

**MINUTES OF MEETING OF BOARD OF DIRECTORS OF
NORTH AUSTIN MUNICIPAL UTILITY DISTRICT NO. 1**

April 20, 2016

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

A regular meeting of the Board of Directors of North Austin Municipal Utility District No. 1, open to the public, was held on April 20, 2016, at the Rattan Creek Community Center, 7617 Elkhorn Mountain Trail, Austin, 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:

Alan McNeil	-	President
Donald G. Conklin	-	Vice President
Jo Jones	-	Secretary
Keith Collins	-	Treasurer
Kim Green	-	Assistant Secretary/Treasurer

and all of said Directors were present, except for Director Conklin, thus constituting a quorum. Also in attendance at the meeting were Gary Spoons with Crossroads Utility Services; Mary Bott with Bott & Douthitt, P.L.L.C.; David Malish with Murfee Engineering Co., Inc.; Kevin Flahive with Armbrust & Brown, PLLC; Will Washington, a resident of the District and President of the Rattan Creek Neighborhood Association; and Marc Marroquin, Jr.

Director McNeil called the meeting to order at 6:00 p.m. There being no citizen communications, Director McNeil addressed Mr. Washington to address the Board. Mr. Washington reminded the Board that the crawfish boil would be held in Rattan Creek Park on Saturday. He stated that he had coordinated security for the event with Capt. Gleason. Mr. Washington stated that the RCNA would host a members only pool party at the pool on May 14th. He stated that he would also coordinate security for that event with Capt. Gleason.

The next item to come before the Board was to approve the minutes of the March 14 and March 16 meetings. Upon motion by Director Jones and second by Director Green, the Board voted unanimously to approve the March 14 minutes as presented. Upon motion by Director Collins and second by Director Jones, the Board voted unanimously to approve the March 16 minutes as presented.

Director McNeil stated the Board would next consider approval of the Resolution Adopting Revised Code of Ethics and Financial Investment, Travel, and Professional Services Policy and Adopting Investment Strategies, a copy of which is attached as **Exhibit "B"**. Mr. Flahive discussed with the Board its annual review obligation and described the updates to the proposed policies reflecting recent legislation. The Board then discussed with Ms. Bott and Mr. Flahive the potential for changes to the one-year maximum maturity limit for investments other than those defined as Authorized Investments in Exhibit "A-1" to the Investment Policy. After discussion upon motion by Director Collins and second by Director Jones, the Board voted unanimously to adopt the resolution as proposed.

Director McNeil then asked Mr. Spoons if he had anything for the Board relating to Mr. Fadal's park and landscape maintenance report in Mr. Fadal's absence. Mr. Spoons stated that the sprinkler system for the Rattan Creek Park would be turned off for the crawfish boil on Saturday.

Director McNeil then stated that the Board had reviewed Mr. Burke's pool and community report and approved Amendment No. 2 to Swimming Pool Operation and Maintenance Agreement with Clearwater Management and Amendment No. 2 to Management Services Agreement for Community Center with Clearwater Management at its work session on April 18.

Director McNeil then asked Mr. Spoons if he had anything to add to his report, which he discussed with the Board at its work session on April 18. Mr. Spoons stated that he expected to submit the City of Austin Industrial Wastewater Discharge Permit Reporting within the next week in advance of the May 31 deadline.

The Board next received a report from the District's bookkeeper. Ms. Bott stated that she had only one new item to present to the Board, a check for Director Green's per diems. She stated that she had verified that the \$5,000 check out of the Manager's Account discussed during the work session on April 18 was payable to the City of Austin. Ms. Bott also stated that she had confirmed that the party that used the Community Center did pay the cost of four hours of security services provided by Lieutenant Briggs. Upon motion by Director Collins and second by Director Jones, the Board voted unanimously to approve the check for Director Green's additional per diems. Ms. Bott then requested, and the Board granted, a directive that she pay for the Director's rooms for the CASE Conference. She then stated that she had worked with Jay Joyce to reconcile the City of Austin's wholesale wastewater service invoice containing a new fee for wastewater infiltration and determined the appropriate amount owed to the City of Austin. The Board directed Ms. Bott to deliver payment in the amount determined with the assistance of Mr. Joyce.

Director McNeil then recognized Mr. Malish to provide the District engineer's report. Mr. Malish stated that he had reviewed his report with the Board at the work session on April 18. He stated that since the work session, he had scheduled a meeting with the project engineer for Amber Oaks Lots 4, 5 and 6 project to review their plans. Mr. Malish stated that the site plan correction for the Booster Station Buildings had been approved by the City of Austin. He stated that the site plan exemption for the Robinson Park Restrooms has also been approved by the City of Austin. Mr. Malish then discussed with the Board, and the Board confirmed, the scheduling of a special meeting on May 11 at 6:00 p.m. at the Rattan Creek Community Center to review the Rattan Creek Drainage Study and discussion the Board's options. Mr. Flahive stated that he could not attend that evening, but would provide his input to Mr. Malish in advance of the meeting.

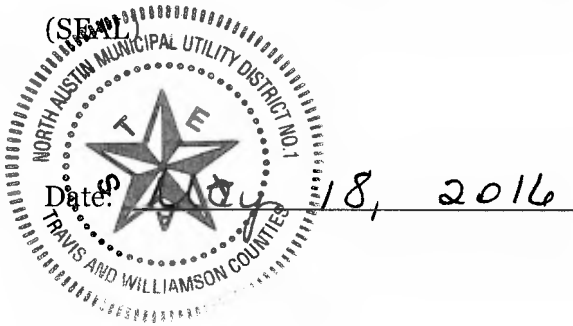
Director McNeil then stated that he would return to Items 7(a) and (b) on the agenda and recognized Ms. Bott. She discussed with the Board the proposed Secretary's Certificate and Resolutions Regarding Operating Account, a new resolution, and the proposed Secretary's Certificate and Resolutions Regarding General Manager's Account, changing the name of First Citizen's Bank to First State Bank Central Texas and increasing the amount of checks to parties other than utilities that may be signed by the District's general manager or bookkeeper from \$2,000 to \$4,000, each of which are attached as **Exhibit "C"** and **Exhibit "D"**, respectively.

The Board next discussed bond projects and considered taking any necessary action. Director Collins stated that had directed Mr. Malish to assist Duke Garwald with preparation of

the bid request packages for the bond projects with which he was involved to ensure compliance with applicable TCEQ regulations.

There being no restrictive covenants report to discuss, the Board then received a report from the District's attorney regarding the Texas Attorney General's opinion regarding Williamson County's sidewalk policy. Mr. Flahive reviewed the opinion with the Board and discussed available options to the Board to pursue Williamson County maintenance of sidewalks within Williamson County right-of-way that had been accepted by Williamson County for operation and maintenance, which obligation the county had not divested itself of pursuant to applicable statute.

There being no future annexation, limited district conversion, and other City of Austin related issues to discuss, or other matters to come before the Board, upon motion by Director McNeil and second by Director Green, the Board voted unanimously to adjourn at 6:42 p.m.



Jo R Jones
Jo Jones, Secretary
Board of Directors