

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

December 16, 2014

THE STATE OF TEXAS           §  
  §  
COUNTY OF TRAVIS           §

A meeting of the Board of Directors of Northtown Municipal Utility District was held on December 16, 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"**.

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

Robin Campbell	-	President
Brenda Richter	-	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"); Mary Bott of Bott & Douthitt, PLLC; Deputy Oscar Gonzales of the Travis County Sheriff's Department; Richard Fadal of TexaScapes, Inc.; and Sue Brooks Littlefield of Armbrust & Brown, PLLC. Randy Wilburn of the Law Offices of Randall Wilburn arrived later.

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. There being none, Director Campbell stated that the Board would consider approving the Sworn Statement and Oath of Office for Director Richter. Director Richter then took her Oath of Office and read and affirmed her Sworn Statement. Director Amaro moved to accept the Sworn Statement and Oath of Office for Director Richter. Upon second by Director Haught, the motion was unanimously adopted.

Director Campbell then stated that, due to Director Richter's absence from the previous Board meeting action on officers and committee membership had been postponed and the Board would now consider the election of officers and the appointment of committee members. Director Richter moved that Director Campbell be elected as President, she be elected Vice-President, Director Amaro be elected Treasurer, Director Haught be elected as Secretary and Director Capers be elected as Assistant Secretary. Upon second by Director Amaro, the motion was unanimously adopted.

Director Richter then distributed the list of proposed subcommittee assignments attached as **Exhibit "B"**. Director Amaro suggested that the new Board members be allowed to fill in when a subcommittee member could not attend a meeting and, as the

newer Board members gained experience, they be considered to be moved into these positions. Director Haught noted that she had always felt able to express her interest in matters regardless of her participation as a subcommittee member. Director Richter moved approval of the list. Upon second by Director Amaro, the motion was unanimously adopted. Director Campbell pointed out that some of the subcommittees met quite often while others did not, and stated that, as new projects came up, the Board would revisit the committees' composition.

Director Campbell stated that the Board would next consider approving the consent items on the Board's meeting agenda: the minutes of the November 25, 2014 Board meeting; a revised District Registration Form; and the Resolution Confirming Annual Review of District Code of Ethics and Financial Investment, Travel and Professional Services Policy and Investment Strategies attached as **Exhibit "C"**. After discussion, upon motion by Director Richter 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. Director Haught introduced Deputy Gonzales, noting that he was a senior patrol officer and the Security Subcommittee's choice for the position as the District's patrol coordinator. Deputy Gonzales explained that he had worked for Travis County for eight years and was in the K-9 division. He stated that he understood the need for visibility of the patrol officers, and agreed with the Security Subcommittee that this had a good deterrent effect. He explained that crime did not occur on the District's patrol schedule and that it adapted to the patrol schedules. Deputy Gonzales stated that Brookfield was most affected by criminal events, noting that some of the perpetrators lived in the neighborhood and some came from across Dessau. He noted that the offenses during the past month were primarily burglaries of residences in Brookfield. He stated that these normally happened during the day, while burglaries of vehicles occurred at night and were a crime of opportunity based on unlocked vehicles. He stated that there was not that much criminal activity in November, but that one deputy was writing a lot of tickets. Deputy Gonzales noted that his personal emphasis was narcotics and stated that he felt there was frequently a tie between narcotics and other crimes. Director Amaro stated that he was very encouraged by Deputy Gonzales' interest in providing a proactive approach, addressing crime through scheduling and being inconsistent in the hours of patrol, including both day and night patrols. Deputy Gonzales stated that mixing up the scheduling would assist in the deterrent effect. After discussion, Director Amaro moved approval of the payments to the Sheriff's Deputies as shown on the bookkeeping report attached as **Exhibit "D"**. Upon second by Director Richter, the motion was unanimously adopted.

Director Campbell then stated that the Board would receive the landscape maintenance report and recognized Mr. Fadal. Mr. Fadal presented the plants of the month, for November and December, Shasta Daisy and Purple Trailing Lantana. He stated that the Daisy needed full sunlight while the Lantana could take some shade and would bloom twice each year. Mr. Fadal then reviewed the landscape maintenance report attached as **Exhibit "E"** and stated that all work was on target and noted that the trees were dropping their leaves and this required consistent maintenance. Mr. Fadal noted that there was some fire ant activity and that rain was predicted for Friday. Mr. Fadal also stated that his crews would cut back the grow zone in January.

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 "F"**, and reviewed it with the Board. She stated that the District had two graffiti incidents in late November and early December. She noted that the trapper had not caught any Nutria at this time and that he had removed his traps since he would be out of town for the holidays, but would start up again after the holidays. Ms. Oliver stated there had been an auto accident at Wildflower on December 11 that had resulted in damage to a District masonry fence and that the driver had no insurance. Upon motion by Director Richter and second by Director Haught, the Board authorized Ms. Oliver and Ms. Littlefield to pursue the recovery of damages from the vehicle owner and driver.

Director Richter stated that there were no park development matters to discuss. Director Campbell stated that there were no park signage issues, but he would return to that task now that the Subcommittee had a full complement of members.

Director Campbell requested that the Board confirm its approval of the Application for Secondary Employment of Law Enforcement; the Agreement with Regard to Use of Vehicle(s) in Connection with Off Duty Employment of County Peace Officer(s); and the Contractor Acknowledgement for Use of Officer-Owned Emergency Vehicles or Police Bicycles attached as **Exhibit "G"**, **"H"** and **"I"**. Upon motion by Director Amaro and second by Director Richter, the Board voted unanimously to approve the agreements. Director Capers asked about the status of correcting the graffiti on Heatherwild and Ms. Oliver responded that she would call it in again, noting that it was on a City traffic box.

Director Campbell then recognized Mr. Foster for purposes of receiving the engineer's report. Mr. Foster presented his report, attached as **Exhibit "J"**. He stated that he had received plans for a new multifamily project in the Village@Northtown. Mr. Foster stated that the City was working well with the District on development matters. He stated that he had received a resubmittal for a gas station at Heatherwilde and Howard. Mr. Foster noted that the pond acceptance for the Village@Northtown was still an issue that would affect development of that property.

Mr. Foster stated that the District's revised stormwater management plan had been approved by the Texas Commission on Environmental Quality on November 5, 2014. He reviewed the checklist attached as **Exhibit "K"** and explained that he would provide a proposal at the January Board meeting to address the necessary implementation items. Mr. Foster noted that construction of the force main project was complete. He confirmed that the contractor had resolved the lien claim that had been reported at the prior meeting. He noted that the close-out documents had been provided to the City and the County and that final inspections from the City and County were expected sometime in December. Mr. Foster noted that the second phase of the surplus funds application had been delayed until receipt of some additional paperwork from KB Homes.

Director Campbell then recognized Ms. Bott, who presented the updated bookkeeping report attached as **Exhibit "D"**. Ms. Bott reviewed the Director and

vendor payments that were being presented and the proposed funds transfers summarized on page one of her report. She explained that the payment to Deputy Kinnard had been adjusted downward by 1.5 hours due to an apparent time entry error. Ms. Bott 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. Ms. Bott stated that she had not received the City of Austin's utility invoice and requested approval of a check with two signatures, with the amount to be finalized and the third signature to be obtained when the invoice was received. Upon motion by Director Haught and second by Director Capers, 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.

Director Campbell then recognized Mr. Anderson for purposes of receiving the general manager's report. Mr. Anderson presented his report, attached as **Exhibit "L"**, and reviewed it with the Board. He noted that the District currently had 2,946 occupied single-family connections and a total of 3,005 accounts and that the estimated population of the District was 9,432. He added that the District had reported a 7.16% water loss for the prior reporting period. Mr. Anderson stated that all water test results were satisfactory. He then called the Board's attention to the write-offs set forth on the list attached as **Exhibit "M"** and requested approval. Upon motion by Director Richter and second by Director Amaro, the Board voted unanimously to approve the write-offs.

At 6:24 p.m., Director Campbell stated that the Board would convene in executive session, as permitted by Section 551.071, Texas Government Code, to receive legal advice regarding the City of Austin wholesale water and wastewater rate challenges and security patrol issues. The Board reconvened in open session at 6:49 p.m. and Director Campbell announced that no action had been taken in executive session. At 6:51 p.m., Director Campbell stated that the Board would reconvene in executive session to discuss personnel matters, including a review of the District's on-site manager, as permitted by Section 551.074, Texas Government Code. At 7:10 p.m., the Board reconvened in open session. Director Campbell announced that the Board had received legal advice and conducted a personnel review, but that no action had been taken in executive session.

Director Campbell then recommended that the Board Subcommittee consisting of Directors Richter and Amaro convene to develop a recommendation on compensation of the District's on-site manager, and the Board concurred.

Director Campbell then advised the Board that he anticipated retiring from the State effective January 1, 2015 and would be more available during the day. Director Richter reported that CASE would be offering a "MUD 101" training course for new directors.

There being no further business to come before the Board, the meeting was adjourned.

Date: \_\_\_\_\_

(SEAL)

\_\_\_\_\_  
Kathy Haught, Secretary  
Board of Directors