

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

April 9, 2018

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

A meeting of the Board of Directors of Vista Oaks Municipal Utility District was held on April 9, 2018, 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:

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| 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 for Director Carl R. Black, 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; Alexia Kolmodin of Municipal Accounts & Consulting, L.P., the District’s bookkeeper; Nathan Neese of RMD Development Partners, LLC; Ron Vorndran of Blackburn Communities; 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. Director Alger stated that she had written a post in the Next Door social network for Vista Oaks notifying residents to contact Mr. Hunt if they had any District-related questions. She stated that most questions in the social network seemed to be related to the sound wall and that there was some confusion over the roles of the District and the homeowner’s association in the sound wall project. Mr. Hunt stated that he could prepare a statement outlining the District’s involvement with the sound wall in the past, explaining that the District no longer had any control over the process, and providing residents with contact information of someone at Texas Department of Transportation (“*TXDOT*”) that would be able to answer any questions. He stated that the statement could be posted on the District’s website, the homeowner’s association could email the statement to residents, and he recommended that one of the Directors post a link to the District’s website in the Next Door social network. **After discussion, the Board directed Mr. Hunt to prepare the statement regarding the sound wall and to arrange to distribute it as discussed.**

There being no further citizens’ communications and Board member announcements, Director Asbury stated that the Board would next consider the minutes of the March 19, 2018 Board meeting. Upon motion by Director Wells and second by Director Reed-Green, the Board voted unanimously to approve the minutes.

Director Asbury then stated that the Board would receive a report from the Gardens at Mayfield developer. Mr. Neese introduced himself to the Board and stated that his company was the original developer for the project. He then introduced Mr. Vorndran and stated that Mr. Vorndran's company, Blackburn Communities, had purchased the project from Mr. Neese's company and was now constructing homes within the project. Mr. Neese stated that the Pass Through Agreement with the District required the developer to submit quarterly written connection reports once homes were constructed, so Mr. Vorndran would now be providing quarterly connection reports to the District. Mr. Vorndran reported that homes were currently being sold within the project and that there were 17 connections. Mr. Neese reported that a sound wall that was identical to the Vista Oaks sound wall would be installed for the Gardens at Mayfield. Director Reed-Green inquired if the disturbed areas of the Arterial H right-of-way adjacent to the Gardens at Mayfield would be revegetated. Mr. Hunt responded that the County had informed him that the disturbed areas would be revegetated after all grading and other work had been completed. Director Reed-Green then asked Mr. Neese if a fence would be installed between the Gardens at Mayfield and Arterial H because he had noticed tire marks from vehicles driving off the road. Mr. Neese responded that his company was not involved in the planning of Arterial H because it was a County project, but as far as he knew, the County did not plan to install a fence in the area. Mr. Neese then reported that the Palmer Tract would be platted soon and the developer was waiting on the City of Round Rock to accept the site plan for the Gardens at Mayfield pond, noting that the pond was constructed within an easement on County property and would be maintained by the Gardens at Mayfield homeowner's association.

Director Asbury then stated that the Board would receive an update on the RM 1431 roadway widening project, the TXDOT noise attenuation study, and related matters. Mr. Hunt presented the design plans for the wall attached as **Exhibit "B"** and reviewed them with the Board, noting that he would upload a copy of the plans on the District's website. He stated that construction was scheduled to begin in May or June, the plans had been reviewed by the District's engineer, and he would need to schedule a walk-through with the District's consultants in order to identify the exact location of the utilities in the area. Mr. Edmonson stated that the District's utility facilities depicted in the plans appeared to be at a sufficient distance from the proposed sound wall, however, he would need to verify that the utilities did not vary from what was depicted otherwise there might be a conflict with the location of the sound wall.

Director Asbury then stated that the Board would receive an update on the Round Rock-Leander 138-kV transmission line. Mr. Hunt stated that he had received the results of the corrosivity tests from the samples that were taken from the master meters and he reported that the results were very "balanced" and satisfactory. He stated that he would obtain new samples for a comparison once the transmission line was energized.

Director Asbury then stated that the Board would consider taking action regarding wholesale water and wastewater service, including the City's wholesale rate increases. Mr. Hunt 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 Asbury stated that the Board would receive the security report and consider taking related action. Mr. Hunt stated that he had not been provided with a security report for this month, but reported that there had been complaints that the basketball courts were being used after the lights automatically turned off at 10:00 p.m. He stated that this was not a matter that the District could control and explained that the lights could be turned on after hours by twisting automatic 45-minute timers.

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 "C"**. He stated that he and Mr. Hunt had been working to obtain more information to replace the trail lights. Mr. Hunt then directed the Board's attention to a proposal attached as **Exhibit "D"** and stated that SunTech had identified a pole base that would fit the existing bolt pattern. He stated that the proposal included bulbs with a 200 watt output, but he recommended that the bulbs not exceed 100 watts, which was the output of the current bulbs. Mr. Edmonson noted that it was also possible to obtain a proposal to replace only the lights if the Board wanted to leave the existing light poles. Mr. Hunt recommended that the Board replace both the light poles and the bulbs and noted that they could test the new bulbs in the existing light poles before making a decision. He stated that he would have SunTech check all of the pole bases before the May meeting in order to have a better idea of all the costs that would be involved. Mr. Edmonson then recommended that the District obtain an easement for the lights because they were situated on property owned by the homeowner's association and were not within an existing easement. **After discussion, the Board directed Ms. Scholl to work with Mr. Hunt and the homeowner's association to prepare an easement agreement for the trail lights.**

Director Asbury then stated that the Board would receive a report from the District's bookkeeper and recognized Ms. Kolmodin. Ms. Kolmodin presented the bookkeeper's report attached as **Exhibit "D"** 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; the monthly transfers; and the latest quarterly investment report. She stated that the per diem to Director Black would be voided due to his absence. She then recommended approval of the bills and invoices and the transfers. After discussion, upon motion by Director Alger and second by Director Reed-Green, the Board voted unanimously to approve the bills, invoices, and transfers, as presented.

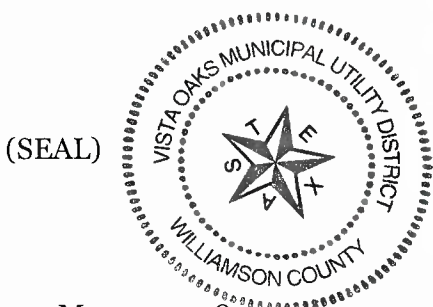
Director Asbury then stated that the Board would receive a report from the District's general manager and utility operator. Mr. Hunt first presented the operations report attached as **Exhibit "E"** and reviewed his directives from the prior Board meeting. He reported that water loss was at $\pm 1.72\%$ for the year and $\pm 13.14\%$ for the month of March, noting that, while the total water loss number wasn't a large number, he felt that the "up and down" pattern of the loss was odd, so he was working to investigate the cause. He reported that there were no issues with water quality and the utility system was generally operating well, noting that a water meter box on Flora Vista had been replaced and that repairs for a root intrusion on Honey Bear Loop had been completed. He reported that the District was under voluntary watering restrictions, there were no issues with the website, there had been no serious solid waste/recycling collection issues, and the monthly recycling rebate was \$14.13. He added that the billing report was healthy and that he did not have any write-offs to present this month. Mr. Hunt then reported that Williamson County was still working to complete the roadway resurfacing and sweeping program. He reported that he was required to test lead and copper levels in the water every three years and he would be sending out a reminder that samples would be collected from several homes in July, noting that the District had never had issues with lead and copper levels in the past. Mr. Hunt then stated that he had met with the Board's subcommittee to compile a list of future community improvement projects and an estimate of their costs that would be incorporated into the budget once finalized. He stated that the first project on the list was to replace the three existing trail lights, which he noted would cost around \$40,000. He stated that the second project on the list was to construct a concrete bridge and trail to connect the Newland walking trail to the Honey Bear/Vista Isle walking trail, which he noted would cost around \$120,000. He stated that the permitting process for this project could become very tricky so this cost estimate was a very rough estimate. Mr. Hunt then stated that the third

project on the list was Phase 5 of the fence improvement project. He stated that Phase 5 would involve installing perimeter fencing along FM 1431 and the rear portion/front portion of the amenity lot and replacing the existing wood fence behind the mailbox kiosk along Vista Hills Drive and would cost around \$183,900. He stated that other possible projects could include working with the homeowner's association and the County to create a trail from the County's park into the neighborhood or revegetating the Sam Bass and Vista Isle right-of-ways. Director Alger suggested that someone from the District contact the homeowner's association to find out if there were any other projects that the homeowner's association would like to see added to the list.

Director Asbury then recognized Ms. Scholl for purposes of receiving a report from the District's attorney. Ms. Scholl stated that she did not have any updates at this time.

At 12:58 p.m., Director Asbury stated that the Board would convene in executive session in order to receive legal advice as permitted by Section 551.071 of the Texas Government Code. At 1:28 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.



Heath Reed-Green, Assistant Secretary
Board of Directors

Date: May 14, 2018