

MINUTES OF MEETING OF BOARD OF DIRECTORS OF LAKESIDE MUNICIPAL UTILITY DISTRICT NO. 3

December 10, 2014

THE STATE OF TEXAS §
COUNTIES OF WILLIAMSON §
AND TRAVIS §

The Board of Directors of Lakeside Municipal Utility District No. 3 met in regular session, open to the public, on December 10, 2014, at The Commons Amenity Center, 20601 Commons Parkway, Pflugerville, Texas, pursuant to notice duly given in accordance with law. A copy of the Certificate of Posting of said Notice is attached hereto as **Exhibit "A"**.

The roll was called of the members of the Board, to-wit:

Tom Corbett	-	President
Michael Zeniecki	-	Vice President
David Cotton	-	Secretary
Tim Coffelt	-	Treasurer
J.D. Scott	-	Assistant Secretary/Treasurer

and all of said Directors were present, except Director Cotton, thus constituting a quorum. Also in attendance at the meeting were John Hines of Gray Engineering, Inc.; Mary Bott with Bott & Douthitt, P.L.L.C.; Linda Loup with Public Finance Group, LLC; Scott Krchnak with Maxwell Locke & Ritter, LLP; Richard Hamala with Tiemann, Shahady & Hamala, PC; and Kevin Flahive with Armbrust & Brown, PLLC.

Director Corbett called the meeting to order at 12:01 p.m. and stated that the Board would first consider approving the minutes of the November 12, 2014, Board meeting. Upon motion by Director Coffelt and second by Director Zeniecki, the Board voted unanimously to approve the minutes as presented.

Director Corbett stated that the Board would next consider the bond items. The first bond item to come before the Board was to consider approval of the Reimbursement Report and Closing Memorandum. Mr. Krchnak stated that Ms. Ashlee Martin had a conflict and he was attending in her absence. He referred the Board to the Reimbursement Report, a copy of which is attached as **Exhibit “B”**. Mr. Krchnak reviewed pages 3, 5, 6 and 7 of the Reimbursement Report, stating the parties to be paid and the amounts to be paid with the proceeds of the bond sale. He then referred the Board to the statement of surplus proceeds in the amount of \$10,504.18 on page 9 of the Reimbursement Report. Upon motion by Director Zeniecki and second by Director Coffelt, the Board unanimously approved the Reimbursement Report. The next bond item to come before the Board was to consider approval of the Agreement Regarding Payment of Bond Proceeds, a copy of which is attached as **Exhibit “C”**. Mr. Flahive stated that the Agreement Regarding Payment of Bond Proceeds was in the same form as used in connection with prior bond sales and memorialized the agreement of the District, The Commons at Rowe Lane, L.P., and Rowe Lane Development, Ltd., regarding the percentage share of the bond proceeds to be paid by the District to each developer entity. Upon motion by Director Coffelt and second by Director Zeniecki, the Board unanimously approved the Agreement Regarding Payment of Bond Proceeds. The next bond item to come before the Board was to consider authorizing the wire transfers. Ms. Loup referred the Board to the Closing

Memorandum, a copy of which is attached as **Exhibit "D"**, and stated that the bond sale would close the next morning. She reviewed the Closing Memorandum with the Board, referencing each party to receive bond proceeds and the costs of issuance of the bonds to each consultant. Upon motion by Director Zeniecki and second by Director Coffelt, the Board unanimously approved the Closing Memorandum and authorized the wire transfers.

Director Corbett stated that the next items to come before the Board were landscaping and maintenance items. He stated that Utility Specialist, Inc., had declined to perform the work to re-establish the grade and get rid of buildup within the spillway south of Pond 1 to the culvert under Rowe Lane. Director Corbett stated that he had requested a proposal for the project from MMLA, LLC, and, since the Board had approved an amount not to exceed \$8,000.00 for the project, he would award the project to MMLA, LLC, if the proposal was within the approved maximum expenditure amount. He stated that the channel excavation project would begin in January. Director Zeniecki then addressed the electrical work to be performed in connection with the pump replacement and repair project in Pond 1. He stated that he had received a proposal in the amount of \$425.00 for the electrical work and an amount not to exceed \$1,000.00 had been approved by the Board. Upon motion by Director Zeniecki and second by Director Coffelt, the Board unanimously voted to accept the \$425.00 proposal for the electrical work.

The next item to come before the Board was to receive a report from the District's bookkeeper. Ms. Bott addressed the Board and reviewed the bills, invoices and transfer as set forth on the cash activity report, a copy of which is attached as **Exhibit "E"**. She stated that the proposed transfer was from the Frost Operating Account to the Frost Manager's Account in the amount of \$1,575.00. Ms. Bott then stated that a check in the amount of \$425.00 for the electrical work would need to be approved with the other payments. After discussion, upon motion by Director Coffelt and second by Director Zeniecki, the Board voted unanimously to approve the payment of bills and invoices, including the \$425.00 for the electrical work, and the proposed transfer, as recommended by the District's bookkeeper.

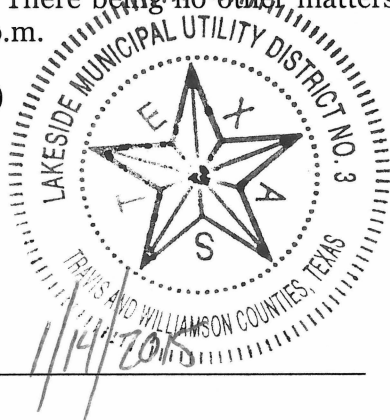
Director Corbett stated that the Board would next receive a report from the District's engineer. Mr. Hines referred the Board to his report, a copy of which is attached as **Exhibit "F"**. He stated there was one pay estimate for the Board to consider, which was Pay Estimate No. 6 from Cash Construction for water, wastewater and drainage improvements in Phase VII in the amount of \$19,125.00, a copy of which is attached as **Exhibit "G"**. Mr. Hines then stated that construction had begun on Phases VA and VIA. He stated that the construction plans for Phase VIII, which would include 94 single-family lots, was awaiting Travis County approval. Director Coffelt asked Mr. Hines if Phase VIII was located within Williamson County. Mr. Hines stated that it was not. He said the northeastern corner of the District was in Williamson County, but the permitting for development of the subdivision within Williamson County would still be led by Travis County staff. Mr. Hines then stated that the next bond issue may be brought before the Board for consideration as soon as January of 2015. Upon motion by Director Zeniecki and second by Coffelt, the Board unanimously approved Pay Estimate No. 6.

The next item to come before the Board was to receive a report from the District's developer. Mr. Flahive stated that he would address the proposed Supplement to Agreement for Street Lighting Service by Oncor, a copy of which is attached as **Exhibit "H"**, in Joe Straub's absence. Director Coffelt asked which phase of the subdivision the supplement expanded the scope of the agreement to serve. Mr. Flahive stated it was Phase VII. Mr. Hines stated that the supplement is approved and executed before the lights are installed. Upon motion by Director Zeniecki and second by Director Scott, the Board unanimously approved the Supplement to Agreement for Street Lighting Service by Oncor.


There being no citizens in attendance with the desire to address the Board, Director Corbett asked if there were any other matters to come before the Board. Director Scott asked about contacting Greener Images to remove litter and debris from Steed's Pond. The Board discussed purchasing a pool pole/hook for use by Greener Images staff to remove litter and debris from the ponds. Director Corbett stated that Greener Images representatives reported removing 40-50 bags of trash from the drainage easements within the District. The Board discussed construction trash from builders within the District. Director Corbett stated that Brohn Homes responded to his letter regarding construction trash and cleaned up its areas. He stated that he did not receive a response from Gehan Homes. Director Zeniecki asked about the impact that erosion controls placed within storm sewer inlets by the builder had on surrounding areas during recent rains. Mr. Hines stated that the erosion controls were required of the builders during construction. He suggested that if certain areas were subject to flooding as a result of the erosion controls, that they be identified and the builders contacted to determine whether the erosion controls could be removed. The Board then discussed installation of barricades in select areas of the District to prohibit access to areas subject to frequent dumping of trash. Director Coffelt stated that former Director John Howell continued to receive emails through the District's website. Mr. Flahive stated that he would again direct his staff to contact the website manager to redirect those emails to Director Zeniecki.

There being no other matters to come before the Board, the meeting was adjourned at 12:35 p.m.

(SEAL)



Date: _____



J.D. Scott, Assistant Secretary/Treasurer
Board of Directors