

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

November 25, 2014

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 November 25, 2014, 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:

Robin Campbell	-	President
Alex Martinez	-	Secretary
Kathy Haught	-	Assistant Secretary
Felix Amaro, Jr.	-	Assistant Secretary

Director Brenda Richter 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; Deputy Keith Kinnard of the Travis County Sheriff's Department; Chris Capers, Director-elect; Allen Rivaldo, Claudia Capers and Lee Hill, residents of the District; Clayton Chandler and Hasan Mack of McCall Parkhurst & Horton, PLLC; and Sue Brooks Littlefield and Chelsea Knezevich 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. Hill thanked Ms. Oliver for facilitating the tagging of a derelict vehicle near the entrance to Settler's Meadow.

Director Campbell stated that the Board would next consider approving the Sworn Statements and Oaths of Office for Directors Haught and Capers. He noted that Director Richter had had an emergency and was unable to attend the Board meeting. Directors Haught and Capers then took their Oaths of Office and read and affirmed their Sworn Statements. Director Amaro moved to accept the Sworn Statements and Oaths of Office for Directors Haught and Capers. Upon second by Director Campbell, the motion was unanimously adopted. Director Campbell congratulated and welcomed the new Directors. Director Campbell also thanked Director Martinez for his service on the Board and Director Martinez left the dias.

Director Campbell then stated that, due to Director Richter's absence, the Board would defer consideration on the election of officers and the appointment of committee members.

Director Campbell stated that the Board would next consider approving the consent items on the Board's meeting agenda: the minutes of the October 28, 2014 Board meeting; a revised District Registration Form; the Resolution Approving Change in Bank Signatories and Change Certificate – Bookkeeper's Account attached as **Exhibit "B"**; the Resolution Approving Change in Bank Signatories and Change Certificate - General Operating Account, Park Account and Interest Sinking Account attached as **Exhibit "C"** and the Resolution Approving Change in Bank Signatories and Change Certificate of LOGIC Accounts attached as **Exhibit "D"**. After discussion, upon motion by Director Amaro and second by Director Haught, the Board voted unanimously to approve the consent items.

Director Campbell then stated that the Board would receive the District's security report and recognized Deputy Kinnard. Deputy Kinnard distributed the report attached as **Exhibit "E"**. He stated that November had been an easy month, other than the graffiti. He noted that a couple of deputies were working on graffiti issues. He stated that Deputies Roper and Gonzales had done a couple of stops and noted that they had identified some Crips markings. He acknowledged that the graffiti was a nuisance and stated that they were trying to find the culprits. He reported that there had been a nighttime burglary, which he stated was very unusual in this area. Deputy Kinnard stated that he had no details at this time and that residents should be encouraged to mark their property, which he noted facilitated property recovery. He suggested sending out a notice to the residents to be vigilant during the holiday season and to secure things, not leave items in their cars and keep boxes out of sight. Director Campbell asked if Deputy Kinnard had ever participated in a meeting where residents could bring their property and have it marked and Deputy Kinnard stated that he had and had not had good success with these types of crime prevention activities. He noted that he had attended the annual Brookfield HOA meetings and had also publicized the inventories that were available to reduce insurance premiums, but that there had been very little interest. Director Campbell suggested that, if Deputy Kinnard could provide information on what was available, he would put the information on the website. Deputy Kinnard stated that the Sheriff's Department had a crime prevention department, and that marking property was a simple process and he would be happy to refer them to the correct person or do it himself. Director Campbell stated that he would make the information available. After discussion, Director Haught moved approval of the payments to the Sheriff's Deputies as shown on the bookkeeping report attached as **Exhibit "F"**. Upon second by Director Amaro, the motion was unanimously adopted.

Director Campbell then stated that Mr. Fadal had been unable to attend the meeting and referred the Board to the landscape maintenance report attached as **Exhibit "G"**.

Director Campbell stated that the Board would next receive the on-site manager's report and recognized Ms. Oliver. Ms. Oliver distributed her monthly report, attached as **Exhibit "H"**, and reviewed it with the Board. She stated that the Park Subcommittee had signed a contract for removal of the Nutria from the Gaston Sheldon pond, noting that this was a complementary service and there would be no charge. Ms. Oliver then called the Board's attention to a letter that had been sent out in response to a resident who had had an altercation with a Texas Disposal Services' driver. Ms. Oliver

then requested approval of funding for the annual staff appreciation luncheon. Director Haught moved approval of the expense, not to exceed \$200. Director Amaro seconded the motion, which was unanimously adopted. Ms. Oliver then requested purchase authorization for a hand drier for a cost not to exceed \$325. Upon motion by Director Amaro and second by Director Haught, the Board unanimously approved the purchase authorization.

Director Campbell then reported that Mr. Foster would not be present, but he believed there were no engineering action items. Ms. Littlefield reported that she had received a notice of a subcontractor's claim relating to the force main project, but understood that this was being resolved and added that the District would continue to hold the retainage until this occurred. Mr. Douthitt noted that he was also still holding retainage for the park. Ms. Oliver stated that there were still missing boulders.

Director Campbell then recognized Mr. Douthitt, who presented the updated bookkeeping report attached as **Exhibit "F"**. Mr. Douthitt reviewed the funds transfers he was recommending for approval as summarized on page one of his report. He also reviewed the bills and invoices being presented for approval. Mr. Douthitt called the Board's attention to 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 meeting, noting that these were largely utility payments and customer deposit refunds for the past month. He noted that Director Richter's per diem would need to be voided due to her absence from the meeting. Upon motion by Director Amaro and second by Director Haught, the Board voted to approve the payment of the bills and invoice and the transfers as recommended, with the exception of the payments to the Sheriff's Deputies that had previously been approved and the per diem to Director Richter, which would be voided.

Director Campbell then recognized Mr. Anderson for purposes of receiving the general manager's report. Mr. Anderson presented his report, attached as **Exhibit "I"**, and reviewed it with the Board. He noted that the District currently had 2,945 occupied single-family connections and total of 3,010 accounts. He reported that the District had reported a 13.71% water loss for the prior reporting period. Mr. Anderson stated that all water test results were satisfactory. Mr. Anderson called the Board's attention to the 90-day delinquency noted in his report and then requested approval of the write-offs set forth on the list attached as **Exhibit "J"**. Upon motion by Director Amaro and second by Director Haught, the Board voted unanimously to approve the write-offs.

Director Campbell stated that there was nothing new to report on the City of Austin wholesale water and wastewater rate challenges, but that there would be a wholesale rate subcommittee meeting and deposition within the next few weeks. Director Campbell then stated there were no reports from developers' and landowners' representatives.

At 6:09 p.m., Director Campbell stated that the Board would convene in executive session in order to receive legal advice regarding the MCDC initiative as permitted under Section 551.071 of the Texas Government Code. At 6:14 p.m., the Board reconvened in open session and Director Campbell stated that no action had been taken in executive session.

Director Campbell then stated that the Board would convene in executive session as permitted by Section 551.076 of the Texas Government Code in order to conduct a review of the District's security patrol coordinator, Deputy Kinnard, and noted that the time was 6:15 p.m. At 7:25 p.m., the Board reconvened in open session and Director Campbell stated that no action had been taken in executive session. Director Amaro then moved that the Board authorize the Security Subcommittee to negotiate a renewal of the security contract, authorize the Security Subcommittee to continue to represent the Board in connection with security matters, including scheduling a meeting with the Command Unit if necessary, and move to marked vehicles for patrols in the District, effective immediately. Upon second by Director Capers, the motion was unanimously adopted.

Director Campbell reminded Board that the December meeting would be held on December 16th and asked that the Directors let Ms. Littlefield know if they could not attend on this date.

There being no further business to come before the Board, upon motion by Director Amaro and second by Director Haught, the meeting was adjourned at 7:27 p.m.

Date: _____

(SEAL)

_____, Secretary
Board of Directors