

**MINUTES OF MEETING OF THE BOARD OF DIRECTORS  
NORTHTOWN MUNICIPAL UTILITY DISTRICT**

February 26, 2019

THE STATE OF TEXAS           §  
  §  
COUNTY OF TRAVIS           §

A meeting of the Board of Directors of Northtown Municipal Utility District was held on February 26, 2019, at the Wells Branch Tech Center, 1421 Wells Branch Parkway, Suite 106, Pflugerville, Texas. 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 following Directors were present, constituting a quorum:

Brenda Richter	-	President
Chris Capers	-	Secretary
Lee Hill	-	Assistant Secretary
Felix T. Amaro, Jr	-	Treasurer

Director Robin Campbell was absent. Also present at the meeting were Mona Oliver, the District manager; Scott Foster of 360 Professional Services, Inc.; Richard Fadal of TexaScapes, Inc.; Allen Douthitt of Bott & Douthitt, PLLC (“*Bott & Douthitt*”); Robert Anderson of Crossroads Utility Services, LLC (“*Crossroads*”); Deputy Oscar Gonzalez of the Travis County Sheriff’s Department; Trent Rush of Hitchcock Design Group; Cornia Kellam, Charles B. Dickens and Chris Salazar, residents of the District; and Sue Brooks Littlefield of Armbrust & Brown, PLLC (“*A&B*”).

Director Richter called the meeting to order at 5:45 p.m. and stated that the Board would first receive resident communications and Board member announcements. There being none, Director Richter stated that the Board would consider approving the minutes of the January 22, 2019 Board meeting. Upon motion by Director Hill and second by Director Amaro, the Board voted 4-0 to approve the minutes.

Director Richter stated that Director Hill had requested that the First Extension to the Renewed Interlocal Agreement between Northtown Municipal Utility District and the City of Austin (solid waste and recycling services for Lakes at Tech Ridge) be pulled for discussion. Director Hill stated that the District had been in a dispute with the City for several years, and the District would be replacing a sewer line, which he understood the City would not cost-participate in, noting that he would remind the City of this when the agreement was next renewed. With that comment, Director Hill moved approval of the extension. Director Amaro seconded the motion. Director Richter noted that the underlying Interlocal Agreement was slightly more complicated than it might appear from the extension. Ms. Littlefield agreed to provide Director Hill with a copy of the original Interlocal Agreement for his review. Upon being put to a vote, the motion was adopted by a vote of 4-0.

Director Richter then stated that the Board would discuss District security. Deputy Gonzalez reported there had been a few burglaries of vehicles over the past month. He stated that one in particular had concerned him, noting that it was a burglary of a vehicle parked at the pavilion and that the window had been smashed and the owner's MacBook Pro and other valuable items had been stolen. He stated that the police were able to track these items and had suspects. He stated that he would like to review the video from the pavilion, noting that the incident had occurred on January 9<sup>th</sup>. Ms. Oliver stated that if the video was still available she would provide it. Deputy Gonzalez stated that the suspects had made a lot of mistakes. Deputy Gonzalez reported that a vehicle had been left unlocked with the motor running and was stolen. He stated that there was one incident of vandalism and that the perpetrator was a known party. He also stated that there had been three property crimes that he would address with Security Subcommittee.

Director Richter then stated that the Board would consider landscape maintenance matters. She recognized Mr. Fadal, who presented the plant of the month, Prostrate Rosemary, which he explained was very hardy and needed well-drained soil. He also presented a trailing purple Lantana and stated that it was hardier than the New Gold Lantana. Mr. Fadal then reported that his crews had largely completed all of the winter tasks and that they would be starting the bait step of the "Texas Two Step" fire ant treatment process the next week. He reminded the Board that, during the rest of the year they followed up with spot treatment of the ants using a pesticide. Mr. Fadal noted that the Live Oak Trees would start their big leaf drop in the next few weeks. He stated that there were some wildflowers coming out already and he was concerned that the wildflowers might be overshadowed by grasses in early summer. Mr. Fadal stated that the tree planting project had been completed and that Ms. Oliver had helped with the location of the trees.

Director Richter then called the Board's attention to Proposal No. 9450, attached as **Exhibit "B"**, for the dog park walk landscape bed and Proposal No. 9451, attached as **Exhibit "C"**, for storm damaged tree replacement in the 50 acre park median. Upon motion by Director Capers and second by Director Hill, the Board voted 4-0 to approve the proposals.

Director Richter then recognized Ms. Kellam, 13900 Griener, and Mr. Salazar. Mr. Salazar stated that he had a Facebook group for the dog park and that he usually announced whether the park was open or closed. He stated that the park was beautiful and that he truly appreciated it. Mr. Salazar stated that there had been a lot of discussion about the regulation of when the park was opened or closed and whether it was closed too much, noting that he was being a voice for several residents who used the park. Ms. Kellam stated that the dog park was closed more than any of the other area dog parks. She stated that it was very important to her for socializing her small foster dogs and so she wanted to discuss the dog park policies. Ms. Littlefield reminded the Board that it could not discuss anything that was not posted on the agenda and suggested deferring the discussion to Ms. Oliver, as she could loop in the Park Subcommittee as appropriate. Ms. Littlefield agreed to add an item to the next Board meeting agenda to discuss the dog park policies.

Director Richter stated that the Board would next receive the District manager's report and recognized Ms. Oliver. Ms. Oliver presented her monthly report, attached as **Exhibit "D"**, and reviewed it with the Board. She reviewed the monthly expenditure report and the reservation ledger, noting that the District was receiving a lot of calls about reserving the pavilion. Ms. Oliver requested approval to proceed with demolition of the existing cistern. Upon motion by Director Hill and second by Director Capers, the Board voted 4-0 to authorize Ms. Oliver to proceed. Ms. Oliver then presented the concept to replace the cistern with a painted fiberglass tank and noted that this would need to be bid due to the magnitude of the cost. Mr. Foster reviewed the proposed tank dimensions and the projected cost with the Board. Director Richter asked if there was a motion to authorize Ms. Oliver to move forward with the project. Upon motion by Director Amaro and second by Director Capers, the Board voted 4-0 to authorize Ms. Oliver to move forward with the plan for replacing the cistern.

Ms. Oliver then stated that she had received a request from Pflugerville High School to allow a student volunteer beautification project in the Stoney Creek Park. She noted that the students had done this the prior year and she felt it had been positive. Upon motion by Director Capers and second by Director Amaro, the Board authorized Ms. Oliver to move forward with the project.

Ms. Oliver then presented the proposal for the renewal of the Tech Center office lease attached as **Exhibit "E"** and requested approval to move forward with a 48-month lease. After discussion, upon motion by Director Capers and second by Director Hill, the Board voted 4-0 to authorize Ms. Oliver to negotiate and execute a 48-month lease agreement.

Director Richter stated that the Board would next discuss park matters. Director Richter recognized Mr. Rush, who advised the Board that his firm had completed the plans for the MeadowPointe and Wildflower park improvements and requested approval to move forward with the project. Director Hill stated that there were a few items on the plans that he couldn't read the sizes for, and inquired about dimensions of various items of fitness equipment. He expressed concern about accommodating people of various heights. Mr. Rush discussed the heights and adjustability of the proposed equipment. Director Hill then asked about the bridge. Ms. Oliver explained that the bridge was being widened for use by maintenance equipment and Mr. Rush added that the structural changes were being made to accommodate the widening. Director Hill stated that he remained concerned about the utility of the workout equipment. Director Amaro agreed that it could be difficult to tell from the design specifications and asked if the Board could actually inspect the equipment before the final heights were selected. Mr. Rush explained that his firm had utilized an expert in this type of equipment to develop the specifications. Director Amaro noted that it appeared all of the equipment was collared and there were height options. Director Hill stated that he wanted to ensure that the equipment was useable by a wide range of folks. Mr. Rush stated that not all of the equipment was adjustable, but that it had all been designed to park standards. Director Richter stated that, for a lot of this equipment, the tall person would bend their legs to do pull-ups. Director Capers stated that tall people would not need to use the deck or a step to reach the bar, but could walk around it. Director

Richter stated that, as part of the packet, height issues needed to be addressed and asked Mr. Rush for confirmation that there would be a step. Ms. Oliver stated that it appeared that the ring bridge and horizontal ladder would need a bar or step to allow shorter people to reach up. Director Hill asked about the height of the climbing wall, and Mr. Rush responded that the height was 80 inches. Mr. Rush stated that the horizontal ladder was only 60 inches tall, so there would not be a bar or step. Ms. Oliver stated that the chin-up bar had both a low and high bar. She added that the three playground rides that were included would be placed in the MeadowPointe Park and that the pea gravel would be replaced with mulch. Ms. Oliver also explained that one of the playground pieces in Wildflower Park had been damaged and she had asked for a price to replace it, as it would be more cost effective to do this as part of the project. Mr. Rush agreed that it would be more cost effective to do this as part of the project and that the installation could then be done by a certified installer. Director Richter called the Board's attention to the proposed schedule attached as **Exhibit "F"**. After further discussion, upon motion by Director Amaro and second by Director Capers, the Board voted 3-0 to proceed with bidding the project, with Director Hill abstaining from the vote. Mr. Rush stated that he would present the bids at the Board's March meeting.

Director Richter then stated that the Board would receive the engineer's report and recognized Mr. Foster. Mr. Foster presented his report, attached as **Exhibit "G"**, and reviewed it with the Board. He presented Pay Estimates No. 2, 3, 4 and 5 in the amounts of \$16,174.85, \$136,900.90, \$387,739.14 and \$390,044.74, attached as **Exhibits "H", "I", "J" and "K"**, respectively, for Village at Northtown Section 3 and requested approval. Director Hill moved approval and upon second by Director Capers, the Board voted 4-0 to approve the Pay Estimates. Mr. Foster noted that it was anticipated that the project would be completed in the May-June timeframe. He then reported that Edenbrook multifamily development that was part of the Village @ Northtown was subject to the Village @ Northtown covenants and would be reviewed by the Development Subcommittee consisting of Director Campbell and Director Amaro. He added that the plans for this project were currently under the City of Austin review process. Mr. Foster noted that there were several additional development tracts within the Village @ Northtown. Director Hill stated that a larger grocery store had been built on Decker next to a smaller convenience store. Mr. Foster stated that a lot of the Village @ Northtown properties now were under contract. Director Hill stated that the Heatherwilde retail center turn lane had been closed for 3-4 weeks, adding time to people's commute. He asked that Mr. Foster look into this and advise the Board what was going on. Mr. Foster agreed to do so. He then confirmed that the MS4 annual report had been submitted, but he was still waiting on a response to Year 4 report. Mr. Foster stated that he expected the survey for the Dessau Road Force Main project to be completed soon and then would begin working on the alignment. Director Hill requested that a Board worksession be scheduled once this information was received and Mr. Foster agreed to do so.

Director Richter then recognized Mr. Douthitt for purposes of receiving the bookkeeper's report. Mr. Douthitt presented the updated cash activity report attached as **Exhibit "L"** and reviewed it with the Board. He recommended approval of a transfer by check from the District's JP Morgan Chase Bank operating account to the JP

Morgan Chase Bank manager's account in the amount of \$17,500; a transfer from the District's Compass Bank lockbox account to the JP Morgan Chase Bank operating account in the amount of \$75,000; a transfer from the Logic tax account to the Logic general operating account in the amount of \$1,103,881.87; and a transfer from the District's Logic tax account to the Logic debt service account in the amount of \$850,000, as listed on page one of his report. He reported that, as discussed at the prior Board meeting, he had opened up several additional accounts, with depository resolutions and Positive Pay agreements. He then presented the Secretary's Certificate and Resolutions Regarding Manager's Account attached as **Exhibit "M"**; the Secretary's Certificate and Resolutions Regarding Operating Account attached as **Exhibit "N"**; Secretary's Certificate and Resolutions Regarding Security Deposit Refunds Account attached as **Exhibit "O"**; and Secretary's Certificate and Resolutions Regarding Park Account attached as **Exhibit "P"**, and requested approval. Director Hill moved approval of the new account documents subject to Ms. Littlefield's review and approval. Upon second by Director Amaro, the motion was adopted by vote of 4-0. Mr. Douthitt also requested approval of a transfer from the District's TexPool operating account to the ABC Bank operating account in the amount of \$300,000 and a transfer by check from the District's JP Morgan Chase Bank operating account to the ABC Bank manager's account in the amount of \$300,000 to fund the new accounts, noting that he would have to leave the existing accounts opened until all checks cleared. Mr. Douthitt reported that the District was ahead of budget for the month. He then reviewed the payments that had been made out of the bookkeeper's account during the prior month, noting that these had primarily been utility payments, deposit refunds, and other time-sensitive payments and the checks that had been added to the check register since the packets went out. Mr. Douthitt noted that the per diem to Director Campbell would need to be voided due to his absence. After discussion, upon motion by Director Hill and second by Director Capers, the Board voted 4-0 to approve the transfers and the payment of bills and invoices as presented, with the void noted.

Director Richter then recognized Mr. Anderson for purpose of receiving the operations manager's report. Mr. Anderson reviewed Crossroads' report, attached as **Exhibit "Q"**, noting that all lab results had been satisfactory. He stated that there had again been a significant water gain the preceding month, and noted that he had reported this to the City twice. Mr. Douthitt stated that he was paying the bill from the City, but was accruing additional sums in anticipation of a backbill. Mr. Anderson then called the Board's attention to the write-offs listed on **Exhibit "R"**, totaling \$739.81. He noted that he had provided the backup information and requested approval of the write-offs. Upon motion by Director Capers and second by Director Amaro, the Board voted 4-0 to approve the write-offs. Mr. Anderson then advised the Board that Crossroads had finally gotten the last City approval for the second phase of the force main repair, noting that there was approximately 300 more feet north of the prior repair that would be repaired, and the contractor would be staying in the median. Mr. Anderson stated that Peabody had been mobilized and that the work had begun. He stated that if additional areas of defective pipe were encountered they may have to repair additional pipe until the contractor encountered pipe that wasn't defective. After discussion of directives, Ms. Littlefield agreed to provide Mr. Anderson with the name of the resident who requested a deposit refund so he could determine the resident's eligibility.

There being no developers' or landowners' representatives present to address the Board, Director Richter stated that the Board would next receive the attorney's report and recognized Ms. Littlefield. Ms. Littlefield reviewed her directives with the Board. She then presented the Dedication Deed for Lot 8, Block A, Village at Northtown Section Three, attached as **Exhibit "S"**; the Dedication Deed for Lot 1, Block C, Village at Northtown Section Three, attached as **Exhibit "T"**; Dedication Deed for Lot 7, Block C, Village at Northtown Section Three, attached as **Exhibit "U"**; Dedication Deed for Lot 6, Block D, Village at Northtown Section Three, attached as **Exhibit "V"**; and Dedication Deed for Lot 6, Block E, Village at Northtown Section Three, attached as **Exhibit "W"**. After discussion, upon motion by Director Amaro and second by Director Hill, the Board voted 4-0 to authorize the Park Subcommittee to accept the Dedication Deeds, subject to the Park Subcommittee's inspection of the property and approval of its condition and compliance with any conditions of the District's Park Policy.

Director Amaro reported that the Employee Subcommittee consisting of Director Richter and himself would like to review and update the District's 401(k) investment offerings pursuant to the Board's prior approval and the Board confirmed that authorization.

There being no further business to come before the Board, upon a motion by Director Amaro and second by Director Capers, the Board voted 4-0 to adjourn the meeting.

(SEAL)

  
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Chris Capers, Secretary  
Board of Directors

Date: 3/26/19

CERTIFICATE OF PROVISION OF NOTICE OF MEETING FOR  
NORTHTOWN MUNICIPAL UTILITY DISTRICT  
TO THE TRAVIS COUNTY CLERK'S OFFICE

THE STATE OF TEXAS §

COUNTY OF TRAVIS §

I, Brian K. Gilbert, hereby certify that at 10:46  
a.m. on Feb. 21, 2019, I provided two (2) copies of the attached  
notice of meeting of the Board of Directors of Northtown Municipal Utility District to the Travis  
County Clerk's office located at 5501 Airport Blvd., Austin, Texas for subsequent posting in  
accordance with Section 551.054 of the Texas Government Code.

I understand that the attached notice was provided to the County Clerk in order to  
comply with the Open Meetings provision of Chapter 551 of the Texas Government Code and  
that the Board of Directors of Northtown Municipal Utility District will rely on this certificate in  
determining whether the provisions of Chapter 551 of the Government Code have been satisfied.

Witness my signature this 21 day of February, 2019.

Brian K. Gilbert  
Printed Name: Brian K. Gilbert  
Company: Diligent Delivery