

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

April 13, 2020

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

A meeting of the Board of Directors of Vista Oaks Municipal Utility District of Williamson County was held on April 13, 2020 via telephone conference call pursuant to Section 551.025, Texas Government Code, as modified temporarily by Governor Greg Abbott, and pursuant to the related guidance from the office of the Texas Attorney General in connection with the Governor’s COVID-19 Disaster Proclamation. Notice of the meeting 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 meeting was open to the public via the toll-free dial-in telephone number provided in the meeting notice. An electronic agenda packet for the meeting was provided on-line via the link included in the meeting notice and the meeting was recorded and made available at the same link.

The telephone conference meeting was called to order at 12:03 p.m. and the roll of the members of the Board of Directors was called, as follows:

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 during the meeting were Lisa Torres of Crossroads Utility Services LLC, the District’s general manager and utility operator; Herb Edmonson and Richard Grayum of Gray Engineering, Inc., the District’s engineer; Allen Douthitt of Bott & Douthitt, PLLC, the District’s bookkeeper; and Jenn Scholl of Armbrust & Brown, PLLC, the District’s general counsel.

Ms. Scholl advised that today’s meeting was being held by telephone conference call pursuant to Section 551.025 of the Texas Government Code, as modified temporarily by the Governor and related guidance from the office of the Texas Attorney General in connection with the Governor’s COVID-19 Disaster Proclamation, copies of which are attached as **Exhibit “B”**. In order to facilitate the efficiency of the proceedings, Ms. Scholl suggested that she lead meeting. There being no objections, Ms. Scholl stated that the Board would first receive citizens’ communications and Board member announcements. There being none, she stated that the Board would next consider the Coronavirus (COVID-19) emergency response items. Due to the “Stay at Home” orders currently in effect, Ms. Scholl recommended that in-person Board meetings be suspended, that non-essential Board meetings be canceled, and that, until further notice, all essential Board meetings be held by telephone conference call. The Board generally concurred. Ms. Scholl then recommended that, in order to facilitate fewer meetings in general and telephone conference call meetings when necessary, the Board (i) establish a subcommittee to act on emergency or time-sensitive matters during the public health crisis, including the purchase of any equipment, programs, or applications necessary to facilitate telephone conference meetings; (ii) authorize the District’s bookkeeper to transfer funds between District accounts and pay District expenses during emergencies; and (iii) designate the District’s

essential government functions and personnel as required under Williamson County's "Stay at Home" order. She directed the Board's attention to (1) the Resolution Authorizing Transfer of Funds and Payment of District Expenses During Public Emergencies attached as **Exhibit "C"**, noting that the procedures established by the Resolution had been vetted and approved by the District's accountant and auditor; and (2) the Resolution Designating Essential Government Functions and Personnel under Williamson County COVID-19 Stay at Home Order attached as **Exhibit "D"**. After review and discussion, upon motion by Director Reed-Green and second by Director Garcia, the Board voted unanimously (a) to establish a subcommittee consisting of Directors Asbury and Reed-Green with authority to act on any emergency or time-sensitive matters during the Coronavirus (COVID-19) public health crisis, including the purchase of any equipment, programs, or applications necessary to facilitate conducting Board meetings via telephone conference, with Director Alger serving as an alternate; (b) to approve the Resolution Authorizing Transfer of Funds and Payment of District Expenses During Public Emergencies, as presented; and (c) to approve the Resolution Designating Essential Government Functions and Personnel under Williamson County COVID-19 Stay at Home Order.

Ms. Scholl stated that the Board would next consider the minutes of the March 9, 2020 Board meeting. Director Garcia stated that the date of the anticipated bulk spring cleanup referenced on page 2 of the minutes should be changed from May 7th to May 2nd. After discussion, upon motion by Director Reed-Green and second by Director Matto, the Board voted unanimously to approve the minutes, as corrected.

Ms. Scholl 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. She stated that the parties were waiting on the Public Utility Commission to issue an order so that the case could move on to a hearing regarding the cost of service but the Public Utility Commission was basically shut down at this time.

Ms. Scholl stated that the Board would receive the security report and consider taking related action. Ms. Torres presented the security report for the month of March attached as **Exhibit "E"** and reviewed it with the Board.

Ms. Scholl 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 "F"**, and reviewed it with the Board. He stated that he did not have anything to report at this time. The Board asked about the status of the capital improvement projects list and reserve budget projection. Mr. Edmonson confirmed that he had completed the capital improvement projects list, referred to as Task No. 1 in his proposal that had been previously approved by the Board, and he stated that he was waiting for authorization from the Board to proceed with the reserve budget projection, referred to as Task No. 2 in the previously approved proposal. The Board discussed the timing of the reserve budget projection. Mr. Douthitt stated that they would need the reserve budget projection by July or August in order to factor it into the District's operating budget. Mr. Edmonson confirmed that he would be able to complete Task No. 2 by that time if he started working on it now. After discussion, upon motion by Director Reed-Green and second by Director Asbury, the Board directed Mr. Edmonson to proceed with Task No. 2.

Ms. Scholl next recognized Mr. Douthitt for purposes of receiving the bookkeeper's report. Mr. Douthitt presented the accounting report, attached as **Exhibit "G"**, and reviewed them with the Board. He requested approval of a transfer in the amount of \$150,000 from the District's operating account to the TexPool operating account and a transfer in the amount of \$50,000 from the District's operating account to replenish the District's bookkeeper's account, as indicated in the Cash Activity 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 pointed out that the District had a positive budget variance of \$70,417.57. Mr. Douthitt reported that the overbilling issue with the City of Round Rock for the master meter had been resolved and that the District had been issued a credit that covered all of the prior month's bill with some remaining credit to be carried forward and applied against the next bill. The Board discussed the impact that COVID-19 would have on the District's tax rate. Mr. Douthitt stated that delays in the protest procedures would likely result in delays on when the values would be certified but he was not very concerned about the impact on the District's tax rate at this time because the District was in a healthy financial position with little debt and a low tax rate and property tax payments, unlike payments for monthly utility bills, were usually placed into escrow accounts and paid by title companies. He noted that things would of course need to be re-evaluated when it came time to set the District's tax rate. After discussion, upon motion by Director Alger and second by Director Reed-Green, the Board voted unanimously to approve the transfers and payment of the bills and invoices, as presented.

Ms. Scholl 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 "H"** and reviewed her directives from the prior Board meeting. Ms. Torres then reported that water loss was at $\pm 0.08\%$ for the month of March. 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. She reported that the clearing work around the lift station fence would be completed later in the week and that the fire hydrant maintenance and testing had commenced and should be completed within the next several weeks. She then presented the proposal attached as **Exhibit "I"** from Wastewater Transport Service for cleaning the lift station and the proposal from Yellowstone Landscape attached as **Exhibit "J"** for initial cleanup work for the beautification project and recommended approval of the proposals. Ms. Scholl stated that the beautification project would also need to be added to the existing maintenance agreement with Yellowstone Landscape and she presented the First Amendment to Landscape Maintenance Agreement attached as **Exhibit "K"** and recommended approval. Ms. Torres reported that there was a crack in the crown of the District's CMU wall located near 4555 Hunters Lodge. Mr. Edmonson and Ms. Torres discussed options for completing the repairs, including the possibility of having Crossroads the costs and billing the District at the next Board meeting. **Mr. Edmonson stated that he would contact Ms. Torres after the meeting regarding the repairs.** Ms. Torres then noted that, after recent rain events, an alarm in the lift station was triggered because there was a power outage and all three pumps had shut down. She confirmed that the generator kicked in and that all pumps were now working properly. Ms. Torres then addressed solid waste and recycling collection services. She stated that the founding generation of Central Texas Refuse/Round Rock Refuse had passed away and that the second generation had decided to sell the assets of the company to an investor group, the principal of which had been in the industry on the east coast. Ms. Torres explained that, other than the change in ownership, everything else would remain the same, including company name, personnel, trucks, drivers, customer service, etc. She stated that the contract required the District's consent prior to assignment, and she recommended approval, noting that, if service declined, the District would still have its remedies under the contract. Ms. Scholl recommended that the Board's consent to the requested assignment and recommended that the Board authorize Ms. Torres to execute the consent to assignment document. Ms. Torres also reported that the bulk spring cleaning and pickup had been temporarily suspended due to COVID-19 and would be rescheduled later in the spring. Ms. Scholl then reported that Director Garcia had taken over maintenance of the District's existing website and that the domain name

registration had been renewed. She stated that the Board had discussed potentially redesigning the website in the past but it also had the option to continue with the current website being managed by Director Garcia or to deactivate the website and have all required documents posted on a public database maintained and managed by her firm at little to no cost to the District, noting that a number of districts with websites had chosen to get rid of their websites and use the database to post required documents instead because it was easier and more cost effective. She stated that, if the Board did want to proceed with redesigning the website, the Website Development Agreement with Hot Dog Marketing, LLC attached as **Exhibit “K”** had been approved by Hot Dog Marketing, LLC and was based on the proposal that had been submitted at a prior Board meeting. The Board discussed the options for the website and generally agreed that it would be best not to take any action at this time due to the public health crisis. After discussion, upon motion by Director Reed-Green and second by Director Alger, the Board voted unanimously to approve proposal from Wastewater Transport Service; the proposal from Yellowstone Landscape; the First Amendment to Landscape Maintenance Agreement; and the Consent to Assignment of Solid Waste Collection and Disposal Services Agreement attached as **Exhibit “L”** and authorized Ms. Torres to execute the Consent to Assignment.

There being no attorney’s report, Ms. Scholl stated that the Board would next consider its future meeting dates. After discussion, the Board agreed to schedule a Board meeting for Monday, June 8, 2020 at 12:00 noon with the understanding that a meeting would be held in May only if necessary.

There being no further business to come before the Board, the meeting was adjourned at 1:06 p.m.

[Signature Page Follows.]

Date: June 8, 2020

(SEAL)



Jacob Matto, Secretary
Board of Directors