

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

October 9, 2017

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

A meeting of the Board of Directors of Vista Oaks Municipal Utility District was held on October 9, 2017, 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
Carl R. Black	-	Assistant Secretary

and all of the Directors were present, except for Director Robert Wells, who arrived later, and Director Leslie 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; Alexia Kolmodin of Municipal Accounts & Consulting, L.P., the District's bookkeeper; and Jenn Scholl of Armbrust & Brown, PLLC, the District's general counsel.

Director Asbury called the meeting to order at 12:09 p.m. and stated that the Board would first receive citizens' communications and Board member announcements. There being none, Director Asbury stated that the Board would consider the minutes of the September 11, 2017 Board meeting. Director Reed-Green requested additional time to review the minutes. The Board agreed to postpone taking action on the minutes until the end of the meeting. Director Wells arrived at this time.

Director Asbury then stated that the Board would receive an update on the Arterial H Phase 1 road construction. Mr. Hunt reported that he did not have anything new to report.

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 notified that TXDOT was in the process of finalizing the design for the sound wall. He stated that he would meet with the subcommittee to discuss the finalized design once he received it so that the subcommittee could discuss whether it would be best to have TXDOT or the District to construct the 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 did not have anything to report.

Director Asbury then stated that the Board would consider taking action regarding

wholesale water and wastewater service, including review and analysis of the City's revised wholesale rate increases. Mr. Hunt reviewed the rates adopted by the City attached as **Exhibit "B"**. He explained that the City would not increase the wholesale water and wastewater rates for the 2018 fiscal year, but noted that the rates would increase for the 2019 fiscal year and the 2020 fiscal year. He reported that the District's rate consultant, Jay Joyce, was in the process of reviewing the City's rate increases and would provide a final report once the review was completed.

Director Asbury then stated that the Board would receive the security report and consider taking related action. Mr. Hunt directed the Board's attention to the security report attached as **Exhibit "C"** and stated that he was not aware of any significant issues. Mr. Hunt stated that there had been several complaints related to coyotes and that the coyotes were likely coming into the District from the Williamson County park, noting that he was directing residents to contact the County regarding coyote issues. Director Black stated that he had noticed issues with hogs in the greenbelt. Mr. Hunt stated that he would contact the County about hog issues and noted that he had seen an email that the County would be setting up some sort of traps in the park.

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 stated that he had no updates at this time.

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 "E"** 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, noting that the per diem to Director Alger would be voided due to her absence. She then passed out the utility trend attached as **Exhibit "F"** and reviewed it with the Board. She recommended approval of the bills and invoices and the transfers. After discussion, upon motion by Director Black and second by Director Wells, the Board voted unanimously to approve the bills, invoices, and transfers, as presented, with the void noted.

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 "G"**. He reviewed his directives from the prior Board meeting. He reported that water loss was around 2% for the year and that there were no issues with water quality. He reported that the utility system was generally operating well, noting that there were two line repairs. He stated that he was investigating whether the customer that paid for the line repair at 3501 Aspen Leaf needed to be reimbursed for plumbing charges because the customer had paid for investigative work when the problem turned out to be roots in the District's line. He then reported that Round Rock was under voluntary restrictions, there had been no solid waste/recycling collection complaints, he would create a flyer with information for the large item cleanup day to be held in November, and there were no issues with the website. He stated that the billing report was healthy and that he did not have any write-offs. He stated that Williamson County planned to pave the cul de sacs this fall and would do a neighborhood wide sweep of loose gravel after the cul de sacs were completed. Director Wells stated that on parts of Vista Hills and in other areas throughout the District there were portions of tar repairs that did not cure entirely so the rocks had become loosened when care tires turn over the areas. Mr. Hunt stated that he was not aware of this issue and would look into it. Mr. Hunt then reported that street lights that will be installed near the mailboxes on Vista Isle had been ordered and would take several weeks to arrive. He stated that he was working on the transition to a new

landscape maintenance contractor and would have a site visit with the new contractor to make sure they were aware of all the service areas. Mr. Hunt then stated that the budget subcommittee had met and discussed creating a planning subcommittee that would meet later in the year to discuss plans for potential future projects and funds required for those projects in case the District is annexed in the future. He stated that the District's bookkeeper and financial advisor could attend the meeting if needed. Director Wells stated that the subcommittee would serve the purpose of creating a list of potential future projects and with the help of the District's consultants, the list could be compiled in a way that can be submitted to the Board for more formal consideration. Director Black asked if the District owned any property. Mr. Hunt responded that the District did not own property, but it did own easements over property within the District, such as an exclusive easement over the property where a dentist's office was situated in order to construct the lift station. Mr. Hunt recommended that the subcommittee hold a meeting with several of the HOA Board members to discuss what projects the HOA would like to see in the future and the District's financial limitations on future projects.

Director Wells then recognized Ms. Scholl for purposes of receiving a report from the District's attorney. Ms. Scholl stated that she did not have anything to report at the time.

Director Asbury then stated that the Board would consider the minutes of the September 11, 2017 Board meeting. Director Reed-Green confirmed that he had reviewed the minutes. Upon motion by Director Reed-Green and second by Director Wells, the Board voted unanimously to approve the minutes.

Director Wells 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 12:38 p.m.



Reed-Green, Assistant Secretary
Board of Directors

Date: November 13, 2017