

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

June 27, 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 June 27, 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, thus constituting a quorum. Also present in person at the meeting were Herb Edmonson and David Gray of Gray Engineering, Inc. ("GEI"), 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. Lisa Torres of Crossroads Utility Services LLC ("Crossroads"), the District's general manager and utility operator; and John Carlton of the Carlton Firm, the District's rate attorney jointed the meeting via telephone.

The meeting was called to order at 12:09 p.m. and Director Asbury requested that Ms. Scholl conduct the meeting. Ms. Scholl first stated that the Board would receive citizens' communications and Board member announcements. There being none, Ms. Scholl stated that the Board would consider the director items on the meeting agenda. Director Asbury addressed the Board and stated that he would be resigning from the Board. A copy of Director Asbury's resignation letter is attached as **Exhibit "B"**. Director Asbury recalled the positive experiences that he had with the Board over the years and the Board thanked him for his service. Upon motion by Director Reed-Green and second by Director Garcia, the Board voted 4-0 to accept the resignation of Director Asbury, with regret. Ms. Scholl stated that there was one resident who had expressed an interest in being considered for appointment to fill the vacancy. She noted that the resident was unable to attend the June meeting and would likely attend one of the future Board meetings in order to request that the Board consider appointing him to fill the vacancy.

Ms. Scholl stated that the Board would consider the election of officers. After discussion, Director Alger moved that the Board elect the following slate of officers:

Heath Reed-Green	-	President
Jacob Matto	-	Vice President
Steve Garcia	-	Secretary
Leslie Alger	-	Assistant Secretary
[vacancy]	-	Assistant Secretary

Upon second by Director Garcia, the motion passed unanimously.

Ms. Scholl then recommended that the District's existing account resolutions and signature cards be updated to reflect the resignation of Director Asbury. Upon motion by Reed-Green and second by Director Matto, the Board voted 4-0 to approve the updated Resolution Approving Change in Bank Signatories and Change Certificate (Operating Account) attached as **Exhibit "C"**; and the Resolution Approving Change in Bank Signatories and Change Certificate (Bookkeeper's Account) attached as **Exhibit "D"**.

Ms. Scholl stated that the Board would next consider the following consent items on the Board's meeting agenda: the minutes of the April 11, 2022 Board meeting; and the revised District Registration Form attached as **Exhibit "E"**. After discussion, upon motion by Director Reed-Green and second by Director Matto, the Board voted 4-0 to approve the consent items.

Ms. Scholl then stated that the Board would consider budget and tax items. She directed the Board to the preliminary estimate of 2022 taxable value from Williamson Central Appraisal District attached as **Exhibit "F"** and then reviewed the proposed schedule for adoption of the 2022-2023 budget and 2022 tax rate attached as **Exhibit "G"**. She requested that the Board members confirm their attendance at the August and September Board meetings, noting that it was important that a quorum be present.

Ms. Scholl then stated that the Board would discuss water and wastewater rate matter and related action, including City of Round Rock wholesale rate appeal. Mr. Carlton provided an update on the pending wholesale rate appeal to the Board. He noted that things were previously at a standstill due to delays at the Public Utility Commission after the big winter storms but that things were starting to move again.

Ms. Scholl then stated that the Board would receive the security report and consider taking related action. Ms. Torres stated that she had not yet received any reports for 2022 but she would forward the security reports when available.

Ms. Scholl then stated that the Board would receive a report from the District's engineer. Mr. Gray presented his report attached as **Exhibit "H"** and reviewed it with the Board. He reported that the storage unit property within the District, Bulldog Storage, was looking to add a new section of storage units on the same property and had submitted a request for an additional wastewater connection. He noted that an additional water connection would not be required because water from the existing storage unit structure could be extended to the new storage unit sections through an on-site private meter. He stated that he and Mr. Edmonson were tracking their time in considering the request and would look into whether or not the applicant would be required to submit a deposit to cover the District's time in considering the request. Director Alger stated that she thought the District had reached an agreement with the property owner in the past to provide a certain amount of service to the property. **Ms. Scholl stated that she would look into whether or not there was a prior agreement in place and she would report to the Board at the next Board meeting.** Director Garcia asked if Messrs. Gray or Edmonson had heard anything about the tennis center that was proposed to be developed near the District. Mr. Edmonson stated that he had not heard anything on the project. Mr. Gray then reported that the Coordination of Emergency Services notice had been filed with the Public Utility Commission, as required by Texas Water Code §13.1396, and that the Emergency Preparedness Plan had been submitted to the Texas Commission on Environmental Quality (the "TCEQ") prior to the March 1, 2022 deadline but that the TCEQ was still processing the plan and had not yet provided notice of approval.

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 "I"**, and reviewed them with the Board. He reviewed the financial statements and requested approval of two 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. Mr. Douthitt pointed out that the District had a positive budget variance of \$81,379.27 and about 98.71% of the District's 2021 taxes had been collected. Upon motion by Director Alger and second by Director Garcia, the Board voted 4-0 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 "J"** and reviewed her directives from the prior Board meeting. Ms. Torres then reported that water loss was at $\pm 8.85\%$ for the month of May. 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 stated that several residents had reported street light outages in the District, noting that two of the transformers had blown out and that wires at the base of one of the street lights were damaged. She stated that the cost of the repairs was \$836, which she noted was within the amount that Crossroads was authorized to approve in-between Board meetings, so she went ahead and got the repairs completed. Ms. Torres then stated that a resident had reported damage to one of the wall pylons near 4447 Hunter's Chase and that she was working to get a proposal for the work. She then presented the memorandum regarding temporary fuel surcharge attached as **Exhibit "K"** and requested that the Board renew its approval of the additional fuel surcharge until the next Board meeting, noting that the fuel surcharges since the prior meeting ranged from \$113 to \$118. After discussion, upon motion by Director Reed-Green and second by Director Matto, the Board voted 4-0 to approve the fuel surcharge through the month of September and to re-assess the fuel surcharge at that time.

There being nothing to consider regarding the District's website, Ms. Scholl stated that the Board would next receive the attorney's report. She stated that all directives were either complete or in process. Director Reed-Green stated that he and Director Matto were working to schedule a meeting with Priority Landscapes to discuss the landscaping along the Vista Isle Drive right-of-way and would continue to keep the Board updated.

Ms. Scholl then stated that the Board would consider the election items on the Supplemental Agenda. Ms. Scholl reminded the Board that director elections were held in November of every even-numbered year, and she stated that it was time to call the 2022 Director election. She stated that the election could be cancelled if uncontested. She then directed the Board's attention to the Order Calling Director Election for November 8, 2022, a copy of which is attached as **Exhibit "M"**. She recommended that the Board approve the Order calling the election and authorize her office to give notice of the election as required by law. She then confirmed that her office had already posted notice of the deadline to file an application for a place on the ballot, as required by the Texas Election Code. Ms. Scholl then reviewed the Joint Election Agreement and Contract for Election Services, a copy of which is attached as **Exhibit "N"** and the Resolution Approving Election Agreement and Joint Election Agreement, a copy of which is attached as **Exhibit "O"**. After discussion, upon motion by Director Reed-Green and second by Director Matto, the Board voted 4-0 to approve the Order Calling Director Election

for November 8, 2022, as presented; approve the Resolution Approving Joint Election Agreement and Contract for Election Services, including the form of Joint Election Agreement and Contract for Election Services attached thereto, as presented; and authorize the District's attorney to give notice of the November 8, 2022 Director election.

Ms. Scholl stated that the Board would consider future meeting dates and agenda items. Ms. Scholl stated that the next Board meeting would be held at 12:00 noon on August 8, 2022.

There being no further business to come before the Board, the meeting was adjourned at 1:23 p.m.

[Signature page follows.]

(SEAL)



Steve Garcia, Secretary
Board of Directors

Date: August 8, 2022