

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

June 26, 2023

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 26, 2023 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 meeting was called to order at 12:08 p.m. and the roll was called of the members of the Board, to-wit:

Heath Reed-Green	-	President
Jacob Matto	-	Vice President
Steve Garcia	-	Secretary
Leslie Alger	-	Assistant Secretary
Steve Zipkes	-	Assistant Secretary

and all of the Directors were present, except Director Garcia who arrived later, thus constituting a quorum. Also present in person at the meeting were David Gray and Sameer Saini of Gray Engineering, Inc. ("GEI"), the District's engineer. Mary Bott of Bott & Douthitt, PLLC ("B&D"), the District's bookkeeper, and Lisa Torres of Crossroads Utility Services LLC ("Crossroads"), the District's general manager and utility operator, joined the meeting via telephone.

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. There being none, Ms. Scholl stated that the Board would next consider the minutes of the April 10, 2023 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.

Ms. Scholl then stated that the Board would discuss wholesale water and wastewater rate matters and related action, including receiving an update on the City of Round Rock wholesale rate appeal. Ms. Scholl stated that Mr. Carlton, the District's rate counsel, had advised her that he was awaiting a signed order from the Public Utility Commission (the "PUC") that would overturn the prior State Office of Administrative Hearings ruling that held that the prior costs and rates would not be considered in the case, which she noted meant that the costs and rates from the year that the appeal was filed through the current year would be considered in the case.

Ms. Scholl then stated that the Board would receive the security report and consider taking related action. Ms. Torres stated that the security report for the month of May had been sent to the Directors and that she did not have anything specific to report.

Ms. Scholl then stated that the Board would receive a report from the District's engineer. Mr. Saini presented the engineer's report attached as **Exhibit "B"** and reviewed it with the Board. Director Garcia arrived at this time. Mr. Saini stated that the drainage channel maintenance work had commenced and that the contractor had submitted an application for

payment for completed portions of the work but noted that the application for payment was not submitted in time in order to add it to the agenda for the Board to consider at today's meeting. Mr. Gray recommended that the Board consider appointing a subcommittee with authority to review and approve pay estimates and change orders for the drainage channel maintenance work between Board meetings since the Board did not meet on a regular monthly basis, noting that any pay estimates or changes orders that were approved by the subcommittee between Board meetings would always be presented to the entire Board at a subsequent Board meeting. After discussion, upon motion by Director Alger and second by Director Garcia, the Board voted 5-0 to authorize Director Reed-Green and Director Matto to review and approve pay estimates and change orders for the drainage channel maintenance work between Board meetings. Mr. Saini then stated that all notice and filing requirements for the emergency preparedness plan had been satisfied and that the tie-in to the manhole at the storage facility had been completed. He then provided the Board with a general overview of all of the information he was able to compile regarding the Indigo Ridge Project, noting that he would continue to monitor the status of the project as things progressed to make sure there were not any items that the District would need to consider. Mr. Saini then concluded his report by stating that he had been working with Ms. Scholl to confirm all of the areas within the District that would need to be maintained and included within the new Landscape Maintenance Agreement renewal agreement, noting that there were some additional maintenance areas located behind residential lots that he thought would need to be maintained by the District on an as-needed basis so he was investigating whether or not the District had all existing easements in place from the adjacent homeowners in order to access these areas.

Ms. Scholl then stated that the Board would receive a report from the District's bookkeeper and recognized Ms. Bott. Ms. Bott presented the accounting report and updated cash activity report, attached collectively as **Exhibit "C"**, and reviewed them with the Board. She reviewed the fund transfers and bills and invoices that were being presented for approval. She then reviewed the financial statements, the tax collection report, and the budget comparison. Ms. Bott pointed out that the District had a positive budget variance of \$106,146.17 and about 98.51% of the District's 2022 taxes had been collected. Ms. Bott noted that items to reimburse Directors Reed-Green and Matto for the CASE conference would need to be added. After discussion, upon motion by Director Alger and second by Director Garcia, the Board voted 5-0 to approve the transfers and payment of the bills and invoices, as presented, including the addition of reimbursements to Directors Reed-Green and Matto for the CASE conference.

Ms. Scholl then stated that the Board would receive a report from the District's general manager and utility operator. Ms. Torres reviewed her operations report, attached as **Exhibit "D"**, with the Board. Ms. Torres reported that water loss was at $\pm 8.37\%$ for the month of May. Ms. Torres then confirmed that all lab results were satisfactory, there were no issues with water quality, and the utility facilities were generally operating well. She then reported that she did not have any write-offs to present and there had been no solid waste/recycling collection complaints. She then reported that all street light repairs had been completed and that the District actually received a refund on some of the costs because SunTech forgot to follow her instructions to repair all street lights that were out at the same time that SunTech was already going to be in the District with lift equipment in order to complete other specific repair work. Ms. Torres then reported that she had received a punch list from the landscape architect for the Vista Isle beautification project and that she would forward the punch list to Director Reed-Green for his review. **She then stated that Director Reed-Green had reported some trail light outages and pointed out that there was an exposed ground wire near a sidewalk. She stated that the trail lights were out because of an issue with the**

timers and that she had addressed this item and was looking into covering the exposed ground wire.

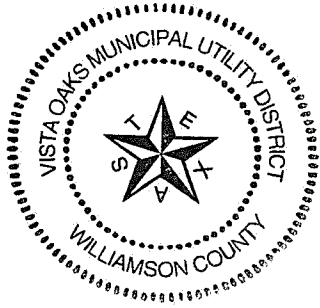
There being nothing to consider regarding the District's website, Ms. Scholl stated that the Board would next receive the attorney's report. She reviewed the consultant directives report and noted that all prior directives were either complete or in process. Ms. Scholl then reviewed the MSRB G-10 and G-42 disclosure statement and supporting materials from the District's financial advisor attached as **Exhibit "E"** with the Board. She stated that the disclosure statement was a required disclosure under applicable securities laws, noting that no action of the Board was required. She then stated that she, Mr. Douthitt, and Director Alger were working to finalize the Resolution Making Certain Findings Related to Capital Reserve Fund that would be presented to the Board for approval at the August or September Board meetings. Ms. Scholl then stated that the current Standard Agreement with Local Government Entity Regarding Off-Duty Contracting of County Sheriff Deputies would expire soon and that the County had provided its initial draft of the renewal agreement but that her office was working to coordinate negotiating changes that would be required. She requested that the Board authorize her firm to negotiate changes to the renewal agreement and authorize Director Reed-Green to execute the renewal agreement upon finalization. After discussion, upon motion by Director Garcia and second by Director Matto, the Board voted unanimously to authorize Ms. Scholl's firm to negotiate revisions to the agreement and to authorize Director Reed-Green to execute the agreement upon finalization. Ms. Scholl then reported that there had been changes at the federal level to the lead and copper rules that applied to water and wastewater service providers. She presented the memorandum summarizing the lead and copper rule revisions attached as **Exhibit "F"** and reviewed it with the Board. Mr. Gray and Mr. Saini stated that their office was already working to determine the impact that these changes would have on the District. Ms. Scholl noted that additional inspection and reporting requirements would be imposed on the District and noted that these additional costs would need to be taken into account for budgeting purposes.

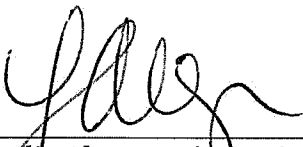
Ms. Scholl stated that the Board would consider future meeting dates and agenda items. Ms. Scholl reminded the Board that it would need to meet next at 12:00 noon on August 14, 2023 for budget and tax rate purposes.

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

[Signature page follows.]

(SEAL)





Leslie Alger, Assistant Secretary
Board of Directors

Date: August 14, 2023