

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

December 9, 2019

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

A meeting of the Board of Directors of Vista Oaks Municipal Utility District was held on December 9, 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
Jacob Matto	-	Secretary
Leslie Alger	-	Assistant Secretary
Steve Garcia	-	Assistant Secretary

and all of the Directors were present, thus constituting a quorum. Also present at the meeting were 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; Denise Gordon, a resident of the District; and Jenn Scholl of Armbrust & Brown, PLLC, the District's general counsel.

Director Asbury called the meeting to order at 12:03 p.m. and stated that the Board would first receive citizens' communications and Board member announcements. Ms. Torres reported that she had been in contact with the District's website administrator to resolve issues that residents had experienced that prevented them from reporting street light outages. Ms. Gordon stated that she wanted the Board to consider holding meetings in the District because it cost her money to attend all of the Board meetings. There being no further citizens' communications or Board member announcements, Director Asbury stated that the Board would consider the petition from residents related to the location of Board meetings (the "Petition"), attached as **Exhibit "B"**. He stated that he thought that it would be a good idea for the Board to hold some meetings within the District but pointed out that the District would not need to meet as often in the future. Ms. Scholl stated that the Board could hold meetings within the District at the homeowner association's amenity center, but added that meetings had been held at the offices of Gray Engineering, Inc. in order to save the District money because it was more central to the Board members and the District's consultants who charged hourly rates and mileage. Mr. Douthitt stated that the cost of each meeting would vary based upon the consultants in attendance and the length of each meeting, but he estimated that it would cost on average an additional \$1,500 to \$2,000 per meeting if meetings were held at noon in the District. Ms. Scholl pointed out that additional travel time would be required if meetings were held in the evening in order to deal with rush-hour traffic and she noted that evening meetings tended to last longer. Director Garcia pointed out that the amenity center was very small and it would be difficult to accommodate meetings at that location. The Board discussed other possible meeting locations in or near the District. **Director Alger stated that she would**

look into holding meetings at one of the nearby schools. Director Asbury stated that he would look into holding meetings at a nearby bank. After discussion, upon motion by Director Reed-Green and second by Director Garcia, the Board voted unanimously to hold its February Board meeting at a location within the District or within close proximity to the District; to investigate designating additional meeting locations for the February Board meeting at its January Board meeting that were either within the District or within close proximity to the District; **and to authorize Ms. Scholl and Director Asbury to send a letter notifying the residents that had signed the petition of the Board's decision.**

Director Asbury stated that the Board would next consider the minutes of the November 11, 2019 Board meeting. Director Garcia stated that the November meeting minutes stated that Director Matto had obtained proposals for the website and pointed out that this should be changed to Director Garcia. Director Asbury stated that his name was referenced in one portion of the November minutes and should be changed to Director Reed-Green. After discussion, upon motion by Director Reed-Green and second by Director Matto, the Board voted unanimously to approve the minutes, as revised.

Director Asbury then stated that the Board would next discuss the wholesale water and wastewater service, including update on City of Round Rock wholesale rate increases and rate appeal. Ms. Scholl stated that she did not have anything to report at this time. Mr. Douthitt anticipated that there should be an update soon because he had recently received an invoice from the District's rate attorney.

Director Asbury stated that the Board would receive the security report and consider taking related action. Ms. Torres presented the security report for the month of October, attached as **Exhibit "C"**, and reviewed it with the Board. Ms. Torres stated that 20 additional hours would be added this holiday season, noting that the additional hours would most likely be during the times that packages were delivered in order to prevent package theft. **Director Alger requested that the deputies provide time sheets or charts showing when the additional hours were performed after the fact. Ms. Torres confirmed that she would request this information.**

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"**, and reviewed it with the Board. He stated that the beautification project had been completed and he presented the final pay estimate in the amount of \$70,298.71 from Native Land Design, LLC, attached as **Exhibit "E"**, and recommended approval. He recommended that the Board accept the facilities for operation and maintenance and approve the recommendation letter attached as **Exhibit "F"**. Mr. Edmonson then reported on the status of the capital improvements project list and reserve budget projection and he presented the updated District system inventory map attached as **Exhibit "G"**. **He stated that he would incorporate any additional comments and provide an updated map to Director Reed-Green and Ms. Scholl, noting that he would also order a new foam board map for future Board meetings once the map had been finalized.** After discussion, upon motion by Director Matto and second by Director Garcia, the Board voted unanimously to approve the pay estimate and accept the facilities for operation and maintenance.

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 \$5,608.42 from the District's operating account to replenish the District's bookkeeper's account, a transfer in the amount of \$10,943.80 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. He 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 stated that he had not included a check for the final pay estimate for the Beautification Project and he requested the Board authorize a wire to allow him to make the payment or, alternatively, authorize Board members to sign a check to make the payment after the Board meeting. He pointed out that the District had a positive budget variance of \$10,290.27 and about 1.85% of the District's 2019 taxes had been collected. Mr. Douthitt then recommended that the Board increase the amount on deposit in the bookkeeper's account in case the Board decided to meet on a less frequent basis and he stated that he would present a Secretary's Certificate and Resolutions Regarding Bookkeeper's Account at the next Board meeting to accomplish this. Upon motion by Director Alger and second by Director Matto, the Board voted unanimously to approve the transfers, and payment of the bills and invoices, as presented, and to approve final payment to the contractor for the Beautification Project by an electronic wire and to authorize three Board members to execute a check in the amount of the final payment if the electronic wire did not work.

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"** and reviewed her directives from the prior Board meeting. Ms. Torres then reported that water loss was at $\pm 1.72\%$ for the month of November. She confirmed that all lab results were satisfactory, there were no issues with water quality, and the utility facilities were generally operating well. Ms. Torres reported that the District was under voluntary watering restrictions, she did not have any write-offs to present, there had been no solid waste /recycling collection complaints, and there were no issues with the website. Ms. Torres reported that the clearing work around the lift station fence and proposal for fence repairs were on hold until after the winter to avoid worrying about the freezing weather. She then stated that she was waiting for the contractor to schedule the repairs of the perimeter fence at Vista Isle Drive and Royal Vista Drive, noting that the cause of the damage could not be determined until the contractor performed the work. Ms. Torres reported that she was waiting on Pedernales Electric Cooperative to install the lights for the Royal Vista and Vista Isle lighting project. She reported that the amendment to the Solid Waste Collection and Disposal Services Agreement, attached as **Exhibit "J"**, had been finalized and the fall leaf clean-up day was scheduled for December through the first week of January. Director Garcia then reported that he had prepared an email for Director Matto to send requesting proposals for website designers. Director Matto stated that he would send the email later in the day.

Director Asbury stated that the Board would next consider the TPDES Phase II (Small) Municipal Separate Storm Sewer System (MS4) General Permit (TXRo40000) compliance and administration, including the 2019 Annual Report Form attached as **Exhibit "K"**. Ms. Scholl confirmed that, in order to meet the mid-December filing deadline, Mr. Hunt had reviewed and executed the report on behalf of the District and filed it with the Texas Commission on Environmental Quality (the "**TCEQ**"), and she requested the Board to ratify approval and filing of the report. After discussion, upon motion by Director Reed-Green and second by Director Garcia, the Board voted unanimously to ratify the Phase II (Small) MS4 Annual Report Form for the 2019 reporting year and its filing with the TCEQ.

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

prior directives were either complete or in process. Ms. Scholl then recommended that the Board consider adding rules regarding use of District property or easements to the District's rate order and she presented the Amended Order Establishing Water and Wastewater Service Rates and Tap Fees and Adopting Certain General Policies with respect to the District's Water, Wastewater, and Drainage Systems, attached as **Exhibit "L"**. After discussion, upon motion by Director Garcia and second by Director Matto, the Board voted unanimously to approve the amendment to the rate order, as amended.

There being no further business to come before the Board, the meeting was adjourned.

[Signature Page Follows.]

Date: January 13, 2020

(SEAL)





Steve Garcia, Assistant Secretary
Board of Directors