

## LAKE POINTE MUNICIPAL UTILITY DISTRICT

### MINUTES OF A MEETING OF THE BOARD OF DIRECTORS

September 16, 2021

The Board of Directors of Lake Pointe Municipal Utility District (the "District") met in person in a regular session on September 16, 2021 at 7:00 p.m., open to the public. The District posted a copy of the notice of meeting, attached as "Exhibit A."

President Knuff called the meeting to order at 7:06.

#### PUBLIC HEARING ON PROPOSED TAX RATES

President Knuff opened the public hearing on the proposed tax rates. Counsel Wilburn stated that the proposed tax rates for the coming year were properly published. President Knuff asked for comments from the public on the proposed tax rates. There was no comment.

President Knuff **CLOSED** the public hearing on proposed tax rate.

#### REGULAR MEETING

##### Item No. 1

Item No. 1 was to call to order and establish quorum. The following members of the Board were present, establishing a quorum:

Director Steven Knuff  
Director Fred Goff  
Director Jason Rew-Hunter  
Director Penny Handsel

Director Robert Salgo was absent. Also in attendance were William Swanks with TUMCO, Josiah Longbons and Blake Foree of Landcape Resources, Cathy Mitchell with Jones|Carter, West Travis County Public Utility Agency representative Jason Boethke, Jim Norris, and Randall Wilburn and Grayson McDaniel with the Carlton Law Firm.

##### Item No. 2

Item No. 2 was to receive public comment on items not on the Agenda. No public comments were made. The Board took **NO ACTION** on this item.

## Item No. 7

Item No. 7 was to discuss, consider, and take action as necessary regarding landscape services within the Lake Pointe subdivision. Mr. Longbons stated that after the August 26 Special Meeting, he and Mr. Foree noticed significant browning of the turf throughout the District, particularly up and down Sonoma Boulevard and in Resaca Park and Napa Park. On inspection, they discovered that there were army worms, primarily in the Bermuda turf in these areas. Mr. Longbons explained that immediate treatment was needed to prevent an exponential amount of turf failure.

Mr. Longbons explained that they also discovered yucca bugs and spotted mites on the yucca plants on Resaca Boulevard and Bee Caves Road. The yucca plants are valuable—they cost a couple of hundred dollars per linear foot. The spotted mite creates webs and eats from the center of the plant. When the center of the plant is damaged, it can kill the entire plant. Mr. Longbons explained that he conferred with Operations Manager Swanks about the need for immediate treatment of the turf and the plants to prevent irreparable damage from the army worms and the spotted mites and yucca bugs.

Mr. Longbons presented a proposal for Landscape Resources' treatment of the army worms in the Bermuda turf in Resaca and Napa Parks with a contact/systemic pesticide as an immediate and preventative treatment to eliminate the army worms for \$5,000. Mr. Longbons explained that Landscape Resources treated the yucca plants with miticide and insecticide. He presented a proposal for Landscape Resources' treatment of the yucca plants for \$1,225.00. Mr. Longbons stated that the plants were responding well from the treatment and irrigation, that the plants were free of army worms, mites, and yucca bugs.

President Knuff made a motion to approve the two proposals for the treatment of the army worms, mites, and yucca bugs. Director Handsel seconded the motion. President Knuff asked for comments. Director Handsel asked if there needed to be regularly scheduled treatment that should be included in the budget. Mr. Foree stated that the army worms do not return regularly and Mr. Longbons agreed that these insects are more similar to cicadas, where they may not return for two to three years at a time. President Knuff called a roll-call vote, and the motion **PASSED** unanimously.

Next, Mr. Longbons presented a proposal to the Board for the Lake Pointe MUD mainline irrigation loop connection at Resaca and Lakestone Drive. The proposal, which he worked on with Director Salgo, is to, first, contract with a boring contractor to bore under Lake Stone Drive to pull a 6" sleeve under the road. Then, Landscape Resources will make the approximately 305 linear feet of connections, requiring using a trencher to dig trenches along Resaca to connect the mainline loop, tunneling manually under the sidewalk to run the line. A portion of the work will involve working around some large boulders. Landscape Resources will supervise the entire project, restore the irrigation system, repair any damage to the irrigation system, replace any damaged sod or plants damaged in the work, and provide caution fencing around holes if left open overnight. Landscape Resources cannot guarantee no damage to roadways, underground utilities, sidewalks, curbs, or roads, but plans to minimize any damage. The proposal estimated prices are not to exceed, without further approval from the Board, \$19,825.00 for the boring, \$1,200.00 for the trencher weekly, and \$5,451.00 for possible irrigation repair/landscape repair, for a total proposed price of \$46,852.00.

Mr. Longbons explained that he has continued to solicit proposals for the boring work. He tried multiple times, but only received one proposal. In response to questions from the Directors, Mr. Longbons said that the boring company was very experienced as that is their only work, had been in

business for a number of years and is a reputable company that performs work for state entities and other similar clients. President Knuff said that he had spoken with Director Salgo, who had said he is very comfortable with the proposal, and President Knuff said he was very comfortable with it, too.

President Knuff made a motion to approve the proposal for not-to-exceed \$46,852.00 for performing the project to connect the mainline loop. Director Rew-Hunter seconded the motion. President Knuff asked for questions, and asked how long the work would take and whether any turf torn up would be replaced. Mr. Longbons said the boring would take one or two days and the remaining work would take as much as a week and a half. Mr. Longbons stated that the boring machine would be on the west side of Resaca but would not necessitate lane or road closure, but that cones would be put in the road to alert motorists to the work. Mr. Longbons said the boring company needed a week or two of notice before beginning the work. President Knuff said he would notify the Pointe HOA to add an item to its newsletter to inform the residents. Operations Manager Swanks explained that the money would come from "Subdivision Improvements." President Knuff called for a roll-call vote, and the motion **PASSED** unanimously.

Mr. Longbons explained that the work on the mainline-loop project would be performed along with the isolation-valve project proposal that was approved by the Board in the last meeting.

Next, Mr. Longbons distributed a proposed agreement for a 2021-2022 Landscape Maintenance Program with the District. President Knuff asked why the annual payment was proposed as \$133,023.48 when the work proposed in the agreement was unchanged from last year based on the maintenance table in the agreements. Mr. Longbons explained that prices of building supplies and other costs of doing business had increased markedly over the last year due to supply and labor issues. President Knuff acknowledged that prices of doing business have risen.

After brief discussion, President Knuff made a motion to approve the landscaping agreement for the next year at \$133,023.48. Director Handsel seconded the motion. Director Handsel suggested amending the motion to provide that the agreement's insurance provision should be amended to add the District as a third-party beneficiary to insurance. Director Rew-Hunter noted that the budget for landscaping needed to be adjusted to reflect the agreement price.

President Knuff accepted the amendment to his motion by Director Handsel. Director Rew-Hunter seconded the amended motion, and it **PASSED** unanimously.

Mr. Wilburn and Ms. McDaniel agreed to send the amended agreement to President Knuff. Finally, Mr. Longbons explained that a valve on Controller U of the irrigation system was stuck open, would not function after cleaning, and had to be replaced. Landscape Resources also found a break of 2 1/2" mainline on Resaca near the same area. Landscape Resources is still working on the maintenance of these and several valves that are not functioning properly electronically and still need repair. Mr. Longbons said he could have the quote on cost soon. The Board will take the matter up next month.

The Board took **NO FURTHER ACTION** on this item.

### **Item 11**

Item No. 11 was to discuss, consider, and take action as necessary regarding the Resaca Boulevard Boundary Fence replacement project within the Lake Pointe subdivision. Ms. Mitchell presented to the Board that Jones|Carter advertised the bidding documents in the Austin-American Statesman, that the mandatory pre-bid meeting was held today at 2:30, and that four general contractors attended. The bid opening will be on September 23, 2021. President Knuff asked Mr. Wilburn and Ms. McDaniel to plan a special meeting set on September 30 or October 1 for Jones|Carter to present their recommendation to the Board. Operations Manager Swanks said he would look into the availability of the community center on those dates. The Board took **NO ACTION** on this item.

### **Item No. 8**

Item No. 8 was to discuss, consider, and take action as necessary regarding the ongoing activities of the West Travis County Public Utility Agency ("PUA"). Mr. Boethke, who represents the District at the PUA, stated that no LakePointe residents have attended PUA meetings to give comments. President Knuff was ashamed of his neighbors that with all the feedback and calls he has received from residents regarding rates that none took the time to attend and comment at the PUA meetings.

Mr. Boethke explained rate adjustments that the PUA adopted. The PUA's capital plan is in place. For Lake Pointe, one aspect is to move the wastewater treatment plant, which will take five to seven years. One goal of the District in having a representative was to accomplish this task, so Mr. Boethke said he was pleased, though it was certainly not complete. Mr. Boethke explained that it would be a good time to potentially engage with the PUA to get plans for this or for related issues, like easements, in writing. President Knuff said that perhaps since he was planning to resign from the Board in December 2021 that he could be a liaison between the Board and the PUA. President Knuff again said he was surprised that no residents came to the PUA meetings to discuss the wastewater plant, since it had been voiced as a concern for so long.

President Knuff mentioned that he has received comments on the silt fence and when it would be removed, and he explained that the County has to approve the work first.

Mr. Boethke said he would inform the PUA that President Knuff is planning to resign from the Board. The Board took **NO ACTION** on this item.

### **Item No. 9**

Item No. 9 was to discuss, consider, and take action as necessary regarding the Preserve. Mr. Norris updated the Board on progress on the dock. Mr. Norris explained that the completeness check regarding the permitting was a few weeks away. President Knuff said there needed be a proposal for the neighborhood to review at some point. Next year's budget won't not allow for the project unless the boat owners would be able to pay for it. Mr. Norris explained that obtaining permit approval will take least three months. President Knuff asked if it would be realistic to have a December presentation because the Pointe HOA's General Meeting will take place in December.

Next, Operations Manager Swanks explained that he had replaced some damaged boards on the dock with plywood, and has asked for a quote to replace all the wood with pine, as the current pine needs to be replaced despite being less than 10 years old. Trex material may be used, too, he said, and is



cheaper than lumber. Operations Manager Swanks said he was looking into working on replacing the boards immediately as a maintenance concern.

Next, Mr. Norris explained there is a large dead tree in the Preserve on Sonoma right by the storm drain. Operations Manager Swanks said he check it.

Next, President Knuff told the Board that a resident texted him that a homeowner dumped brush in the Preserve. President Knuff was able to review video footage of the resident driving a truckload of brush in and leaving without it. He also verified that the resident used his own key fob to enter the Preserve gate. President Knuff corresponded with the resident and asked for the brush to be picked up. The resident apologized and cleaned it up. President Knuff said it showed that the gate and video work to help the District prevent dumping debris in the Preserve.

Next, Mr. Norris asked about the kayak-rack lottery the District has in December to use the lottery rack. President Knuff said he would discuss it with the management company and that after he resigns the Board can continue the lottery or ask the Pointe HOA to have the management company handle it. Next, Operations Manager Swanks asked if the Pointe HOA should address the wet stairs with algae and about the Board discussed the loose gravel in the parking area because people get stuck trying to drive up the hill. Operations Manager Swanks said that technically there is no "parking area" there such that improvements can be made to make a parking lot, and that neither gravel nor mulch provide a good solution. Operations Manager Swanks mentioned that black road base might be added.

Next, the Board discussed zebra mussels issue on the dock and President Knuff said he inspected the dock and ladder and did not see any zebra mussels.

Last, the Board discussed installing park benches in the Preserve in the Fall. Operations Manager Swanks said Boy Scouts or Eagle Scouts might be able to put in the benches after Operations Manager Swanks purchases them.

The Board took **NO ACTION** on this item.

#### **Item No. 4**

Item No. 4 was to review and approve minutes of the August 12, 2021 regular meeting and the August 26, 2021 special meeting. President Knuff made a motion to accept the August 12 and August 26 meeting minutes. Director Rew-Hunter seconded the motion. President Knuff asked for revisions. Director Handsel suggested revisions to the August 12 minutes. President Knuff made a motion to accept the August 12 minutes with Director Handsel's revisions. Director Handsel seconded the motion. President Knuff called a voice vote and the motion **PASSED** unanimously.

President Knuff made a motion to accept the August 26 meeting minutes. Director Rew-Hunter seconded the motion. President Knuff called a voice vote and the motion **PASSED** unanimously.

#### **Item No. 5**

Item No. 5 was to discuss, consider, and take action as necessary regarding the District's financial reports and payment of bills and invoices. Operations Manager Swanks presented the bills in the meeting packet and a \$1,500 deposit refund. President Knuff moved to pay the bills in the meeting packet and the \$1,500 deposit refund. Director Rew-Hunter seconded the motion. President Knuff

asked for questions. After a brief discussion, President Knuff called a voice vote and it **PASSED** unanimously.

#### **Item No. 6**

Item No. 6 was to discuss, consider, and take action as necessary regarding maintenance of the District's facilities, including the ongoing Stormwater Basin Maintenance Project. Operations Manager Swanks reported that he was looking into repair of the dock planks, as discussed earlier, and would report that to the Board. Regarding the pond drainage and maintenance, Operations Manager Swanks said that DigDug estimates being finished in a month. DigDug is also in the process of pond maintenance and grading and re-vegetating a sidewalk. President Knuff said he shared the pdf of the project with a curious resident and that he was sharing it with homeowners. Director Handsel asked about the fountain and Operations Manager Swanks said the District does not maintain the fountain. President Knuff asked about restocking fish in the pond and Operations Manager Swanks said he would look into it. The Board took **NO ACTION** on this item.

#### **Item No. 10**

Item No. 10 was to discuss, consider, and take action as necessary regarding the District's website. President Knuff said the minutes are not updated on the website. He said that the June and July minutes need to be sent to Shay to be uploaded. Ms. McDaniel and Operations Manager Swanks will send the meeting minutes sent to Shay. President Knuff said Shay was considering moving the system to the Google mail server. The cost would be \$6/month for one email on Google workspace. President Knuff will ask Shay to present a proposal to the Board before President Knuff leaves the Board. The Board took **NO ACTION** on this item.

#### **Item No. 12**

Item No. 12 was to discuss, consider, and take action as necessary regarding the 2021-22 District budget. The Board made preliminary adjustments to the draft budget as shown in the attached exhibit. The Board tabled this item to return to later in the meeting. The Board took **NO ACTION** on this item.

#### **Item No. 9**

Item No. 9 was to discuss, consider, and take action as necessary regarding the Preserve, including discussion about coyote management. President Knuff reopened this item to state that Jim Norris had communicated to ask about electricity at the day dock, which is estimated to cost \$100,000. The Board discussed the necessity of a public hearing on options for the dock once the cost of a day dock and of a boat dock have been determined. President Knuff noted that the dock project might need to be postponed until 2023. The Board took **NO ACTION** on this item.

### Item No. 12

The Board reopened Item No. 12 to discuss, consider, and take action as necessary regarding the 2021-22 District budget, including adoption of a resolution. The Board adjusted the budget line item for landscaping to \$133,023.48 based on tonight's acceptance of the Landscaping Resources agreement for the next year. Mr. Wilburn said the District's revenue would have a slight increase based on the tax rate being reduced slightly while property values increased. The Board discussed the possibility of raising the tax rate next year to a rate that would require voter approval and the steps that would need to be taken.

Operations Manager Swanks stated that \$1,885,443.48 is the amended total amount of expenditures for the 2021-2022 budget, based on the addition of funds for landscaping. The Board discussed cash on hand and investments for wall construction and other items. Director Rew-Hunter inquired about penalties for cashing out investments if needed, and Operations Manager Swanks explained that there is no penalty, except for the loss of about \$100/month in interest that the investments earn. Director Rew-Hunter stated that if all goes to plan, then the District should still have about \$1 million in reserves. Operations Manager Swanks agreed, with the caveat that the amount would depend on the Resaca Boulevard fence replacement project.

President Knuff made a motion to approve the 2021-2022 budget with the \$10,000 amendment to the landscaping item. Director Rew-Hunter seconded the motion. President Knuff amended his motion to approve the 2021-2022 budget with the landscaping item set at \$133,023.48. Director Rew-Hunter seconded the amended motion. President Knuff called for a voice vote and the motion **PASSED** unanimously.

President Knuff made a motion to adopt the Resolution Adopting the Annual Budget as presented in the meeting packet. Director Rew-Hunter seconded the motion. President Knuff called for a voice vote and the motion **PASSED** unanimously.

### Item No. 13

Item No. 13 was to discuss, consider, and take action as necessary regarding the 2021-22 District tax rate. President Knuff made a motion to approve the orders setting the tax rates for MUD 3 Defined Area Taxing Unit and MUD 5 Defined Area Taxing Unit as presented in the meeting packet. Director Rew-Hunter seconded the motion and it **PASSED** unanimously.

The Board members executed the Amended and Restated Information forms for MUD 3 Defined Area Taxing Unit and MUD 5 Defined Area Taxing Unit for Ms. McDaniel and Mr. Wilburn to send to the County. The Board took **NO FURTHER ACTION** on this item.

## EXECUTIVE SESSION

The Texas Open Meetings Act, Chapter 551 of the Texas Government Code, authorizes the Board of Directors to convene in close or executive session for certain purposes, including receiving legal advice from the District's attorney (Sec. 551.071); discussing real property matters (Sec. 551.072); discussing gifts and donations (Sec. 551.073); discussing security personnel or devices (Sec. 551.076); and discussing information technology security practices (Sec. 551.089). If the Board of Directors goes into executive session to discuss any item on this agenda, the President Officer will announce that the Board will meet in Executive Session will be held, will note the time, and will identify the item to



be discussed and the provision of the Open Meetings Act which authorizes the Executive Session. The District may meet in executive session on any agenda item or any item listed below:

- A. the District's Preserve;
- B. West Travis County PUA;
- C. Safety issues related to COVID-19; and
- D. ongoing or pending litigation involving the District.

At 8:56 p.m., President Knuff announced that the Board would convene in Executive Session to receive legal advice from the District's legal counsel in accordance with Section 551.071 of the Texas Government Code.

At 9:02 p.m., President Knuff reconvened the Board in regular open session announcing that no motions were made and no action was taken during the Executive Session.

**Item No. 14**

Item No. 14 was to discuss future agenda items. The Board took **NO ACTION** on this item.

**Item No. 3**

Item No. 3 was to receive an update from the Lake Pointe Homeowners' Association. No representative of the Pointe HOA attended the meeting. President Knuff gave a brief update. The Board took **NO ACTION** on this item.

**Item No. 15**

Item No. 15 was adjournment. President Knuff made a motion to adjourn the meeting. Director Rew-Hunter seconded the motion. President Knuff called for a voice vote and the motion **PASSED** unanimously.

**PASSED, APPROVED, AND ADOPTED this 14<sup>th</sup> day of October 2021.**



(DISTRICT SEAL)

\_\_\_\_\_, Secretary



## **LAKE POINTE MUNICIPAL UTILITY DISTRICT**

### **MINUTES OF A MEETING OF THE BOARD OF DIRECTORS**

**September 30, 2021**

The Board of Directors of Lake Pointe Municipal Utility District (the "District") met in a special meeting, open to the public, at the Lake Pointe Community Center, 11700 Sonoma Drive, Austin, Texas 78738 on September 30, 2021 at 7:00 p.m. The meeting was also available to the public via videoconference. The District posted a copy of the notice of meeting along with associated certificates, attached as "Exhibit A."

President Knuff called the meeting to order at 7:00 p.m.

#### **Item No. 1**

Item No. 1 was to Call to Order and Establish Quorum. All of the Board of Directors were present:

Director Steven Knuff  
Director Robert Salgo  
Director Jason Rew-Hunter  
Director Penny Handsel.

Director Goff resigned after the September 16, 2021 regular meeting. Also in attendance were William Swanks with TUMCO, Cathy Mitchell with Jones|Carter, and Randall Wilburn and Grayson McDaniel with the Carlton Law Firm.

#### **Item No. 2**

Item No. 2 was to discuss and consider the boundary fence project. Ms. Mitchell distributed correspondence to the Board regarding the four bids that were received for the project. Ms. Mitchell explained that one of the bidders failed, by mistake, to attend the mandatory pre-bid conference. The Board can still consider the bid, but it was the highest bid offered at \$7,774,921.00 from Austin Engineering. Ms. Mitchell pointed out that the bids for the silt fence item of the project were clarified by Jones Carter. The four bidders were Johnson Services Company, with the lowest base bid of \$2,654,543.03; Frazzone Construction, BEC Austin, and Austin Engineering. She explained the rubric used for evaluating the bids, which took into account (1) contract bi price, (2) Offeror experience/past performance; (3) Project manager and superintendent experience, and (4) Proposed contract time. Based on these factors, Jones Carter recommended Johnson Services to win the contract. Ms. Mitchell noted that Jones Carter had not worked with Johnson Services before, but that they had called four of their references and received positive feedback. She also explained that Johnson Services has done fence replacement projects before. She noted the base bid was \$2,654,543.03 and the time estimated was 180 days, which is the length of time that the Board envisioned.

Director Rew-Hunter asked why there was such a discrepancy in the number of days the bidders provided for the project. Director Rew-Hunter noted that the two Austin companies estimated much longer periods and whether that had to do with their knowledge of the local work force and local regulations.

Director Salgo walked the Board through pricing estimates on line items for the project and that there were great variances in the unit prices for materials between the contract bids. Director Rew-Hunter asked Operations Manager how much was allocated in the budget for the project. Mr. Swanks said the budget is for \$1.8 million, and that the District has \$1.8 in reserves. He also noted that this project does not include the irrigation and the landscaping that will be in the next phase.

President Knuff expressed surprise at how long Frazzone Construction thought the project would take. Ms. Mitchell explained that they were the most concerned about building in time for conferring with residents.

President Knuff made a motion to approve the bid recommendation made by Jones Carter to award the contract to Johnson Services Company for the bid price of \$1,687,475.48, and to move as quickly as possible to get the documents and approvals executed to begin work. Director Salgo seconded the motion. President Knuff asked for questions. The Board discussed how the price of the bid was arrived upon, and Ms. Mitchell and Director Salgo explained that the base bid of \$2,654,543.03 minus the costs stated in the alternate bid. This is not a "design build," but merely allowed some variations in certain parts of the project to allow for slightly different design or materials to reduce cost. Ms. Mitchell explained that durability and structural soundness would not be affected. President Knuff asked for any additional questions or comments. There were none. President Knuff called for a voice vote, and the motion **PASSED** unanimously.

Ms. Mitchell noted that Jones Carter was still waiting for Travis County to issue the permit. Director Salgo thanked Ms. Mitchell, as did the remainder of the Board. The Board took **NO FURTHER ACTION** on this item.

### **Item No. 3**

Item No. 3 was Adjournment. President Knuff moved to adjourn the meeting. Director Salgo seconded the motion. The motion **PASSED** unanimously.

PASSED, APPROVED, AND ADOPTED this \_\_\_\_ day of October 2021.



(DISTRICT SEAL)

  
\_\_\_\_\_, Secretary