

**MINUTES OF MEETING OF
THE BOARD OF DIRECTORS OF
VISTA OAKS MUNICIPAL UTILITY DISTRICT**

February 8, 2016

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

A meeting of the Board of Directors of Vista Oaks Municipal Utility District was held on February 8, 2016, at the offices of Gray Engineering, Inc., 8834 N. Capital of Texas Highway, Suite 140, Austin, 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 roll was called of the members of the Board:

Mike Asbury	-	President
Robert Wells	-	Vice President
Leslie Alger	-	Secretary
Heath Reed-Green	-	Assistant Secretary
Bowman Mires	-	Assistant Secretary

and all of the Directors were present, except for Director Reed-Green, thus constituting a quorum. Also present at times during the meeting were Andrew Hunt of Crossroads Utility Services LLC, the District's general manager and utility operator; Herb Edmonson of Gray Engineering, Inc., the District's engineer; Keli Kirkley of Municipal Accounts & Consulting, L.P., the District's bookkeeper; and Jennifer Scholl of Armbrust & Brown, PLLC, the District's general counsel.

Director Asbury called the meeting to order at 12:05 p.m. and stated that the Board would first receive citizens' communications and Board member announcements. Mr. Hunt reported that he had received several comments from residents relating to the fence project.

There being no further citizens' communications or Board member announcements, Director Asbury stated that the Board would next consider approving the minutes of the January 11, 2016 Board meeting. Upon motion by Director Alger and second by Director Wells, the Board voted unanimously to approve the minutes.

Director Asbury then stated that the Board would consider renewal of the Solid Waste Collection and Disposal Services Agreement with Round Rock Refuse. Mr. Hunt stated that the District's solid waste and recycling collection contract had expired in January. He then presented the Solid Waste Collection and Disposal Services Agreement attached as **Exhibit "B"**. He stated that this agreement would renew the current agreement for a term of 5 years and that the only real change was that the new agreement would increase the fee under the current agreement by 10%, which he noted was reasonable. He stated that the rate increase was not currently budgeted, so the Board would need to consider amending the District's base fee at the next Board meeting. Upon motion by Director Alger and second by Director Mire, the Board voted unanimously to approve the agreement.

Director Asbury then stated that the Board would consider the wall and fence projects, and recognized Mr. Edmonson. Mr. Edmonson first reported on the status of Phase 3 of the wall

project. He stated that the contractor had completed construction on both sides of Royal Vista Boulevard and that the final punch list had been prepared. He stated that he did not have any pay estimates or change orders to present at this time, but would have a pay estimate and a deductive change order to present at the next Board meeting.

Mr. Edmonson next reported on the status of Phase 4 of the wall project. He stated that a final review of the construction plans was being completed and that Mr. Hunt was working with Williamson County to obtain the required license agreement and temporary easements. Mr. Hunt stated that he would meet with Mike Palmer to negotiate a term sheet that would address how the District would be reimbursed by future landowners for construction of the fence along the commercial tract.

Director Asbury then stated that the Board would receive an update on the RM 1431 roadway widening project, the Texas Department of Transportation ("TXDOT") noise attenuation study, and related matters. Mr. Hunt presented the email attached as Exhibit "C" and stated that this was an email update on the project from Gerald Dunnivan, a representative of Vista Oaks Homeowner's Association. He stated that TXDOT would hold a workshop for affected homeowners soon and that he and Director Reed-Green would attend the workshop. He stated that the proposed design for the fence would be presented to the affected homeowners at the workshop and that the homeowners would then vote after the workshop if they wanted the fence to be constructed.

Director Asbury then stated that the Board would receive the security report and consider taking related action. Mr. Hunt reported that he did not have any major issues to report.

Director Asbury then stated that the Board would receive a report from the District's engineer and recognized Mr. Edmonson. Mr. Edmonson directed the Board's attention to the engineering report attached Exhibit "D" and stated that there had been a preconstruction meeting held last week for the Gardens at Mayfield and that construction would begin within the next week. He anticipated construction of Arterial H to begin soon.

Director Asbury then stated that the Board would receive a report from the District's bookkeeper and recognized Ms. Kirkley. Ms. Kirkley first presented the bookkeeper's report and list of additional checks attached collectively as Exhibit "E". She reviewed the bills and invoices and account activity for the District's operating, manager's, and lock box accounts, noting that the per diem to Director Reed-Green would be voided due to his absence; the account balances; the pledged securities reports; the budget comparison; the debt service payment schedule; the balance sheet; the tax collection report; the recycling rebate report; and the monthly transfers. She stated that she would compile a certificate of deposit report later this week for Director Alger to review in order for the District to purchase additional certificates of deposit. She then stated that, to date, the District had collected \$957,153.85 in tax revenues, which amounted to approximately 69% of the District's 2015 tax levy. Upon motion by Director Wells and second by Director Mires, the Board voted unanimously to approve the bills, invoices, and transfers as presented.

Director Asbury then stated that the Board would receive a report from the District's general manager and utility operator. Mr. Hunt first presented the operations report attached as Exhibit "F". He next addressed water accountability, noting that there had been $\pm 4.21\%$ water loss for the month, which he stated he would continue to monitor because it was slightly higher than normal. Mr. Hunt next reviewed the water report and confirmed that all test results were satisfactory. He stated that there were no major items to discuss about water system maintenance. He then reviewed the District's billing report, and stated that he did not

recommend approval of any write-offs for this period. Mr. Hunt next reported that there had been no issues with solid waste and that the latest monthly recycling rebate was \$34.17. He stated that he did not have an update on the District's website. He then presented the letter attached as **Exhibit "G"** and stated that it was a notice from the Texas Commission on Environmental Quality (the "TCEQ") that the District had violated the TCEQ's lead and copper monitoring and reporting rules. Mr. Hunt stated that he had reviewed the District's files and determined that there had been no violation, and upon notifying the TCEQ of this, the TCEQ had agreed to remove the violation from the District's compliance history. Mr. Hunt next reported on the Palmer Tract and stated that the residential portion of the project would begin soon and that all capacity payments had been paid in full.

Mr. Hunt then reported on the Texas Water Development Board (the "TWDB") water loss audit notice attached as **Exhibit "H"** and stated that this was a report that was required to be filed with the TWDB in April and that this report would identify all water loss numbers for the past five years and state what the District planned to do to account for the water loss. He added that the District had a great water accountability loss rate.

Director Asbury then recognized Ms. Scholl for purposes of receiving a report from the District's attorney. Ms. Scholl stated that she had nothing to report at this time.

Director Asbury next announced that the Board would consider its future meeting schedule and agenda items, including rescheduling the March meeting date. After discussion, the Board confirmed that the next meeting would be held at noon on March 21, 2016.

Director Asbury then asked if there was any further business to come before the Board. There being none, the meeting was adjourned at 12:53 p.m.

(Signature page follows.)





Leslie Alger, Secretary
Board of Directors

Date: March 21, 2016