

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

April 11, 2016

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

A meeting of the Board of Directors of Vista Oaks Municipal Utility District was held on April 11, 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 Director Alger, 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 12:07 p.m. and stated that the Board would first receive citizens' communications and Board member announcements. Director Mires announced that he planned to put his home on the market within the next couple of weeks and that, if sold, he would no longer own property within the District.

Director Asbury stated that the Board would next consider approving the minutes of the March 21, 2016 Board meeting. Upon motion by Director Reed-Green and second by Director Wells, the Board voted unanimously to approve the minutes.

Director Asbury then stated that the Board would consider the fence enhancement projects, and recognized Mr. Edmonson. Mr. Edmonson first reported on the status of Phase 3. He stated that, although construction of the wall was complete, he was unable to report that Phase 3 was complete. He stated that there had been a site meeting on April 6, 2016, to sign off on the condition of the existing irrigation system and follow up on the completion of the punch list items and reported he was still waiting on confirmation that all irrigation repairs had been made. He stated that the final pay estimates would be withheld until all work had been completed. Mr. Hunt asked if additional landscaping work would be done at the intersection of Royal Vista Boulevard and Vista Isle Drive. Mr. Edmonson stated that there would not be additional landscaping work in that area.

Mr. Edmonson next reported on the status of Phase 4 of the fence enhancement project. He stated that the City of Round Rock and Williamson County had approved license agreements to install the new wall along the existing fence alignment and that he would complete the

contract documents to reflect the final alignment. Mr. Hunt stated that he had sent easements to the affected residents and anticipated they would be returned within the next week. Mr. Edmonson stated that the District would need the license agreements from Williamson County and Round Rock before the project could be priced and anticipated he would have the final contract amounts by the June Board meeting. He explained that the project would be priced from Vista Isle Drive to about half of the way down Arterial H and recommended the Board determine what to do beyond that point at a future date. Mr. Hunt stated that he would check on the status of the license agreements with the City of Round Rock and Williamson County later in the week. Director Asbury recommended that the District contact the contractor in advance of the time that construction was scheduled to begin so that the contractor could schedule enough crews to be available and have all required materials ordered. Mr. Edmonson stated that he had contacted the contractor earlier in the day and would follow up with them again.

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 directed the Board's attention to the emails attached collectively as **Exhibit "B"** and stated that the affected residents had voted in favor of a sound barrier wall. He stated that the wall was currently in the design phase and explained that, unless there was a substantial change in the design from what was presented at the workshop, it was unlikely that there would be another opportunity for the affected residents to vote again if they did not like the final design. He then stated that, because TXDOT planned to construct the sound barrier in the right-of-way, the space between the brick wall and the sound barrier wall would present a security issue and recommended the District make it clear that the Vista Oaks Homeowner's Association (the "HOA") would be responsible for maintenance of the brick wall and the space between the brick wall and the sound barrier wall. He stated that he had been in contact with the Assistant City Manager of the City of Cedar Park to voice the District's concerns about the project and he would continue to monitor the status of the project and keep the Board updated.

Director Asbury then stated that the Board would receive the security report and consider taking related action. Mr. Hunt stated 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 "C"** and stated that he had nothing further to report at this time.

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 "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 pointed out that the check for Director Alger's fee of office would need to be voided due to her absence and that approximately 97% of the District's 2015 tax levy had been collected. Ms. Kirkley asked which Board members had planned on attending the 2016 Summer CASE conference, and Directors Asbury, Reed-Green, and Wells stated that they planned to attend. 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 “E”**. He noted that water loss had climbed to 10%. He stated that \$5,000 was set aside for leak-detection services for the District each year, but recommended that the District wait to use these funds until water loss was consistently at 10% or higher. He stated that he would continue to look into the cause of the water loss. Mr. Hunt next reviewed system maintenance and wastewater system, noting that there had been no major items regarding the District’s facilities. He then reviewed the District’s billing report, and stated that there were no write-offs for approval this period. Mr. Hunt next reported that there had been no issues with solid waste or recycling collection and noted that the new rates would go into effect either this billing cycle or the next. He stated that he would update the District’s website with the status of Phase 4 of the fence project and send a link to the website to the HOA. He next reviewed the District’s latest trihalomethanes report. He stated that the most recent results and running quarterly average were below the permissible Maximum Containment Levels and that he would continue to monitor these levels for another period. He then directed the Board’s attention to the Resolution of Brushy Creek Municipal Utility District Relating to LCRA’s Proposed Leander-Round Rock 138-kV Transmission Line Project attached as **Exhibit “F”** and explained that several of the proposed routes for the Lower Colorado River Authority (“**LCRA**”) 138-kV transmission line project would run down Sam Bass Road and RM 1431. He recommended that the District voice an opinion on the project by adopting a similar resolution opposing the proposed routes that would run in the proximity of the District. Upon motion by Director Mires, and second by Director Wells, the Board voted unanimously to adopt the Resolution Regarding Proposed Leander-Round Rock 138-kV Transmission Line Project attached as **Exhibit “G”**. Mr. Hunt stated that he would post a copy of the resolution on the District’s website and send copies to the City of Round Rock, the LCRA, and the Public Utility Commission.

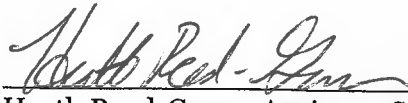
Director Asbury then recognized Ms. Scholl for purposes of receiving a report from the District’s attorney. Ms. Scholl stated that there were no consultant directives currently outstanding. She then concluded by reviewing the Client Bulletin attached as **Exhibit “H”** regarding proposed changes to the Internal Revenue Service’s rules relating to the issuance of tax exempt bonds. A brief discussion ensued regarding the effect that the proposed rule changes would have.

Director Asbury next announced that the Board would consider its future meeting schedule and agenda items. After discussion, the Board confirmed that the next meeting would be held as scheduled on May 9, 2016.

Director Asbury then asked if there was any further business to come before the Board. Director Wells stated that several District residents had voiced concerns about how traffic in the District would increase as drivers attempt to bypass construction and traffic lights on RM 1431 and about controlling speeding vehicles in the District generally. He requested that an item be added to the next meeting agenda related to speed and traffic control measures such as speed bumps, traffic lights, and stop signs. There being no further business to come before the Board, the meeting was adjourned at 12:55 p.m.

(Signature page follows.)





Heath Reed-Green, Assistant Secretary
Board of Directors

Date: May 9, 2016