

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

April 11, 2022

THE STATE OF TEXAS           §  
  §  
COUNTY OF WILLIAMSON       §

A regular meeting of the Board of Directors of Vista Oaks Municipal Utility District (the "District"), was held on April 11, 2022 at Gray Engineering, Inc., 8834 N. Capital of Texas Highway, Suite 140, Austin, Texas 78759. 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, to-wit:

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, except Director Asbury, thus constituting a quorum. Also present at the meeting, either in person or via telephone, were Lisa Torres of Crossroads Utility Services LLC ("Crossroads"), the District's general manager and utility operator; Herb Edmonson of Gray Engineering, Inc., the District's engineer; Allen Douthitt of Bott & Douthitt, PLLC ("B&D"), the District's bookkeeper; and Jenn Scholl of Armbrust & Brown, PLLC, the District's general counsel.

The meeting was called to order at 12:06 p.m. and Director Reed-Green requested that Ms. Scholl conduct the meeting. Ms. Scholl first stated that the Board would receive citizens' communications and Board member announcements. Director Garcia reported that Officer Kiernan was going to retire after having worked within the District for ten or fifteen years and suggested that the Board consider including a post on the District's website in appreciation of his service. He stated that he could work with Sgt. Breeder to get more details for the post. The Board agreed and requested that Director Garcia continue to work with Sgt. Breeder to create an appreciation post for Officer Kiernan's service on the District's website. Director Garcia then mentioned that the HOA wanted to know when the amenity center fence repairs would be complete and when the landscaping on Vista Isle Drive would be complete. Mr. Edmonson stated that he would address the fence repairs later in the meeting. Ms. Torres then reminded the Board that Priority Landscapes had previously worked with the HOA's landscape architect to obtain proposals for the landscaping work. **Director Matto stated that he and Director Reed-Green would schedule an on-site meeting with Priority Landscapes and the landscape architect to discuss the proposals and the next steps for the work.**

There being no further citizens' communications or Board member announcements, Ms. Scholl stated that the Board would next consider approving the minutes of the January 10, 2022 Board meeting. After discussion, upon motion by Director Reed-Green and second by Director Matto, the Board voted 4-0 to approve the minutes, as presented.

Director Ms. Scholl then stated that the Board would discuss wholesale water and wastewater service. Ms. Scholl reported that a hearing on the District's request for interim rates was held in March and that the District's request for interim rates was denied, so the District's rate counsel planned to appeal that decision to the Public Utility Commission. She stated that the District's rate counsel would attend the next Board meeting to provide a more formal update to the entire Board.

Ms. Scholl then presented the City of Round Rock's Consumer Confidence Report for 2021 attached as **Exhibit "B"**. Ms. Torres confirmed that the report had been sent to customers as required by applicable regulations.

Ms. Scholl then stated that the Board would receive the security report and consider taking related action. Ms. Torres stated the security reports for January and February were included in the general manager and utility operator report, noting that there was nothing out of the ordinary to report.

Ms. Scholl then stated that the Board would receive a report from the District's engineer. Mr. Gray presented his report attached as **Exhibit "C"** and reviewed it with the Board. He stated that the emergency preparedness plan was submitted by the March 1<sup>st</sup> deadline and they were waiting on the required acknowledgement/confirmation of filing before all of the critical filings would be complete. He then stated that the proposals had been obtained to repair the amenity center fencing, but the contractor that was selected had a family emergency that resulted in delays. **He stated that he would follow up with the contractor after the meeting to confirm the status of the repairs.** Ms. Scholl asked Ms. Torres if she had successfully filed an insurance claim with the insurance company of the driver that caused the damage to the fence. Ms. Torres stated that she had to fill out the claim form but needed a final proposal showing the estimated cost to complete the repairs in order to provide the extent of the damage. **Director Reed-Green suggested that if Mr. Edmonson did not hear from the initial contractor within a few days after the meeting that he should approve one of the other proposals that was obtained. Ms. Scholl confirmed that the Board had already appointed a subcommittee with authority to approve proposals for the work, so Mr. Edmonson could coordinate approval of the work with the subcommittee members after the meeting.**

Ms. Scholl then stated that the Board would receive a report from the District's bookkeeper and recognized Mr. Douthitt. Mr. Douthitt presented the accounting report and updated cash activity report, attached collectively as **Exhibit "D"**, and reviewed them with the Board. He reviewed the financial statements and requested approval of four transfers indicated on the first page of the updated report. He then reviewed the 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, noting that the per diem payment to Director Asbury would need to be voided due to his absence from the meeting. Mr. Douthitt pointed out that the District had a positive budget variance of \$63,357.46 and about 97.50% of the District's 2021 taxes had been collected. Upon motion by Director Alger and second by Director Reed-Green, the Board voted 4-0 to approve the transfers and payment of the bills and invoices, as presented, with the void noted.

Ms. Scholl then stated that the Board would receive a report from the District's general manager and utility operator. Ms. Torres presented the monthly operations reports since the last Board meeting, attached collectively as **Exhibit "E"**, and reviewed her directives from the prior Board meeting. Ms. Torres stated that the report showed that water loss was at  $\pm 21.01\%$  for the month of March. She pointed out that the increase in water loss was likely a result of

issues with the master meter rather than actual water loss and that she would look into the issue and update the Board at the next meeting. Ms. Torres reported that she did not have any write-offs to present and that there were no issues with solid waste and recycling services. Ms. Torres stated that the Spring bulk pickup was scheduled for May 7<sup>th</sup> and that information regarding the pickup had been provided to the HOA. She noted that she was working on nailing down the fall leaf pickup and bulk collection dates. Ms. Torres then reported that the street light near 442 Summercrest had been damaged as a result of work that AT&T had done in the neighborhood. She stated that AT&T was not able to identify the specific subcontractor that completed the work but attempted to have another contractor complete the repairs, and the other contractor was unsuccessful. She stated that the District may need to pay to complete the repairs at this point and presented the proposal for streetlight repairs attached as **Exhibit "F"**. Ms. Torres stated that the District was not notified that AT&T would be working in the area but pointed out that the District was not connected with 411. Director Alger asked what the amount of the deductible was for the District's insurance. **Ms. Scholl stated that she would need to look into the amount after the meeting. Ms. Scholl stated that she would also consult with a litigator in her firm to see if there were any other remedies for the District.** The Board discussed appointing a subcommittee to follow up on matters related to the street light repair and approve any proposal, if necessary, in between meetings. Upon motion by Director Garcia and second by Director Matto, the Board voted 4-0 to authorize Director Alger and Director Reed-Green to approve any proposals or other items related to the street light repair in between meetings.

Ms. Torres then presented the notice regarding North Austin Stormwater Quality Coalition Virtual Public Involvement Session attached as **Exhibit "G"**. Ms. Scholl stated that Crossroads had requested that the Board approve the posting of the public involvement session at the same places where meeting agendas were posted in advance of the virtual meeting timeframe listed in the document. Ms. Torres then stated that Crossroads would like to request that the District approve a fuel surcharge and she presented the memorandum regarding fuel surcharge attached as **Exhibit "H"**. Ms. Scholl stated that she recommended that the Board approve the surcharge, with the following conditions: (i) no retroactive charges should be approved; (ii) a specific end point should be established for the surcharge; and (iii) a cost estimate should be provided to the District of the anticipated monthly fee. She stated that her firm was going to conduct additional due diligence regarding the basis of the calculation and the interplay of the payments of the fee and the CPI adjustment clause that the Crossroads operations contract contains. After discussion, upon motion by Director Garcia and second by Director Matto, the Board voted 4-0 to approve the posting of the public involvement session notice and to approve the fuel surcharge request, subject to all of the conditions outlined by Ms. Scholl and subject to re-evaluation at the next Board meeting.

There being nothing to consider regarding the District's website, the Board recognized Ms. Scholl for the attorney's report. Ms. Scholl reviewed the consultant directives report and noted that all prior directives were either complete or in process.

Ms. Scholl stated that the Board would consider future meeting dates and agenda items. After discussion, the Board decided to continue to meet on a quarterly basis, with more frequent meetings as necessary, and with the next quarterly meeting scheduled for 12:00 noon on June 27, 2022.

There being no further business to come before the Board, the meeting was adjourned at 1:12 p.m.

*[Signature page follows.]*

(SEAL)



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Jacob Matto, Secretary  
Board of Directors

Date: June 27, 2022