

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

August 9, 2021

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

A meeting of the Board of Directors of Vista Oaks Municipal Utility District (the “*District*”) was held on August 9, 2021 via telephone conference call pursuant to Section 551.125 of the 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, as extended. 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, the meeting was recorded, and the recording was made available at the same link after the meeting.

The telephone conference meeting was called to order at 12:03 p.m. and the roll of the members of the Board 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 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; Chris Lane of SAMCO Capital Markets, Inc.; Teresa Emerson and Jaime Simms, residents of the District; and Jenn Scholl of Armbrust & Brown, PLLC, the District’s general counsel.

Director Asbury requested that Ms. Scholl lead the Board through the meeting agenda. Ms. Scholl stated that the Board would first receive citizens’ communications and Board member announcements. Ms. Emerson addressed the Board at this time and thanked the Board and Ms. Torres for addressing her concerns regarding the Vista Isle entrance. She stated that Ms. Simms, who was a landscape consultant, had provided recommendations for the entrance and that they would be meeting with Ms. Torres soon to discuss the recommendations. Ms. Simms then addressed the Board and stated that all of her recommendations re-used existing living vegetation and added in new vegetation where there were gaps, noting that she was proposing to phase the work. Director Asbury asked Ms. Simms if any of the existing living vegetation looked like it would not continue to survive much longer. Ms. Simms said that most of the existing living vegetation looked hearty and healthy except for one ornamental tree, which she would address in her recommendations.

There being no further citizens’ communications or Board member announcements, Ms. Scholl stated that the Board would next consider the minutes of the May 10, 2021 Board

meeting. After discussion, upon motion by Director Reed-Green and second by Director Matto, the Board voted unanimously to approve the minutes, as presented.

Ms. Scholl then stated that the Board would discuss wholesale water and wastewater service, including the City of Round Rock wholesale rate increases and rate appeal. She stated that she did not have any update for the Board at this time with respect to the rate appeal. She then stated that the City of Round Rock had requested a meeting with each of the participating districts to discuss new rate models. Ms. Torres stated that the District's rate attorney and rate consultant had a meeting scheduled with the City of Round Rock earlier in the day and that she and Ms. Scholl would continue to keep the Board updated on everything.

Ms. Scholl then stated that the Board would next consider matters relating to the District's 2021-2022 budget and 2021 tax rate. She reviewed the memo summarizing district tax rate classifications under Texas Water Code Sections 49.23601-.23603 attached as **Exhibit "B"** and confirmed that the District's engineer and financial advisor recommended that the District met the criteria to be classified as a "developed" district under Texas Water Code Section 49.23602. Ms. Lane then presented the Certified Appraised Values from Williamson Central Appraisal District, attached as **Exhibit "C"**, and the Tax Rate Summary report, attached as **Exhibit "D"**, and reviewed them with the Board. Ms. Lane then recommended that the District establish a proposed tax rate of \$0.3008 per \$100 assessed valuation, allocated entirely to operations and maintenance. She noted that this was a reduction from the existing \$0.3200 tax rate. Ms. Lane noted that the Board could always adopt a lower tax rate at the next meeting, but could not go higher than the proposed rate set at this meeting. Mr. Douthitt then reviewed a draft budget with the Board and pointed out that it was based on the operations and maintenance tax rate of \$0.3008 recommended by Ms. Lane. He reviewed the various costs that had been included in the draft budget and stated that he would continue to work with the District's consultants to finalize the budget. Ms. Scholl stated that the Board would need to establish a proposed tax rate by record vote at this meeting, schedule a public hearing at which the adoption of the tax rate would be considered, and authorize publication of a notice of the public hearing on the tax rate. Ms. Scholl stated that there was a chance that the Governor would not renew the order that permitted Board meetings to be held via teleconference and pointed out that the meeting at which the public hearing was held may need to be held at one of the District's in-person meeting locations. After discussion, upon motion by Director Alger and second by Director Reed-Green, the Board voted to adopt a proposed tax rate of \$0.3008 per \$100 assessed valuation, to schedule a public hearing on the tax rate for September 13, 2020 at noon via teleconference but at the offices of Gray Engineering if teleconference meetings were not permitted, and to authorize Ms. Scholl to give notice of the public hearing with Directors Asbury, Reed-Green, Matto, Alger, and Garcia all present and voting "yes".

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 June attached as **Exhibit "E"** and reviewed it with the Board. She reminded everyone to be careful with school busses, school crossings, and school zones now that school would be back in session.

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 stated that there were not any engineering related items within the District this month.

Ms. Scholl 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 "G"**, and reviewed them with the Board. He requested approval of four transfers, as indicated on the first page of his report. He then noted that the District's final bond

payment would come due soon and requested authorization to make the payment, 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 pointed out that the District had a positive budget variance of \$135,579.92 and about 99.42% of the District's 2020 taxes had been collected. Upon motion by Director Asbury and second by Director Reed-Green, the Board voted unanimously to approve the transfers, the final payment, 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 $\pm 3.39\%$ for the prior month. She confirmed that all lab results were satisfactory; that there were no issues with water quality, and that the utility facilities were generally operating well. Ms. Torres reported that the District was under voluntary watering restrictions; that she did not have any write-offs to present; that there had been no solid waste /recycling collection complaints; and that there were no issues with the website. She stated that she would be working with the landscape contractor to ensure that maintenance services were completed as required. She then stated that her office would be conducting lead and copper sampling soon.

Ms. Scholl then stated that the Board would consider website development and maintenance, including proposed website redesign, and recognized Director Garcia. Director Garcia stated that he did not have an update at this time.

Ms. Scholl 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. She then provided a brief legislative update to the Board, including Senate Bill 3 (disaster preparedness, prevention, and response).

Ms. Scholl stated that the Board would consider future agenda items and meeting schedule. She reminded the Board that the next Board meeting scheduled for Monday, September 13, 2021 at 12:00 noon via teleconference, if permitted, otherwise the meeting would be held in the offices of Gray Engineering. Director Matto then inquired about the frequency of service visits for the District's landscaping contractor. Ms. Torres stated that she would forward the service schedule to Director Matto after the meeting. Director Reed-Green then noted that a guardrail had been damaged off Sam Bass after an accident. Ms. Torres stated that she had reported the damage to Williamson County and that Williamson County would be working to address the damage.

There being no further business to come before the Board, the meeting was adjourned at 12:54 p.m.

[Signature Page Follows.]

Date: September 13, 2021

(SEAL)



Jacob Matto, Secretary
Board of Directors