

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

May 9, 2016

THE STATE OF TEXAS §
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COUNTY OF WILLIAMSON §

A meeting of the Board of Directors of Vista Oaks Municipal Utility District was held on May 9, 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 Wells 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 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 regarding traffic control and speeding vehicles and stated that he would address this matter further in the operator’s report. Director Mires announced that his home was under contract and that he was scheduled to move out of his home on June 11th.

There being no further citizens’ communications or Board member announcements, Director Asbury stated that the Board would next consider approving the minutes of the April 11, 2016 Board meeting. Upon motion by Director Reed-Green and second by Director Mires, 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 a site meeting was held on May 3, 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. Director Wells arrived at this time. Mr. Edmonson hoped to have final pay estimates for Phase 3 by the next Board meeting. He stated that the contractor was watering the area by hand because the Vista Oaks Homeowner’s Association’s (the “HOA’s”) irrigation system was not running on the scheduled timers and that, although the contractor was ultimately responsible for the watering, he would

contact the HOA to make sure this issue was fixed. Mr. Hunt stated that he would reinstall a meter in the area.

Mr. Edmonson next reported on the status of Phase 4 of the fence enhancement project. He stated he had completed the drafts of the contract documents and anticipated that he would receive the signed proposal within the week. He stated that he would finalize the contract documents after he reviewed the signed proposal. Mr. Hunt stated that the City of Round Rock and Williamson County had approved the license agreements and that he had received almost all of the easements from the affected residents. Mr. Hunt then presented the draft Agreement Regarding Fencing for the Gardens at Mayfield Ranch Commercial Parcel No. 2 attached as **Exhibit "B"**, and stated that the agreement had been sent to Mike Palmer for his review. He explained that the agreement would grant the District a 10' easement to construct the fence and require that the District be reimbursed at the time the Palmer tract was developed or sold. Director Wells asked what else would be required to install the fence on the Palmer side of the property line and Mr. Hunt stated that the District would just need to get the easement from Mr. Palmer. Mr. Hunt then stated a contract for the roadwork should be awarded within the next 45 days or so and that he would coordinate with the contractor that was selected.

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 the only update he had for the Board was that a traffic light was being installed at this time.

Director Asbury then stated that the Board would receive an update on the Round Rock-Leander 138-kV transmission line project. Mr. Hunt stated that the Williamson County Commissioner recently opposed the Lower Colorado River Association's ("LCRA's") CCN application because it would place the project within a county park. Mr. Hunt stated that he would continue to monitor the proceedings in case there is an opportunity to re-file the CCN protest. Director Reed-Green asked what the timeframe was for the District to file an application to become an intervenor in the case. Mr. Hunt reminded the Board that they were not technically an affected party, but stated that he would check to see how long they would have to respond.

Director Asbury then stated that the Board would consider speed and traffic control measures. Mr. Hunt presented the email attached as **Exhibit "C"** and stated that this was an email from a district resident expressing concerns with traffic control and speeding issues within the District. He then directed the Board's attention to his report attached as **Exhibit "D"** and explained that speed bumps would only be installed if Williamson County felt that they were warranted because Williamson County had control over the roads. He stated that local law enforcement could install a traffic camera to monitor activity for a week, but recommended that the Board wait to evaluate other traffic control measures until construction was complete because some of the traffic issues may be resolved based on how the roads are constructed. He noted that, to his understanding, there would not be a right-hand turn lane at Royal Vista Boulevard, which would prevent many drivers from using the District as a cut through in order to avoid the light.

Director Asbury then stated that the Board would consider notice of assignment of \$4,165,000 Unlimited Tax Refunding Bonds, Series 2010. Ms. Scholl directed the Board's attention to the email attached as **Exhibit "E"** and stated that the District's bonds had been transferred from Bank of America to Huntington Public Capital Corporation, but stated that there was no action required from the Board because the order authorizing the bonds provided that the bonds could be assigned.

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, but noted that several cars within the District had been broken into over the course of one night. He stated that he would include a reminder to residents in the newsletter to lock car doors and keep garage doors closed.

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 "F"**. He stated that a resident had reported large amounts of runoff from the Gardens at Mayfield tract during recent rains and reported that the contractor had addressed this issue by making modifications to the erosion controls, such as additional site grading and removal of excess spoils, to prevent runoff stormwater after heavy rains. He then reported that the offsite wastewater line was full due to a back-up in the controls. He stated that the contractors had been pumping the lines down and that there were a few adjustments that still needed to be completed. He noted that he did not anticipate any impact on the District's facilities, but stated that he would continue to monitor their progress.

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 "G"** 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 approximately 98.25% of the District's 2015 tax levy had been collected. She reminded the Board members to register for the CASE Conference and golf tournament if they had not already done so and provided the Board with applications. She then confirmed that all of the Board members planned to attend, except for Director Mires. Upon motion by Director Asbury 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 "H"**. He noted that water loss had dropped to 2%. He stated that he suspected the previous water loss was due to a slow leak in the HOA's system and stated that he would continue to monitor the HOA's system. Mr. Hunt next reviewed system maintenance and wastewater system, noting that there had been no major items regarding the District's facilities. He stated that the sewer line repair at 3924 Kristen creek had been completed. He stated that 20 of the 75 meters that need to be replaced this year had been replaced and noted that this process may be sped up in order to complete 50 replacements by the end of the summer. He then reviewed the District's billing report, and requested approval of one write-off for this period. Mr. Hunt next reported that there had been no issues with solid waste or recycling collection and noted that the District received \$10 in recycling rebates and that the new rates had taken effect. He stated that he would update the District's website with the status of the LCRA's CCN request. He then directed the Board's attention to the 2015 water audit report from the Texas Water Development Board included in his report and reviewed it with the Board. He stated that everything looked standard, but noted the presence of simazine and atrazine, which are caused by runoff from herbicide fertilizers. He stated that the amount of simazine and atrazine were below the detection levels, but stated that he would continue to monitor their presence. Upon motion by Director Wells, and second by Director Mires, the Board voted unanimously to approve the write-off.

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.

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 June 13, 2016.

There being no further business to come before the Board, the meeting was adjourned at 12:55 p.m.

(Signature page follows.)





Leslie Alger, Secretary
Board of Directors

Date: June 13, 2016