

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

March 6, 2017

THE STATE OF TEXAS           §  
  §  
COUNTY OF WILLIAMSON       §

A meeting of the Board of Directors of Vista Oaks Municipal Utility District was held on March 6, 2017, at the offices of Armbrust & Brown, PLLC, 100 Congress Avenue, Suite 1300, Austin, Texas 78701. 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
Carl R. Black	-	Assistant Secretary

and all of the Directors were present except Director Reed-Green who arrived later, 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 and Don Bayes of Gray Engineering, Inc., the District's engineer; Keli Kirkley of Municipal Accounts & Consulting, L.P., the District's bookkeeper; Terron Evertson and Jaime P. Miller of Williamson County Road and Bridge Division; and Jenn Scholl of Armbrust & Brown, PLLC, the District's general counsel.

Director Asbury called the meeting to order at 12:08 p.m. and stated that the Board would first receive citizens' communications and Board member announcements. Mr. Hunt requested that the Board discuss the Williamson County roadway resurfacing program at this time. Mr. Evertson and Ms. Miller introduced themselves to the Board and stated that they were with the Road and Bridge Division of Williamson County (the "*County*"). Mr. Evertson presented the materials attached as **Exhibit "B"** and reported that the County would resurface the roadways within the District in the next three weeks. He stated that the County would use asphalt to fill existing cracks in the roads and lay layers of rock on top of the asphalt, noting that the roadway would be opened up to traffic after the surface was rolled and excess rock was swept away. He explained that the new roadway material would be rougher than what was currently in place, but it was the best engineering solution to seal the road and prevent water from reaching the foundation. Mr. Evertson stated the cul-de-sac areas would be resurfaced by using a thinner asphalt concrete that was cured using a thick layer of sealant that could withstand the turning of large trucks. He stated that the County usually received complaints about the amount of rock after a resurfacing and the County would come back within the first day to sweep up excess rock that was not previously removed. Director Reed-Green arrived at this time. Mr. Evertson stated that residents could contact the County if they had any complaints about excess rock, and explained that the County could also come back with power washers if any rock or asphalt got carried into driveways. Mr. Bayes asked what the County would do if residents left their cars parked in the streets. Mr. Evertson stated that the County would not tow the car and would attempt to work with the residents to schedule the resurfacing. Mr. Evertson stated that a green

door tag would be placed on residents' doors about a week or two before a particular area is scheduled to be resurfaced and an orange tag would be placed on doors about two or three days before a particular area is scheduled to be resurfaced. He explained that the tags would direct residents to the County's hotline and website for more information and the County's website would accurately tell residents the exact days that their streets would be resurfaced. Mr. Hunt asked if the "parking knuckles" would be resurfaced in the same manner as the cul-de-sacs. Mr. Evertson stated that they would and that the County would resurface up to the crosswalk at Sam Bass but not resurface the actual crosswalk. Director Asbury asked if any of the curbs would be repaired. Mr. Evertson stated that the County did not usually repair the curbs, but if there were any areas of concern he would evaluate the curbs. Mr. Evertson stated that tarps would be placed over manholes before an area is resurfaced and the tarps would be removed after the area was resurfaced. Mr. Edmonson stated that the District had an MS4 permit and asked if there would be issues with rock traveling into the stormwater systems. Mr. Evertson stated that the biggest issue with runoff was not the rocks, but any emulsion that had not cured by the time it rained, noting that the County would monitor the weather to prevent this issue. Director Alger suggested that a link to the County's hotline and website be posted on the HOA's website and the District's website. Mr. Hunt stated that he would provide this information to the HOA and post it on the District's website. Ms. Miller stated that the County planned to hold a public meeting within the District around March 21<sup>st</sup>. Mr. Evertson stated that Vista Oaks was the first subdivision on the schedule for resurfacing this year, with work scheduled to begin in the first week of April. Mr. Evertson stated that the work would take place between 8:00 a.m. and 5:00 p.m. on weekdays and the County would try to not work on the weekends. Director Black asked if the County would work with schools to coordinate bus routes, and Mr. Evertson confirmed that the County would let the schools know the resurfacing schedule. Mr. Evertson stated that it would take about a week and a half to two weeks to resurface the streets and a week-and-a-half for all of the cul-de-sacs, noting that the County would start with the smaller streets and work its way out of the neighborhood so the larger streets were resurfaced last. Mr. Evertson recommended that the Board not get involved in the process because the County would be in a better position to coordinate any complaints or inform residents of the resurfacing procedures. He reminded the Board to notify him if any odd behavior was observed by the drivers or crew.

Director Asbury then stated that the Board would consider the minutes of the February 13, 2017 Board meeting. Upon motion by Director Wells and second by Director Black, the Board voted unanimously to approve the minutes, as presented.

Director Asbury then stated that the Board would consider the District's fence enhancement projects, and recognized Mr. Edmonson. Mr. Edmonson first presented and recommended approval of pay estimate no.5 in the amount of \$19,668.38 attached as **Exhibit "C"** for Phase 4. Mr. Edmonson stated that, due to inclement weather, the contractor needed to complete a few clean-up items and that he should be in a position to recommend acceptance of the project for operation and maintenance once the contractor completed the final clean-up and punchlist items. Mr. Edmonson stated that he still needed to verify that the work had been completed in the back yard of the resident on Rock Hill. Director Wells stated that he had noticed a group of trees near the street on Rock Hill. Mr. Hunt stated that he thought the work looked like it had been completed, but the District would remove the trees if the resident did not want trees in the back yard. After further discussion, upon motion by Director Wells and second by Director Alger, the Board voted unanimously to approve pay estimate no. 5 for the Phase 4 wall project.

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 stated that he was still working on setting up a meeting with RPS Klotz Associates, an engineering consultant on the sound wall project, about

possibly constructing the sound wall in the HOA's easement where the existing red brick wall is currently located. He noted that the HOA had stated that it was open to this idea and wanted to remain involved. He stated that he would keep the Board updated on any progress.

Director Asbury then stated that the Board would receive an update on the Round Rock-Leander 138-kV transmission line. Mr. Hunt stated that about 990 parties had tried to intervene in the hearing and over half were dismissed. He stated that there had been a number of motions filed in the hearing and that he would work on pulling everything together to provide a summary to the Board.

Director Asbury then stated that the Board would receive the security report and consider taking related action. Mr. Hunt stated that he had not yet received the latest security report and would provide a copy to the Board upon receipt.

Director Asbury then stated that the Board would receive a report from the District's engineer and recognized Mr. Edmonson. Mr. Edmonson presented his report attached as **Exhibit "D"**. He reported that there had been a site inspection at the Gardens at Mayfield Ranch earlier that day and noted that the project was closer to being wrapped up. Mr. Bayes stated that the TCEQ had approved the pond and that the contractor should be able to start working on the pond soon. Mr. Bayes then stated that the five-year regulatory wastewater collection system televising and cleaning project was initially advertised for bids in November, but that only one bidder had responded and the bid was very high. He explained that he had spoken with several contractors after the holidays and had been told that the work could be done for under \$75,000. He stated that, because projects under \$75,000 were not required to be advertised for bids, his firm had sent out five requests for proposals for the project and had received three responses. He then presented the bid tabulation attached as **Exhibit "E"** and stated that, to his surprise, the responses from all three of the bidders were greater than \$75,000, which raised the question of whether the project now had to be advertised. Ms. Scholl stated that the requirement to advertise contracts over \$75,000 technically applied only to contracts for "construction and repair and renovation" of District facilities or "for the purchase of equipment, materials, machinery, and all things that constitute or will constitute the facilities or improvements" of the District, and noted that the televising of wastewater lines was a service that did not appear to fit within that definition because the contract was not a contract for construction, repair, renovation, or the purchase of equipment, materials, machinery, or things that constitute facilities or improvements. Mr. Bayes concurred, explaining that the contractor would clean the lines, capture the video, and provide the video to his firm to watch and certify to the TCEQ that the lines are clean enough. He stated that any repair work identified by the video would be completed later by separate contract. After discussion, upon motion by Director Reed-Green and second by Director Wells, the Board voted unanimously to award the contract for the televising work to All Points Inspection Services, Inc., as the low bidder in the amount of \$80,895.40.

Director Asbury then stated that the Board would receive a report from the District's bookkeeper and recognized Ms. Kirkley. Ms. Kirkley presented the bookkeeper's report attached as **Exhibit "F"** and reviewed the bills and invoices and account activity for the District's operating, manager's, and lock box accounts; 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 recommended approval of the bills and invoices and the transfers. After discussion, upon motion by Director Wells and second by Director Alger, 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

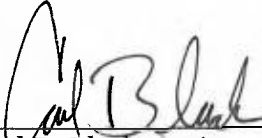
general manager and utility operator. Mr. Hunt stated that, because the meeting had been moved up a week, he did not yet have the operations report for the month of February, but would send it to the Board upon receipt. He reported that water loss was around 2% for the year. He reported that the utility system was generally operating well and that he had repaired a drain pipe on Honey Bear that had burst. He stated that he would coordinate with the contractor for the five-year regulatory wastewater collection system televising and cleaning project.

Director Asbury then recognized Ms. Scholl for purposes of receiving a report from the District's attorney. Ms. Scholl reviewed the consultant directives report and noted that all prior directives were either complete or in process. She next reported that the District's insurance carrier, the Texas Municipal League Intergovernmental Risk Pool, had recently changed the deductible structure for wind and hail damage to buildings from a per occurrence basis to a percentage of scheduled building values, as more particularly detailed in the email from TML attached as **Exhibit "G"**. She noted that the District did have the ability to "buy back" a per occurrence deductible for the additional cost of 5% of the real and personal property coverage premiums, which amounted to \$47 in the case of the District. After discussion, upon motion by Director Alger and second by Director Wells, the Board voted unanimously to not buy back a per occurrence deductible for wind and hail coverage.

Director Asbury next announced that the Board would consider its future meeting schedule and agenda items.

There being no further business to come before the Board, the meeting was adjourned at 1:10 p.m.



  
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Carl R. Black, Assistant Secretary  
Board of Directors

Date: April 10, 2017