the ABC Bank operating account in the amount of \$165,000; a transfer from the JP Morgan Chase Bank operating account to the ABC Bank manager’s account in the amount of \$42,200; a transfer from the District’s Compass Bank lockbox account to the TexPool operating account in the amount of \$65,000; and a transfer from TexPool operating account to the ABC Bank operating account in the amount of \$400,000, as listed on page one of his report. Mr.

Douthitt then reviewed the attached accounting report. He stated that Jay Joyce had approved the City of Austin water bill for the previous month that had been received late and that it had been too high to pay out of manager's account. He stated that the District had subsequently received an additional bill, as well as six additional invoices received earlier in the day that were not included in the listed payments. He added that he believed he would be able to pay them out of the manager's account. Mr. Anderson stated that metering problems were again being experienced, noting there had been a 34% reported water gain the previous month. Mr. Douthitt then reviewed the additional payments that had been added to the check register after the packet date. He requested approval to pay Director Hill's CASE-related expenses out of the manager's account, as he had just received them. He stated that the District was currently ahead of budget, in part due to the Austin underbilling issues. After discussion, upon motion by Director Hill and second by Director Campbell, the Board voted unanimously to approve the transfers and the payment of bills and invoices as presented and payment of Director Hill's CASE expenses out of the manager's account.

Director Richter then recognized Mr. Anderson for the purpose of receiving the operations manager's report. Mr. Anderson reviewed Crossroads' report, attached as **Exhibit "F"**, noting that all lab results had been satisfactory during the prior reporting period and that the District had a reported water gain of 34.23%. He stated that he had no write-offs to present. Director Amaro asked if the City used an averaging process if a master meter was not functioning. Mr. Anderson stated that he had compared the City's reported usage to the District's meter reads and it appeared to be within tolerances. Director Capers asked what happened if there was a discrepancy. Mr. Anderson responded that he worked with Austin to resolve any issues.

There being no developers' and landowners' reports, Director Richter recognized Ms. Littlefield for the purpose of receiving the attorney's report. Ms. Littlefield pointed out that the attorney directives were complete. She then reviewed the District's preliminary estimate of the 2019 taxable value, noting that it was anticipated that the Travis Central Appraisal District ("TCAD") would certify values late due to an extremely high number of protests and problems within TCAD's protest hearing system. Ms. Littlefield then presented the proposed schedule for establishing the District's 2019-2020 budget and 2019 tax rate, subject to receiving an updated value from TCAD, and reminded the Board that the August and September Board meetings would be important ones. She asked that, if any Board member had a conflict on one of those meeting dates, they notify her office.

Director Campbell stated that he had participated in a number of subcommittee meetings, frequently held over the phone, while he had been unable to attend Board meetings, and thanked Director Amaro for accurately conveying subcommittee recommendations to the Board. Director Amaro thanked Director Campbell for providing his history and perspective during these meetings.

Mr. Douthitt requested that the Park Subcommittee meet before the next Board meeting to enable it to bring a recommendation for the upcoming budget to the Board. Director Richter requested that Ms. Oliver coordinate this subcommittee meeting and ensure Mr. Foster was included. Ms. Oliver agreed to do so. Director Hill requested

that architect's fees for the District office be included in the recommendation and Director Richter agreed that the subcommittee would do so.

Director Richter stated that the Board would next conduct consultant reviews of Allen Douthitt of Bott & Douthitt, PLLC, and Sue Littlefield of Armbrust & Brown, PLLC, and noted that the Board would convene in executive session as authorized by Section 551.074 of the Texas Government Code to discuss these personnel matters. She announced that the time was 6:32 p.m. The Board reconvened in open session at 6:48 p.m. and Director Richter announced that no action had been taken in executive session.

There being no further business to come before the Board, upon motion by Director Capers and second by Director Amaro, the Board voted unanimously to adjourn the meeting.

(SEAL)

  
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Chris Capers, Secretary  
Board of Directors

Date: 7/23/19

CERTIFICATE OF PROVISION OF NOTICE OF MEETING FOR  
NORTHTOWN MUNICIPAL UTILITY DISTRICT  
TO THE TRAVIS COUNTY CLERK'S OFFICE

THE STATE OF TEXAS       §

COUNTY OF TRAVIS       §

I, Brian K. Gilbert, hereby certify that at 8:42  
a.m. on June 20, 2019, I provided two (2) copies of the attached  
notice of meeting of the Board of Directors of Northtown Municipal Utility District to the Travis  
County Clerk's office located at 5501 Airport Blvd., Austin, Texas for subsequent posting in  
accordance with Section 551.054 of the Texas Government Code.

I understand that the attached notice was provided to the County Clerk in order to  
comply with the Open Meetings provision of Chapter 551 of the Texas Government Code and  
that the Board of Directors of Northtown Municipal Utility District will rely on this certificate in  
determining whether the provisions of Chapter 551 of the Government Code have been satisfied.

Witness my signature this 20 day of June, 2019.

Brian K. Gilbert  
Printed Name: Brian K. Gilbert  
Company: Diligent Delivery