

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

July 25, 2017

THE STATE OF TEXAS           §  
  §  
COUNTY OF TRAVIS           §

A meeting of the Board of Directors of Northtown Municipal Utility District was held on July 25, 2017, 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 Directors were present, constituting a quorum:

Brenda Richter	-	Vice President
Kathy Haught	-	Secretary
Felix Amaro	-	Assistant Secretary

Director Robin Campbell and Director Chris Capers were absent. Also present at the meeting were Mona Oliver, the District manager; Robert Anderson of Crossroads Utility Services, LLC ("Crossroads"); Scott Foster of 360 Professional Services, Inc.; Allen Douthitt of Bott & Douthitt, PLLC; Richard Fadal of TexaScapes, Inc. ("TexaScapes"); Lee Hill, Chris Cheshire and Ruijun Ren, residents of the District; and Sue Brooks Littlefield of Armbrust & Brown, PLLC.

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. There being none, Director Richter stated that the Board would consider approving the minutes of the June 27, 2017 Board meeting. Upon motion by Director Haught and second by Director Amaro, the Board voted 3-0 to approve the minutes.

Director Richter stated that the Board would next receive the security report. Director Amaro reported that Deputy Gonzalez had been unable to attend the meeting. Ms. Oliver reported that the additional security cameras had been installed and presented a purchase request for a mini-split air conditioning system for the equipment storage room, noting that the DVR was overheating. Director Amaro stated that the Security Subcommittee had observed that the heat was affecting the equipment and that the vent in the roof didn't provide enough air flow to reduce the temperature sufficiently. Director Haught inquired how long the warranty on the air conditioning unit would be and Director Richter stated that she was concerned that the unit would run nonstop and not ever shut off, but still felt this was needed. Mr. Hill stated that he believed air conditioning the equipment room would ultimately save the District money. Upon motion by Director Haught and second by Director Amaro, the Board voted 3-0 to approve the purchase.

Ms. Oliver then reported on the National Night Out event, and stated that she expected to have some actual bands, not school bands, at the event. Director Amaro stated that the subcommittee was trying to ensure that any purchases were multi-use. Ms. Oliver stated that the details on the recent criminal trespass incidents would be on the next month's report, but noted that one incident had occurred when several individuals threw rocks at the District's truck and van, and then hammered angrily on the rolldown door. She stated that the deputy on duty had recognized two of the juveniles and they had identified one additional juvenile, all of whom were given criminal trespass warnings. She also reported that one of the District's employees had observed an ATV in the park and called the deputy on duty, noting that the drivers had led the deputies on a chase, eventually the DPS helicopter had joined in, and the individuals were apprehended and arrested, noting that the ATV had been reported stolen. Ms. Oliver noted that the last incident involved a vehicle that had been driven through the landscaping on the soccer field and run into a tree. She noted that the driver had not yet been apprehended.

Director Richter then stated that the Board would consider landscape maintenance matters and recognized Mr. Fadal, who presented the plant of the month, crabgrass. He noted that crabgrass was used in some areas of the world as a food source, but in the United States it was considered a weed. He explained that it grew throughout the world and was a summer grass that was abundant this year. Mr. Fadal then reviewed his report, attached as **Exhibit "B"**, and stated that the trees had been pruned up over the trails and, with the hot weather, his crews were keeping a close eye on the irrigation system. Director Richter agreed to coordinate a parks budget worksession.

Director Richter stated that the Board would next receive the District manager's report and recognized Ms. Oliver. Ms. Oliver stated that she planned to request donations from the consultants for the National Night Out event and had also asked that Crossroads, Texas Disposal Systems ("**TDS**") and TexaScapes agree to have exhibit booths, as they had the prior year. She then called the Board's attention to her monthly reports, attached as **Exhibit "C"**. Ms. Oliver noted that she had included the reservation ledger for the Board's information, and noted that the District now had reservations on the books. Ms. Oliver reported that the Solid Waste Subcommittee had met with TDS on the future of the Clean-up Days. Director Haught reminded the Board that the Clean-up Days had not gone well this year and that participants had gotten angry and basically thrown stuff at the dumpsters, overfilled the dumpsters, and been abusive to the Scouts. She noted that, when the latest TDS contract had been approved, the Board had discussed eventually phasing out the Clean-up Days, as the new contract provided for curbside collection of bulky waste twice a year at each residence. Director Haught stated that the Subcommittee's priority was individual safety, including that of TDS personnel, District staff and the Scouts. She stated that the lack of a secure area meant the District could not control access to the dumpsters. She also stated that the Solid Waste Subcommittee recommended discontinuing the Clean-up Days, but proactively informing the residents that they could have bulky waste collected at their homes, including putting information of the Clean-up Day problems on the website. Ms. Littlefield suggested also posting the photos to let the residents know why they were

being discontinued. Ms. Oliver stated that TDS had also made it clear that it did not want to continue to provide Clean-up Days and added that the cost was going up each year. Director Richter suggested that it might be possible to conduct a Clean-up Day similar to the one that was hosted by the City of Pflugerville. Director Amaro expressed concern that individuals would then return to dump things in the area when no event was being held. Mr. Anderson stated that this type of use would also damage the District's asphalt. Mr. Cheshire stated that he didn't think most of the neighborhood was aware of the opportunity to have bulky waste pickup at their homes. Director Richter encouraged the Subcommittee to stay on top of the messaging and to keep it as positive as possible. Director Haught stated that the curbside bulky waste pickups had increased, but there still had only been around 300 and agreed that the Subcommittee would work on reinforcing this communication. The Board concurred and directed the Subcommittee to move forward with implementing its recommendation, including putting the photos on the website and using them in the messaging.

Ms. Oliver then presented the purchase request/proposal for bases for the two logo signs attached as **Exhibit "D"** and the proposal for the metal portion of the signs, attached as **Exhibit "E"**. Mr. Anderson noted a correction to the telephone number on the sign mockup and Ms. Oliver agreed to ensure the correction was made. Upon motion by Director Amaro and second by Director Haught, the Board voted 3-0 to approve the proposals. Ms. Oliver then recommended approval of a semi-annual staff appreciation luncheon at a cost not to exceed \$200 and the Board agreed. Director Richter then reviewed a design for a sign for Harris Ridge and recommended authorizing the work at a cost not to exceed \$4,500. Upon motion by Director Haught and second by Director Amaro, the Board voted 3-0 to approve the purchase.

Director Richter then stated that she had nothing to report regarding park matters.

Director Richter stated that the Board would next receive the engineer's report and recognized Mr. Foster. Mr. Foster presented his report, attached as **Exhibit "F"**, and reviewed it with the Board. Mr. Foster noted that he had confirmed that the iron fence had a 20-year warranty. He stated that there was not much going on with respect to development matters. Mr. Foster stated that he had received partially executed contracts for the fence project, noting that the preconstruction meeting was scheduled for August 10<sup>th</sup> and that he anticipated the contractor starting the work shortly thereafter. He explained that the District was still waiting on the sidewalk/trail easement from Village@Northtown, Ltd. and might need to delete that portion from the contract. Ms. Littlefield recommended advising Village@Northtown, Ltd. that, if it became necessary, the Board would bear this in mind at the time future accommodations were requested by Village@Northtown, Ltd. Mr. Foster agreed to relay this. Mr. Fadal stated that the anticipated start time for the sign foundation work was October 1.

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 "G"**. He recommended approval of a transfer from the District's JP Morgan Chase operating account to the JP Morgan Chase manager's account in the amount of

\$22,400, a transfer from the District's Compass Bank lockbox account to the TexPool general operating account in the amount of \$100,000 and a transfer from the District's Logic operating account to the JP Morgan Chase Bank operating account in the amount of \$200,000 as reflected on page one of his report. He also requested approval of the bond payments indicated on page one of his report. Mr. Douthitt then reviewed the payments that had been made out of the bookkeeper's account during the prior month, including deposit refunds and utility payments, and the payments being presented for approval, noting that the per diem to Director Campbell and Director Capers would need to be voided due to his absence. After discussion, upon motion by Director Haught and second by Director Amaro, the Board voted 3-0 to approve the transfers and payments as recommended, with the void noted.

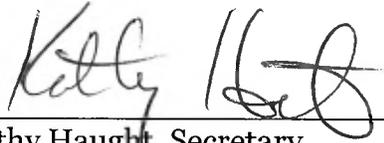
Director Richter then recognized Mr. Anderson for purposes of receiving the utility operator's report. Mr. Anderson presented Crossroads' report, attached as Exhibit "H", and noted that the District had 2,957 occupied single-family connections, a total of 3,837 accounts, and an estimated population of 11,361 as of the end of June. Mr. Anderson reported that the District had received satisfactory lab results for all water samples, had experienced a water loss of 10.29% during the prior reporting period and there were no write-offs for the month. He stated that pump No. 1 at Lift Station No. 1, which was the low flow lift station, had failed. He stated that he had taken it to Pump Solutions and the repair would cost \$36,000 plus installation costs. He stated that, due to timing, he felt repair was the best option, but that he also believed that a smaller size pump might be better at this point due to the reconstruction of the force main. Mr. Foster recommended proceeding with the repair in the short term, but authorizing the Infrastructure Subcommittee to evaluate replacing both lift station pumps in the long term. Mr. Foster stated that one of the things that was being evaluated was whether the impeller size could be reduced. Upon motion by Director Amaro and second by Director Haught, the Board voted 3-0 to approve the rebuilding and reinstallation of the pump at a cost not to exceed \$45,000.

Director Richter then stated that the Board would discuss the wholesale rate case and stated that the City had not filed an appeal in the rate case and so the money that had been escrowed could now be released. Mr. Anderson stated that the City of Austin was now contemplating a new large wholesale rate increase.

Director Richter stated that the Board would next receive reports from developers' and landowners' representatives. There being none, Director Richter stated that the Board would receive the attorney's report and recognized Ms. Littlefield. Ms. Littlefield called the Board's attention to the Texas Municipal League Intergovernmental Risk Pool Summary Claims Experience Report included in the packet. Ms. Littlefield also reminded the Board of the schedule for adoption of the District's budget and tax rate.

There being no other business to come before the Board, upon motion by Director Amaro and second by Director Haught, the Board voted 3-0 to adjourn the meeting.

(SEAL)



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Kathy Haught, Secretary  
Board of Directors

Date: 8/22/2017

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 11:50  
A.m. on July 20, 2017, 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 July 2017.

Brian K. Gilbert  
Printed Name: Brian K. Gilbert  
Company: Capital Courier

**NORTHTOWN MUNICIPAL UTILITY DISTRICT  
AGENDA**

ORIGINAL  
FILED FOR RECORD

July 25, 2017

TO: THE BOARD OF DIRECTORS OF NORTHTOWN MUNICIPAL UTILITY DISTRICT  
AND ALL OTHER INTERESTED PARTIES:

Notice is hereby given that the Board of Directors of Northtown Municipal Utility District will hold a meeting at **5:45 p.m. on Tuesday, July 25, 2017**, at the District office located at the Wells Branch Tech Center, 1421 Wells Branch Parkway, Suite 106, Pflugerville, Texas. The following matters may be considered and acted upon at the meeting:

**PUBLIC INPUT**

1. Resident communications and Board member announcements;

**BUDGET / TAX ITEMS**

2. 2017-2018 budget and 2017 tax rate, including:
  - (a) Review of Certification of 2017 Appraised Values;
  - (b) Financial advisor's recommendation on 2017 debt service tax rate
  - (c) Work session on 2017-2018 budget;
  - (d) Establish and take record vote on proposed tax rate;
  - (e) Schedule public hearing at which adoption of tax rate will be considered;
  - (f) Authorize publication of Notice of Public Hearing on Tax Rate;

**DISCUSSION/ACTION ITEMS**

3. Minutes of June 27, 2017 Board meeting;
4. District security, including:
  - (a) Report from Travis County Sheriff's Department;
  - (b) Subcommittee report, including:
    - (i) Monthly expenditure report;
    - (ii) Purchase requests;
    - (iii) Status of installation of additional security cameras;
  - (c) National Night Out, including expenditure report;
  - (d) Criminal trespass issues;
5. Landscape maintenance, including report from landscape maintenance contractor;
6. Report from District manager, including:
  - (a) Maintenance report;
  - (b) Restrictive covenant violations and enforcement actions;
  - (c) Monthly expenditure report;
  - (d) Reservation ledger;
  - (e) Solid waste services, including:
    - (i) Monthly report from Texas Disposal Services;
    - (ii) Report from Solid Waste Subcommittee, including Clean-up Day report and recommendation;
  - (f) Purchase requests;

7. Park matters, including:
  - (a) Report from Subcommittee;
  - (b) Monthly expenditure report;
  - (c) Repairs and maintenance;
  
8. Report from District engineer, including:
  - (a) Directive;
  - (b) Development update, including:
    - (i) Pflugerville ISD tract;
    - (ii) Village at Northtown, Section 2;
    - (iii) Heatherwilde Retail Center;
    - (iv) Harris Ridge Extension Project;
    - (v) John Henry Faulk Water and Wastewater Improvements, including approval of any pay estimates or change orders;
    - (vi) The Lakes Retail Center;
  - (c) District Fence and Facility Assessment update;
  - (d) 50-Acre Park Pedestrian Bridge study update;
  - (e) Dessau Road Force Main Study update;
  
9. Report from District's bookkeeper, including:
  - (a) Payment of bills and invoices;
  - (b) Fund transfers;
  - (c) Investments;
  - (d) Developer escrow report and reconciliation;
  
10. Report from District's utility operator, including:
  - (a) Utility operations and repairs;
  - (b) Billing report and write-offs;
  - (c) Leak detection;
  
11. Wholesale rate case matters, including report from District's rate counsel;
  
12. Reports from developers' and landowners' representatives;
  
13. Attorney's report, including Texas Municipal League Intergovernmental Risk Pool Summary Claims Experience Report;
  
14. Future agenda items.

The Board of Directors is authorized by the Texas Open Meetings Act, Chapter 551, Texas Government Code, to convene in closed or executive session for certain purposes, including receiving legal advice from the District's attorney (Section 551.071); discussing real property matters (Section 551.072); discussing gifts and donations (Section 551.073); discussing personnel matters (Section 551.074) and discussing security personnel or devices (Section 551.076). If the Board of Directors determines to go into executive session to discuss any item on this agenda, the presiding officer will announce that an executive session will be held and will identify the item to be discussed and the provision of the Open Meetings Act that authorizes the closed or executive session.

(SEAL)



*[Handwritten signature]*

Attorney for the District

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Northtown Municipal Utility District is committed to compliance with the Americans With Disabilities Act. Reasonable accommodations and equal access to communications will be provided upon request. Please call Armbrust & Brown, PLLC at (512) 435-2300 for additional information.

Came to hand and posted on a Bulletin Board in the Courthouse,  
Austin, Travis County, Texas on this the 20 day of

July 2017

Dana DeBeauvoir

County Clerk, Travis County, Texas

By C. Espinoza Deputy

C. ESPINOZA



FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

*[Handwritten signature: Dana DeBeauvoir]*

Jul 20, 2017 11:50 AM 201781026

ESPINOZAC: \$3.00

Dana DeBeauvoir, County Clerk

Travis County TEXAS

CERTIFICATE OF POSTING FOR  
NORTHTOWN MUNICIPAL UTILITY DISTRICT  
AT  
(1) 14401 Harris Ridge Blvd. (park pavilion)  
(2) 1421 Wells Branch Parkway, Suite 106 (district office)  
PFLUGERVILLE, TEXAS 78660

THE STATE OF TEXAS       §

COUNTY OF TRAVIS       §

I, Ernest Robles, hereby certify that at  
1:45 P.m. on July 19<sup>th</sup>, 2017, I posted a copy of the  
attached notice of meeting of the Board of Directors of Northtown Municipal Utility District at a  
place readily accessible and convenient to the public within the boundaries of the District at the  
locations noted above.

I understand that the notice was posted in order to comply with the Open Meetings  
provisions of Chapter 551 of the 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 19<sup>th</sup> day of July, 2017.

Ernest Robles  
Printed Name: Ernest Robles  
Company: Northtown MUD