

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

**MARCH 16, 2009**

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

A work session of the Board of Directors of North Austin Municipal Utility District No. 1, open to the public, was held on March 16, 2009, 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
John Lenz	-	Assistant Secretary

and all of said Directors were present, except Director Lenz, thus constituting a quorum. Also in attendance at the meeting were Gary Spoons and Dana Seidl with Southwest Water Company; Mark Burton with Municipal Accounts and Consulting; and Bill Burke with Clearwater Management Co.

Director McNeil called the meeting to order at 6:05 p.m. and stated the Board would first consider the bills and invoices for payment and transfers between accounts. Mr. Burton reviewed the financial reports, check registers and invoices with the Board. He recommended purchasing 4-5 Certificates of Deposit out of the operating account and establishing an additional money market account with a different bank. Mr. Burton stated the monthly operating expenses are approximately \$475,000 and receivables are approximately \$250,000. After discussion, the Board declined the movement of money. Mr. Burton stated Ms. Collins had recommended refunding review fee deposits back to the payee. The Board instructed Mr. Burton that for amounts less than \$1,000, items would be written off and refunds would be issued, provided there is back-up documentation, and collections should be attempted on other amounts owed and other balances retained. Mr. Burton then presented the bills and invoices for payment. Mr. Burton recommended holding the following payments: check #10380 to Westchase Construction; check #10385 to Bryan Wood; and check #10387 to McCreary, Vaselka, Braggand Allen, P.C. Mr. Burton further recommended voiding check #10357 to Altek Plumbing and check #10368 to Hines Pool and Spa, Inc., as additional work may be billed. The Board then discussed the following transfers: transfer from Tax TexPool to debt service account in the amount of \$173,096.31; transfer funds from Tax TexPool to general operating fund in the amount of \$272,343.83; transfer funds from general operating fund to manager's account in the amount of \$250,000.00; and transfer funds due to CPF from general operating funds in the amount of \$2,000.00. Copies of the requested transfers are attached hereto as Exhibit "B". Upon motion by Director Conklin and second by Director Jones, the Board

unanimously approved the payment of the bills and invoices as presented, noting the various checks to be held and checks to be voided. Mr. Spoons presented Proposal #2009-316 from Bryan Wood in the amount of \$4,400 to change out tennis court and park lighting and number them for reporting purposes. After discussion, upon motion by Director McNeil and second by Director Jones, the Board unanimously approved the proposal, a copy of which is attached hereto as Exhibit "C".

Director McNeil stated the Board would next discuss and consider any necessary action regarding the pool and community building project operations. Director Jones stated there is a need to add light in the area on back of the bathhouse. She stated a proposal would be presented for adding a PA system to the Community Center. After discussion, the Board decided to revisit this item at a later time. Director Conklin presented a revised contract with the Hurricane Swim Team. The Board discussed the payment due date and determined it will be June 1. The Board requested that Director Conklin forward the contract to Ms. Green for her review, with execution copies being presented at Wednesday's meeting.

The next item to come before the Board was to receive the consultant reports. Mr. Burke gave an update on the upgrades and maintenance of pool and Community Center items, and pool use requests. He stated life guard certification would be held at the Community Center this week and that Clearwater Management will hire workers to handle pool tags for the summer. Mr. Spoons stated the District's engineer will present a rate order revision at the meeting on Wednesday. He informed the Board that the spring clean-up event is scheduled for April 25. Additionally, the TCEQ, through the Keep Austin Beautiful program, will clean the park on April 25. He stated the tennis court locks are scheduled to be changed on April 30.

Director McNeil stated the Board would next review the items on the agenda for Wednesday's meeting. No action was taken.

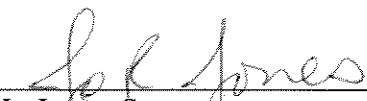
Director McNeil inquired as to whether there were any further items to come before the Board. The Board decided that Mr. Burton would not be required to attend the Wednesday meetings unless specifically requested to do so.

Director McNeil stated the Board would next return to Item 4 on the agenda to discuss and consider MS4 Stormwater activity. Directors Collins, McNeil and Conklin will meet to discuss mapping.

There being no further items to come before the Board, upon motion by Director McNeil and second by Director Jones, the meeting was adjourned at 8:18 p.m.

(SEAL)

Date: 4-15-09

  
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Jo Jones, Secretary  
Board of Directors