

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

October 27, 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 October 27, 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"**.

The following members of the Board were present, constituting a quorum:

Brenda Richter	-	Vice President
Kathy Haught	-	Secretary
Chris Capers	-	Assistant Secretary
Felix Amaro	-	Treasurer

Director Robin Campbell was absent. 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; Richard Fadal of TexaScapes, Inc. ("TexaScapes"); Scott Foster of 360 PSI, Inc.; Deputy Oscar Gonzales of the Travis County Sheriff's Department; Randy Wilburn of Gilbert Wilburn PLLC; Lee Hill, Jenn Schmidt, Leslie Harper, Xavier Ibarra and Kim Ibarra, residents of the District; 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 receive resident communications and Board member announcements. Mr. Hill stated that it had been a good month for governmental entities to help the neighbors, noting that the City of Austin had timed the lights and added a higher traffic light so drivers could see it, and Travis County had trimmed along the barricades and rails. Ms. Schmidt stated that she was a Brookfield resident and president of Brookfield Homeowners' Association ("HOA") and was interested in rebates for water conservation efforts, such as mulching. Mr. Anderson advised Ms. Schmidt that the City of Austin would honor its rebates for customers with the City of Austin electric bills. Ms. Schmidt also stated that she was investigating whether it would be more cost-effective for the HOA to mow certain medians.

Director Richter then stated that the Board would consider approving the minutes of the August 25, 2015 and September 22, 2015 Board meetings. Upon motion by Director Amaro and second by Director Haught, the Board voted unanimously to approve the minutes.

Director Richter then stated that the Board would receive the District's security report. Deputy Gonzales reported that crime activity had increased in September,

noting that a couple of groups had been doing nighttime burglaries, primarily of unlocked cars. He noted that there had been a few burglaries of residences in Brookfield, most of which had been committed through access through an unlocked back gate and then kicking in the back door, which was a consistent MO. Deputy Gonzales noted that there had been some progress with narcotics and burglary investigations, but that these things took time. He added that, with the burglaries of vehicles and the nighttime activity, he would be scheduling later patrols. Deputy Gonzales reported that there had been some problems at a residence on Cambourne and added that he was aware of the situation and had many callbacks. He agreed to inquire about any civil options to address the issue. Director Richter thanked the staff and deputies for their participation in the District's National Night Out. Deputy Gonzales reported that it was a fun event and he thought it would be even bigger and better the next year. Director Amaro thanked Deputy Gonzales for having motorcycles, SWAT team members and so many participants. Deputy Gonzales explained that there had been support from almost every offline position and that Sergeant Roper was instrumental in arranging this. Director Haught thanked Ms. Oliver for her work organizing the National Night Out, noting that it was bigger and better than she could have even imagined. Ms. Oliver estimated that around 500 to 600 people had attended. Director Amaro noted that the residents had been really interested in the police dog demonstration. Ms. Oliver stated that the cost of the event was only around \$1,500 and most of the purchases were re-usable. Ms. Oliver stated that the Security Subcommittee would be sending Certificates of Appreciation to the participants.

Director Richter stated that the Board would next receive the landscape maintenance report and recognized Mr. Fadal. Mr. Fadal presented the plant of the month, Texas Jack-O-Lantern or Pumpkin, noting that it was a great symbol of Fall and was a vegetable in the squash family. He reported that pumpkins grew in 110 days. Mr. Fadal then reviewed the landscape maintenance report, attached as **Exhibit "B"**. He stated that his staff had been working on controlling ants and noted that there were none during the National Night Out event, but that ant activity had increased after the rains. He stated that he would coordinate with the Parks Subcommittee. Director Fadal then called the Board's attention the Fall overseeding proposal, attached as **Exhibit "C"**. He stated that the best time to do the work was late October or early November.

Director Richter stated that the Board would next receive the on-site manager's report and recognized Ms. Oliver. Ms. Oliver called the Board's attention to her monthly report, attached as **Exhibit "D"**.

Director Richter stated that the Board would next discuss recycling and solid waste disposal services. Director Haught stated that there had been no missed pick-ups for the prior month. Upon motion by Director Haught and second by Director Capers, the Board voted unanimously to approve the amended Order Establishing Service Rates, Charges and Tap Fees and Adopting Rules and Policies with Respect to the District's Water, Wastewater and Drainage Systems attached as **Exhibit "E"**.

Director Richter then stated that the Board would discuss park matters. Director Richter stated there was no subcommittee report, but explained that the Park Subcommittee recommended the overseeding proposal. Upon motion by Director

Haught and second by Director Amaro, the Board voted to approve the overseeding proposal as presented by Mr. Fadal.

Director Richter then stated that the Board would receive the engineer's report and recognized Mr. Foster. Mr. Foster stated that Village@Northtown had had minor recent activity, noting that its engineers had started to address some of comments he had made months previously. He reminded the Board that a portion of the project was still not accepted. Mr. Foster then noted that his firm had completed a report on pond inspections and issued it to the District's staff and consultants, but that a meeting on the project had been postponed due to the rains over the weekend. He stated that, overall, the ponds were in good condition and there were only some minor issues. Mr. Foster recommended approval of the Pay Estimate for repairs at the Wildflower dam in the amount of \$1,450 attached as **Exhibit "F"**. Upon motion by Director Haught and second by Director Capers, the Board voted unanimously to approve the Pay Estimate. He then presented the proposal from TCB Construction, Inc. for installation of a gabion to minimize erosion at the MeadowPointe pond, in the amount of \$1,950, attached as **Exhibit "G"**, and recommended approval. Upon motion by Director Haught and second by Director Amaro, the Board voted unanimously to approve the proposal. Mr. Foster then presented Pay Estimate No. 1 in the amount of \$80,579.50, attached as **Exhibit "H"**, for the Trail Improvement and Maintenance project and recommended approval. Director Amaro inquired how long gabions would last and Mr. Foster stated that they could last for a long time if they were the appropriate solution. Mr. Foster then advised the Board that the work on the Wildflower and MeadowPointe Parks appeared to be holding up well, including work done in some areas of concern. He stated that the contractor was working in the 50 acre park and that he was very pleased with the contractor's work and noted that the contractor was on schedule. After discussion, upon motion by Director Amaro and second by Director Capers, the Board voted unanimously to approve the Pay Estimate, as recommended.

Director Richter then recognized Mr. Douthitt, who presented the updated bookkeeping report attached as **Exhibit "I"**. Mr. Douthitt reviewed the proposed funds transfers summarized on page one of his report, including a transfer from the District's Chase operating account to the Chase manager's account in the amount of \$21,500, a transfer from the District's TexPool operating account to the District's Chase operating account in the amount of \$200,000, a transfer from the District's lockbox account to the TexPool operating account in the amount of \$157,613.47, and a transfer from the District's Logic Park account to the Chase Park account in the amount of \$150,000. Mr. Douthitt then reviewed the Director and vendor payments that were being presented for approval, noting that the per diem to Director Campbell needed to be voided due to his absence. He called the Board's attention to the additional payments that had been added to the report since the packet date and stated that Texas Disposal Systems ("TDS") had not submitted its August bill on time, so two TDS invoices were being presented. He called the Board's attention to the payments out of the manager's account, including for utilities and deposit refunds. Mr. Douthitt noted that this report was through the end of the fiscal year and that his staff would be preparing information for review by the auditor. Upon motion by Director Amaro and second by Director Haught, the Board voted unanimously to approve the payment of the bills and invoices and the transfers as recommended.

Director Richter then recognized Mr. Anderson for purposes of receiving the general manager's report. Mr. Anderson noted that the District currently had 2,952 occupied single-family connections, a total of 3,839 accounts, and an estimated population of 10,101. He added that the District had satisfactory lab results for its water samples, and that the District had experienced a 9.75% water loss, which was up slightly and being monitored, but was likely a timing issue based on when meters were read. Mr. Anderson then called the Board's attention to the write-offs set forth on the list attached as **Exhibit "J"** and recommended approval. He stated that he had included the history on the large ones, noting that these customers had had very high water usage. In response to a question from Director Haught on the water accountability report, he explained that the water was not necessarily "lost", but was unaccounted for. After discussion, upon motion by Director Capers and second by Director Haught, the Board voted unanimously to approve the write-offs.

Director Richter then noted that the District would discuss the District's holiday meeting schedule. The Board confirmed that the November meeting date would remain the same and agreed to change the December meeting date to December 15th.

There were no reports from developers' and landowners' representatives.

Ms. Littlefield stated that the items under attorney report were all appropriate for executive session.

At 6:55 p.m., the Board convened in executive session as permitted by Section 551.071, Texas Government Code, to receive legal advice regarding items on the Board's meeting agenda. At 7:18 p.m., the Board reconvened in open session and Director Richter announced that no action had been taken in executive session. Director Richter then inquired if there was any proposal regarding the sewer service connection at 13701 Lampting Drive and the related grinder pump. Director Amaro noted that the District had discovered a situation with a grinder pump, which were traditionally the District's responsibility, and moved that the Board authorize him, as a member of the Infrastructure Subcommittee, to work with the District's general manager to resolve the situation. Director Capers seconded the motion, which was unanimously adopted. Ms. Harper stated that she didn't know the grinder pump was there when she purchased her home and that she would like to be reimbursed for her expenditure in investigating. Director Richter stated that the District did not have the authority to reimburse her for her expenses, but intended to alleviate any further liability for the grinder pump.

Director Haught then moved to authorize the Security Subcommittee to approve additional security as needed for contractor or staff safety. Upon second by Director Amaro, the Board voted unanimously to do so.

At 7:32 p.m., the Board convened in executive session in order to perform consultant reviews as permitted under Section 551.074 of the Texas Government Code. The Board reconvened in open session at 7:48 p.m. and Director Richter announced that reviews of Allen Douthitt and Scott Foster had been conducted and that no action was taken.

There being no further business to come before the Board, upon motion by Director Amaro and second by Capers, the meeting was adjourned at 7:50 p.m.

Date: November 24, 2015

(SEAL)

Kathy Haught, Secretary
Board of Directors