

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

JULY 13, 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 July 13, 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 Directors Conklin and Lenz, thus constituting a quorum. Also in attendance at the meeting were Mark Burton with Municipal Accounts and Consulting; Richard Fadal with TexasScapes; Bill Burke with Clearwater Management Co.; David Malish with Murfee Engineering Co.; Tim Kelley with Coastal Securities; and Sharlene Collins of Armbrust & Brown, L.L.P.

Director McNeil called the meeting to order and announced at 6:00 p.m. that the Board would convene in executive session pursuant to Section 551.071 of the Government Code to confer with the District's attorney regarding contemplated litigation. At 6:46 p.m. the Board reconvened in open session. Director McNeil noted that no action had been taken in executive session.

Director McNeil stated the Board would next consider the items on the Supplemental Agenda. Upon motion by Director McNeil and second by Director Collins, the Board unanimously agreed to intervene in the lawsuit between Southwest Water and Crossroads Utility Services on behalf of the District. Ms. Collins departed the meeting at this time.

The next item to come before the Board was to receive a report from the District's bookkeeper and consider the payment of bills and invoices. Mr. Burton presented the bills and invoices. The Board discussed the revised invoice received from Southwest Water. Upon motion by Director Collins and second by Director Jones, the Board approved paying \$20,908.78 of the Southwest Water invoice, withholding payment for additional services performed during the transition period that were not previously approved and until the Board receives an accurate reading of old and new meters. Upon motion by Director Collins and second by Director Jones, the Board unanimously approved payment of the remainder of the bills and invoices, as presented by the District's bookkeeper. Director Collins then moved to extend the operating certificate of deposit at Trust Mark Bank to June, 2010. Director Jones seconded and the motion was approved

unanimously. The Board then discussed the debt service payment. Upon motion by Director Collins and second by Director Jones, the Board unanimously approved payment of the debt service for August 1, 2009, as presented by Mr. Burton.

The next item to come before the Board was the selection of a new depository. The Board postponed a decision on this item until next month.

Director McNeil stated the Board would next discuss the playscape removal and installation. It was noted that Mr. Burke will take the lead on this matter.

The next item to come before the Board was to receive the consultant reports. Mr. Kelley presented financial projections and recommended that the Board remain with their conservative approach. He stated that once the certified appraisal rolls are received, he could provide more accurate projections for the Board to consider. Mr. Burke then discussed the pool operations and stated that attendance at the pool had increased. Mr. Fadal reported there was a need to alter the water pattern for the landscaping and that he would get a bid for rock work at the front of the Community Center. Mr. Malish stated his report was in the packet, a copy of which is attached hereto as Exhibit "B". Mr. Maxwell stated that the security system issues at the Community Center had been corrected.

Director McNeil stated the Board would next consider the MS4 stormwater activity. A meeting will be held next Friday morning and a report will be presented next month.

Director McNeil stated the Board would next review the agenda items for the regular meeting on Wednesday. The Board reviewed the Municipal Accounts and Consulting contract with Mr. Burton and asked him to do further research.

Director McNeil inquired as to whether there were any further items to come before the Board. There being none, upon motion by Director McNeil and second by Director Jones, the meeting was adjourned at 10:05 p.m.

(SEAL)

Date: 9.2.09



Jo Jones, Secretary
Board of Directors