

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

April 10, 2023

THE STATE OF TEXAS §
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COUNTY OF WILLIAMSON §

A regular meeting of the Board of Directors of Vista Oaks Municipal Utility District (the "District"), was held on April 10, 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 12:03 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, 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. Allen Douthitt 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 following consent items on the Board's meeting agenda: the minutes of the January 9, 2023 Board meeting; the Resolution Authorizing Transfers of Funds and Payment of Expenses attached as **Exhibit "B"**; the Landscape Maintenance Agreement with Priority Landscapes, LLC attached as **Exhibit "C"**; and the Amended Order Establishing Water and Wastewater Service Rates and Tap Fees and Adopting Certain General Policies and Rules with Respect to the District's Water, Wastewater, and Drainage Systems and Other District Property attached as **Exhibit "D"**. Ms. Scholl stated that the prior Landscape Maintenance Agreement was set up so that Exhibit "A" listed out the name of each service area, the frequency of service visits, compensation, and a few additional details on services to be performed. She explained that this new renewal Landscape Maintenance Agreement was essentially the same as the prior agreement but she had moved most of the business terms to the body of the agreement and the contractor had requested an increase in compensation. She stated that the only things that would appear in the exhibits were a more definitive legal description of the service areas and a map showing the exact location of those service areas. She stated that she had been working with GEI to finalize the exhibits for the agreement but noted that they were not quite completed. She requested that the Board approve the Landscape Maintenance Agreement and authorize the District's consultants to attach the missing exhibits upon finalization. After discussion, upon motion by Director Reed-Green and second by Director Alger, the Board voted unanimously to

approve the consent items and to authorize the District consultants to finalize the exhibits to the Landscape Maintenance Agreement.

Ms. Scholl then stated that the Board would consider the annual review of District insurance coverage limits and deductibles, including any applicable Real and Personal Property Schedule updates. Ms. Scholl stated that her office had sent the District's current coverage information to GEI and requested that GEI confirm if any changes were necessary or recommended. Mr. Gray stated that his office had reviewed the District's current coverage and did not recommend making any changes at this time.

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 presented the City of Round Rock's Consumer Confidence Report for 2022 attached as **Exhibit "E"**. Ms. Torres confirmed that the report had been sent to customers as required by applicable regulations. Ms. Scholl stated that the District's rate attorney was unable to attend the meeting but had informed her that the rate appeal was abated pending a ruling from the Texas Public Utility Commission (the "**PUC**") on whether the case would include the 2019 rates or if it would only include the 2022 rates. She stated that Mr. Carlton had advised that the case would resume once the PUC had made a ruling on the matter.

Ms. Scholl then stated that the Board would receive the security report and consider taking related action. Ms. Torres stated that she had received the security report for the month of March, a copy of which is included in her report, and 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 introduced Mr. Saimeer to the Board and stated that he would be assisting with some of the District's work. Mr. Saimeer presented the engineer's report attached as **Exhibit "F"** and reviewed it with the Board. He stated that Mr. Edmonson had responded to a resident complaint regarding water that was pooling in the resident's back yard but had determined that all of the District's drainage facilities were functioning properly and had been constructed in accordance with the applicable engineering plans so he did not recommend that the District take any action. Mr. Saimeer stated that Mr. Edmonson concluded that the issue was likely due to concrete improvements that the resident had installed in their back yard and that Mr. Edmonson had provided the resident with recommendations on how to address the issue. He then reported that the final review periods for the District's critical load coordination and emergency preparedness plan had passed and no comments were received, so his office would move forward with the final required notifications. Mr. Saimeer then stated that the connection at the storage facility had not yet been installed but noted that he would be present at the time the connection was made. He then reported that his office had requested proposals from contractors to complete improvements within the drainage channel behind the storage facility. He stated that proposals would be received by April and that the Board could consider them sometime in May. Director Reed-Green pointed out that the Board only met on a quarterly basis and asked when the work would need to be completed. Mr. Gray stated that the work could be completed later in the year but recommended that the Board authorize one or two directors to review proposals and award the contract between Board meetings so that the contractor could complete the work without the need for calling a special Board meeting. After discussion, upon motion by Director Reed-Green and second by Director Garcia, the Board voted unanimously to authorize Director Reed-Green to review and approve proposals between Board meetings.

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 “G”**, and reviewed them with the Board. He reviewed the four transfers and bills and invoices that were being presented for approval. He then reviewed the financial statements, the tax collection report, and the budget comparison. Mr. Douthitt pointed out that the District had a positive budget variance of \$98,999.73 and about 97.48% of the District’s 2022 taxes had been collected. After discussion, upon motion by Director Alger and second by Director Garcia, 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. She reported that 23 customer accounts had been impacted by the meter reading error that occurred in November of the prior year and that Crossroads was still working to manually correct all of the affected accounts, noting that none of the affected accounts were impacted for purposes of winter averaging amounts. She stated that she would be sending an email to each of the 23 affected residents after the meeting in order to let them know that Crossroads was working on correcting everything. Ms. Torres then reported that water loss was at $\pm 4.06\%$ for the month of February. She 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. Ms. Torres then stated that several street light pole bases were missing or damaged and would need to be replaced and that wiring to one of the street lights would need to be repaired. She presented the proposal from SunTech Electric Inc. in the amount of \$1,910 for plastic pole base covers attached as **Exhibit “I”**, the proposal from SunTech Electric Inc. in the amount of \$1,910 for steel pole base covers attached as **Exhibit “J”**, and the proposal from SunTech Electric Inc. in the amount of \$1,550 for the wiring repairs attached as **Exhibit “K”**. She recommended that the Board approve the proposal for wiring repairs and approve one of the two proposals for pole base covers, depending on the Board’s preference in materials. After discussion, Mr. Gray and Ms. Torres recommended that the Board select the proposal for steel pole base covers. Director Garcia pointed out that there were several other street lights within the District that were not functioning properly and asked if it would be cost efficient for SunTech to repair all of the other street lights at the same time they install pole base covers and complete the wiring repairs. Ms. Torres stated that it might be possible for the contractor to complete all of the work at the same time but noted that she would need to reach out to the contractor to get a cost estimate to repair all of the additional street lights. **The Board requested that Ms. Torres reach out to the contractor to confirm if it would be possible to repair all street lights within the District at the same time that the wiring repairs were completed and pole bases were installed and, if so, to obtain an additional proposal for such work. Ms. Torres confirmed that she would do so.** After discussion, upon motion by Director Reed-Green and second by Director Garcia, the Board voted unanimously to approve the proposal for steel pole base covers, the proposal for wiring repairs, and to authorize Director Reed-Green to approve any additional proposals obtained by Ms. Torres in order to repair all street lights in the District that were not functioning properly but not to exceed \$7,0000.

Ms. Torres then presented an illustration of the proposed design for the Vista Isle Beautification Project, a copy of which is attached as **Exhibit “L”**, noting that Priority Landscapes, LLC generated this depiction based upon the design that was prepared by Jaime Sims, the HOA’s prior landscape design consultant. She stated that the design split the work up into three phases. Director Reed-Green asked when the contractor was proposing to commence the work. Ms. Torres stated that if the proposals were approved, the contractor was proposing to begin work on the first phase around April 21st or 28th and work on the subsequent two phases

would follow completion of the first phase. Ms. Torres presented the proposal in the amount of \$20,315.34 for the first phase of the work attached as **Exhibit “M”** and explained that the work would include excavating and disposal of soil, compost, fertilizer, and weed barrier installation. After discussion, upon motion by Director Reed-Green and second by Director Alger, the Board voted unanimously to approve the proposal for the first phase of the Vista Isle Beautification Project. Ms. Torres then presented the proposal for the second phase of the work in the amount of \$23,695.27, a copy of which is attached as **Exhibit “N”**. She explained that the second phase would involve installation of river gravel, steel edging, and cobble boulders. Upon motion by Director Reed-Green and second by Director Garcia, the Board voted unanimously to approve the proposal for the second phase of the Vista Isle Beautification Project. Ms. Torres then stated that the third phase of the work would involve installation of additional gravel, vegetation, and mulch. After discussion, upon motion by Director Reed-Green and second by Director Matto, the Board voted unanimously to approve the proposal from Priority Landscapes, LLC for the third phase of the work for the Vista Isle Beautification project in the amount of \$24,633.47, a copy of which is attached as **Exhibit “O”**. Mr. Gray recommended that the Board authorize the subcommittee to approve the final invoices submitted by the contractor so that the contractor could receive payment in a timely manner between Board meetings. The Board concurred. Upon motion by Director Alger and second by Director Matto, the Board voted unanimously to authorize the Community Projects Subcommittee to review and approve final payment of the invoices between Board meetings. Director Garcia added that he recently saw an article stating that the Indigo Ridge development with a tennis center was back on track and that construction would begin soon. He asked if there was anything that the District should do in response because there would likely be more traffic in the area. **Ms. Torres recommended that the Board have GEI investigate if there were any measures that the District should take in response to the adjacent development. Mr. Gray stated that he would do so.**

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 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 June 26, 2023.

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

[Signature page follows.]

(SEAL)



Steve Garcia, Secretary
Board of Directors

Date: June 26, 2023