

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

April 8, 2019

THE STATE OF TEXAS                   §  
  §  
COUNTY OF WILLIAMSON           §

A meeting of the Board of Directors of Vista Oaks Municipal Utility District was held on April 8, 2019, 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
Heath Reed-Green	-	Vice President
Carl R. Black	-	Secretary
Leslie Alger	-	Assistant Secretary
Jacob Matto	-	Assistant Secretary

and all of the Directors were present, except for Director Leslie Alger who arrived later, thus constituting a quorum. Also present at the meeting were Charles E. Hamilton, a resident of the District; Lisa Torres of Crossroads Utility Services LLC, the District’s general manager and utility operator; Herb Edmonson of Gray Engineering, Inc., the District’s engineer; Allen Douthitt of Bott & Douthitt, PLLC, the District’s bookkeeper; and Jenn Scholl of Armbrust & Brown, PLLC, the District’s general counsel.

Director Asbury called the meeting to order at 12:10 p.m. and stated that the Board would first receive citizens’ communications and Board member announcements. Mr. Hamilton introduced himself to the Board. He stated that he had been a resident of the District since 2011 and that he was interested in observing the Board meeting. Director Black then announced that his house was on the market but that he might continue to live in the District after his home was sold, noting that he would keep the Board updated on the status of his home.

There being no further citizens’ communications or Board member announcements, Director Asbury stated that the Board would consider approving the minutes of the March 11, 2019 Board meeting. Upon motion by Director Reed-Green and second by Director Matto, the Board voted 4-0 to approve the minutes.

Director Asbury then stated that the Board would consider the following consent items on the Board’s meeting agenda: the Resolution Adopting Standards for Recreational Facilities and Making Certain Findings Related Thereto attached as **Exhibit “B”**; the Resolution Making Findings Regarding Recreational Facilities [Sam Bass and Vista Isle Right-of-Way Beautification Project] attached as **Exhibit “C”**; and the Resolution Making Findings Regarding Recreational Facilities [Street and Trail Lighting] attached as **Exhibit “D”**. Ms. Scholl explained that the Texas Water Code required districts to establish standards for its recreational facilities, and stated that these resolutions would establish the required standards for and make findings

regarding the facilities. After discussion, upon motion by Director Reed-Green and second by Director Black, the Board voted 4-0 to approve the resolutions.

Director Asbury then stated that the Board would next discuss wholesale water and wastewater service, including updates on City of Round Rock wholesale rate increases and rate appeal. Ms. Scholl recommended that the Board convene in executive session in order to receive legal advice on the matter and recommended that the executive session take place at the end of the meeting in order to allow consultants to give their reports and leave before the Board went into executive session. Director Alger arrived at this time.

Director Asbury stated that the Board would receive the security report and consider taking related action. Ms. Torres stated that the report was not ready in time for the meeting and she would present the security report next Board meeting.

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 "E"**, and reviewed it with the Board. Mr. Edmonson reported that he had received three proposals in response to his request for proposals for the beautification project and he presented the bid tabulation attached as **Exhibit "F"**. He stated that Native Land Design, LLC was the low bidder with a bid in the amount of \$67,753.76, noting that there was a mathematical error in the low bidder's original proposal but that all numbers listed in the bid tabulation had been verified. Ms. Torres stated she had positive experiences working with Native Land Design, LLC in the past. Director Reed-Green stated that he had positive experiences working with all three companies in the past and noted that the proposals were consistent with what he expected. Upon motion by Director Reed-Green and second by Director Matto, the Board voted unanimously to award the contract to the low bidder. Ms. Torres reported that the license agreement that would be required for the beautification project had been provided to the County and should be executed soon. Mr. Edmonson then reported that the amenity center lot fence was complete, noting that one resident had expressed concerns about the main support columns but that he had addressed the resident's concerns. Mr. Edmonson then reported that he did not receive any proposals in response to his request for proposals for the mailbox kiosk lot wall project and the City of Round Rock had also recently indicated that it was unlikely that the required easement would be granted at this time. Discussion ensued. Mr. Edmonson then stated that the survey work for the required easements had been completed and he presented the revised invoice from Abram Dashner, RPLS, LLC in the amount of \$2,500, attached as **Exhibit "G"**, noting that the proposal that was previously approved by the Board did not contain the correct scope of work. After discussion, upon motion by Director Reed-Green and second by Director Black, the Board voted unanimously to approve the revised proposal and to postpone taking any other further action on the mailbox kiosk lot wall project at this time. **Ms. Torres stated that she would notify the adjacent homeowners that the project was postponed.** The Board then discussed maintenance of the areas adjacent to the RM 1431 roadway widening project. Mr. Edmonson stated that he would notify TxDOT if anything within TxDOT's right-of-way became an "eyesore". Ms. Torres added that Native Land Design, LLC had been engaged by the HOA so they would be maintaining the HOA's lot that was adjacent to the right-of-way.

Director Asbury next recognized Mr. Douthitt for purposes of receiving the bookkeeper's report. Mr. Douthitt presented the accounting report and updated cash activity report attached collectively as **Exhibit "H"** and reviewed them with the Board. He requested approval of a transfer in the amount of \$8,216.28 from the District's operating account to the District's bookkeeper's account, a transfer in the amount of \$100,000 from the District's TexPool Operating Account to the District's operating account, a transfer in the amount of \$16,988.13

from the District's TexPool Tax Account to the District's TexPool Operating Account, and a transfer in the amount of \$15,000 from the District's TexPool Tax Account to the District's TexPool Debt Service Account, as indicated on the first page of his report. Mr. Douthitt reviewed the financial statements, tax collection report, budget comparison, checks that had been written out of the bookkeeper's account since the last Board meeting, and the disbursements being presented for approval. He pointed out that about 98% of the District's 2018 taxes had been collected and the District had a positive budget variance of \$5,537.50, noting that charges for maintenance of the lift station and the rate case had been incurred during the prior month. Director Alger asked if sufficient funds had been budgeted for the rate case. Mr. Douthitt responded that a certain amount was budgeted every year for "other consultant fees" and he explained that the budget could always be amended to increase this amount if necessary, noting that there were sufficient funds for this purpose. Upon motion by Director Alger and second by Director Reed-Green, the Board voted unanimously to approve the transfers and payment of the bills and invoices, as presented.

Director Asbury then stated that the Board would receive a report from the District's general manager and utility operator. Ms. Torres presented the operations report attached as **Exhibit "I"**. She reviewed the directives from the last Board meeting. **She stated that she did not have any proposals for alternative lighting options along Royal Vista and Vista Isle but noted that she had requested this information and would provide a report at the next meeting.** She reported that water loss was at  $\pm 2.82\%$  for the month of February. She confirmed that all test results were satisfactory, there were no issues with water quality, and the utility system was generally operating well. She reported that one resident had reported a crack in the CMU wall after the walls were power washed and she would reach out to the subcontractor to make the necessary repairs, noting that it did not appear that the wall had been struck by a vehicle. She stated that maintenance of the lift station and adjacent area had been completed. She reported that there had been issues with the wet well in lift station over the past weekend due to the fact that one of the components was installed initially was the wrong size and she noted that she was working to address the issue. Ms. Torres reported that the District was under voluntary watering restrictions, there were no issues with the website, and she did not have any write-offs to present.

Director Asbury then stated that the Board would consider taking action regarding water conservation and drought management. Ms. Scholl reported that it was time for the District to conduct a five-year regulatory review of its water conservation and drought contingency plan. She reviewed the District's existing plan and recommended various updates to the District's utility system profile as well as changes conforming to the requirements of the wholesale water provider. After discussion, upon motion by Director Reed-Green and second by Director Matto, the Board voted unanimously to approve the Order Adopting Revised Water Conservation and Drought Contingency Plan attached as **Exhibit "J"**.

Director Asbury then stated that the Board would receive the attorney's report and recognized Ms. Scholl. Ms. Scholl reviewed the consultant directives report and noted that all items were in progress or completed.

Director Asbury then inquired if Mr. Hamilton wished to address the Board on any matters. Mr. Hamilton stated that it was brought to his attention that a national tennis facility was going to be constructed on the west side of Sam Bass Road directly across from the District and he stated that he was concerned about the impact that this venue would have on the District, such as spillover parking. He requested that the Board consider taking actions to bolster the viability of the subdivision and prevent any negative impacts that the development may have on nearby homes. Director Asbury responded that one of the Board's goals has always

been to preserve property values and he stated that the Board would consider what actions would be within the power of the Board to prevent the tennis facility from being an issue in the future. Director Reed-Green noted that there was not anything that the District could do outside of its boundary lines but noted that it might be possible to install up signs or alert the security patrols about overflow parking.

At 12:51 p.m., Director Asbury stated that the Board would next consider matters related to wholesale water and wastewater service and would convene in executive session in order to receive legal advice regarding the City of Round Rock's wholesale rate increases and rate appeal, as permitted by Section 551.071 of the Texas Government Code. At 1:06 p.m., the Board reconvened in open session and Director Asbury announced that no action had been taken in executive session.

There being no further business to come before the Board, the meeting was adjourned at 1:06 p.m.

Date: May 13, 2019

(SEAL)



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Carl R. Black, Secretary  
Board of Directors