



Brian T. Hardin - Treasurer  
Rhonda Henry - Assistant Secretary/Treasurer  
Steve Davies - Director

and all of the Directors were present, with the exception of Directors Hardin and Nasky, thus constituting a quorum. Also present at the meeting were Skip Ferris and Becky Stathos with Severn Trent Services; Don Bayes with Gray-Jansing & Associates, Mike Willatt with Willatt & Flickinger; Jeff Forster with Neighborhood Sports; and District residents Maurya McKinnon of 1006 Old Mill Road, Mike Haecker of 2700 Dagama Court, Amber Coe of 2222 Macaw, Sherry Johnson of 2306 Macaw, Bobby Aziz of 917 Wood Ridge Lane, and Lila Lyckman of 2101 Windy Oaks Cove.

Director Hawk called the meeting to order at 6:16 p.m., and stated that the Board would first consider Agenda Item 18: Receive citizens' communications. Mr. Forster explained to the Board that he would like to volunteer to take care of scheduling practices at Hatch Field. Teams currently practice there on a first come/first served basis. An item will be added to next month's agenda to consider this.

Ms. McKinnon gathered numerous signatures on a letter requesting the Board's assistance in helping curb speeding along old Mill Road. Director Hawk said the Board would contact the Sheriff's Department asking that they patrol more. He also asked that an item be placed on the September agenda to revisit security services for the District.

Mr. Aziz wanted information on renting the pavilion and meeting room, but was told the rules have not been finalized and no timeline has been established for making the decision.

Mr. Haecker asked the Board's assistance with flooding from Anderson Mill West Park coming into his yard and that of his neighbor's. Director Hawk said he was involved in shooting the grade before those homes were built and they were draining properly at that time. This was referred to the parks subcommittee. All issues affecting parks should be an agenda item.

Ms. Coe confirmed that the meeting room has been reserved on August 24<sup>th</sup> for a meeting with the City and State Foresters. The benefit garage sale raised over \$1,000. Flyers have been distributed to all neighbors but she has not been able to obtain a list of names and addresses of District residents from STES. The oak wilt trenching project has been estimated to cost \$10,000. Mr. Ferris will break out the beautification funds per neighborhood to determine how much would be available to help with the project. Director Davies moved to approve up to \$1,000 for Severn Trent to copy and mail a flyer to Park Forest residents after it has been approved by the subcommittee. Director Henry seconded the motion, which passed unanimously. Ms. Coe will email the flyer to Ms. Stathos, who will forward it on to the new oak wilt subcommittee (Directors Davies and Henry) for approval.

On a motion by Director Davies, seconded by Director Henry, the Board voted unanimously to empower the oak wilt subcommittee to approve up to \$4,000 in funds for the trenching program subject to subcommittee approval.

Information regarding the oak wilt meeting scheduled for August 24<sup>th</sup> will be put on the marquee.

Director Hawk then called for Agenda Item 1: *Minutes from the July 21, 2004 regular Board meeting*. On a motion by Director Henry seconded by Director Hawk, the Board unanimously approved the Minutes from the July 21, 2004 regular Board meeting as written.

Director Hawk then called for Agenda Item 2: *Report from the District's engineer*.

a) *Terriville Dentist Office*

b) *El Salido Fence – Phase 1 Repairs*

Mr. Bayes reported that utilities are completed at the dentist office and they are working on the parking area. No engineering activity will be required until the punch list is ready.

Mr. Bayes said Great Walls of Texas estimated it would cost \$6,550 to repair 23 locations in the Phase 1 wall. This does not include any work by the design engineer, which he thinks would run about \$500. Upon the advice of the design engineer, they would replace brick and add expansion joints. Board members would like to see a copy of the engineer's report on the failures. Director Davies moved to authorize the park subcommittee to receive a proposal from the fence engineer to provide his findings and to act on that proposal and any other future maintenance issues. Director Henry seconded the motion, which passed unanimously. Mr. Bayes will contact Mr. Pulliam for a copy of his report.

Director Henry moved to authorize the parks subcommittee to approve the \$6,550 proposal for repairs to the Phase 1 fence if it is satisfied with the engineer's report. Director Hawk seconded the motion, which passed unanimously.

Director Hawk is going to be out of town for several months and asked Director Davies to fill in for him on park committee issues on an interim basis.

Director Hawk then called for Agenda Item 7: *Sunchase Channel*. Director Hawk said he and Director Nasky looked at the damage done to the channel by contractors constructing a swimming pool. Additionally, the June rains washed loose rock and dirt up to the headwall again. The Board asked Mr. Ferris and Mr. Bayes to evaluate the situation. Director Hawk said he would like to get bids to continue the headwall out a little farther and then concrete the apron for 100' or so. He would also like to consider possibly continuing the headwall downstream. Mr. Bayes was asked to put together a proposal for both Sunchase channel and Old Mill channel. He will talk to Eco Systems and STES to see if there are any other problem areas.

Director Hawk then called for Agenda Item 6: *Reimbursement of maintenance expenditures from surplus bond proceeds*. Mr. Willatt said surplus bond proceeds can be used to maintain properties previously bonded. He said a letter would be needed to transfer the funds from bond proceeds to the maintenance account.

At the end of each fiscal year, STES should compute how much was spent on maintenance of sewer lines, channels, etc., and Mr. Willatt will send a letter to transfer the funds from surplus bond proceeds and notify TCEQ. Authorization of the transfer should appear on the October agenda. A new accounting area should be created to compute and transfer funds every year. STES should notify the auditor of this procedure.

Director Hawk then called for Agenda Item 4: Budget. Mr. Ferris said the budget committee has been reviewing the draft and will be meeting in the next week or so. Mr. Willatt will e-mail a timeline to board members for scheduling a special meeting to set the tax rate and adopt the budget.

Director Hawk then called for Agenda Item 5: Tax Rate. There was no discussion under this Agenda item.

Director Hawk then called for Agenda Item 8: Directors' Fees. The per diem procedure drafted by Director Davies should be put in the next packet. STES must receive a notarized affidavit from Directors Hardin and Nasky before releasing their checks.

Director Hawk then called for Agenda Item 9: Crime Shield Policy. There was no discussion under this agenda item.

Director Hawk then called for Agenda Item 10: 2004 Liability-Property Rerate Exposure Summary. Mr. Ferris said Mack Ragsdale sent him a copy of contract documents for The Park at Lakeline Oaks facility. The rerate will probably be completed prior to the September meeting.

Director Hawk then called for Agenda Item 11: Oak wilt recommendations. This was discussed under a previous agenda item.

Director Hawk then called for Agenda Item 12: Management of District office. Director Hawk suggested scheduling a work session to get all the critical items ironed out. Mr. Willatt will investigate to see if rental of building can be restricted to District residents only.

The Board will hold a special meeting on Wednesday, September 1, to set the tax rate, adopt the budget, discuss issues related to management of the District office, and the District policy regarding rent and use of the District office. STES will put together a proposal to handle issues. Ms. Concienne will confirm a quorum.

Director Hawk then called for Agenda Item 13: District policy regarding rent and use of District Office. This was discussed under a previous agenda item.

Director Hawk then called for Agenda Item 14: Cedar Park fire protection. There was nothing to report on this agenda item.

Director Hawk then called for Agenda Item 15: District website. Director Davies said the website is ready and information can be put on the bottom of the bills, in the newsletter, and on the marquee.

The agenda for the next regular meeting should include an item for proposed permanent marquees at Anderson Mill West Park and The Park at Lakeline Oaks.

Director Hawk then called for Agenda Item 16: *Milburn Homes dedication of land*. There was nothing new to report under this agenda item.

Director Hawk then called for Agenda Item 17: *Discuss GASB 34 policy and procedures*. Mr. Ferris reported that Mr. Montemayor developed a spreadsheet laying out the general class of assets by date of acquisition. Severn Trent is in the process of locating builder reimbursement reports and hopes to be completed by next Friday's conference call.

Director Hawk then called for Agenda Item 19: *Report from the DRC and act on restrictive covenant enforcement*. Director Henry said no residents attended the meeting. Director Hawk is concerned about the white truck being worked on at 1703 Hickory and a gray pick-up with a flat tire in the nearby cul-de-sac. There is also a beat-up Volkswagen with no tags on or near Blazing Star.

Director Hawk will be out of town for several months so Director Nasky will preside over the meetings.

Director Hawk then called for Agenda Item 20: *Report from ACC*. Director Hawk asked that the Architectural Modification Request be changed to include Anderson Mill West and Park Forest. The form will be made available on the website.

Director Hawk then called for Agenda Item 21: *Rules for enforcement of restrictive covenants that include fines and termination of services*. There was no discussion under this agenda item.

Director Hawk then called for Agenda Item 22: *Matters regarding people who are not subject to the Lakeline Oaks deed restrictions*. There was nothing to report under this Agenda item.

Director Hawk then called for Agenda Item 23: *Report from the District's landscape contractor and related action*. There was no discussion under this agenda item.

Director Hawk then called for Agenda Item 24: *Report from the Park Subcommittee regarding park improvements*. There was no discussion under this Agenda item.

Director Hawk then called for Agenda Item 25: *El Salido Fence Project, including possible action against contractor and bonding company*. This was discussed under a previous agenda item.

Director Hawk then called for Agenda Item 26: *Lakeline Oaks Park and District Office Building*. This was discussed under a previous agenda item.

Director Hawk then called for Agenda Item 27: *Security system and/or additional patrol service for District office*. There was no discussion under this agenda item.

The Phase 2 fence project should be put back on the September agenda to discuss a correction behind Director Henry's home.

Director Hawk then called for Agenda Item 3: *Report from the District's General Manager, including payment of bills and invoices and transfer of funds.*

- a) Review and discussion of pending Board directives to Manager, attorneys, Board members and subcommittees*
- b) Water and wastewater system report*
- c) Billing report and financials*
- d) Security issues and vandalism*
- e) Security measures for the water system*
- f) Builder and aged receivables*
- g) Detention pond and related issues*
- h) Fire hydrant survey*
- i) Response to audit report*
- j) RBC Dain Rauscher*
- k) Yahoo e-mail account*
- l) Vulnerability Assessment Report*
- m) Waste Management contract*
- n) Modify District Rate Order in relation to discontinuation and reconnection of service*

Mr. Ferris said the City of Cedar Park master meter is still reading low. STES needs to stay on top of this.

It was confirmed yesterday that water for irrigation is running through the meter at the corner of El Salido and FM 620.

Mr. Ferris and Mr. Bayes went to Anderson Mill West Park to review drainage characteristics near the tennis courts.

Mr. Ferris described a dig at 1801 Old Mill Road. In TVing the line, it appeared that the blockage was on the District side. Once the dig was made, it was discovered that some of the blockage was on the resident's side. Mr. Ferris would like for a board member to view the pictures also. He will notify the resident that the film was reviewed and we are waiting for additional data. He will also tell the resident that he will probably be backbilled for a portion of the repair.

Responding to a pressure problem at 2303 Little Elm, STES found two kinks in the line on the District side of the meter. Other neighbors have indicated similar pressure problems.

Mr. Ferris told the Board that the same residents call every month for extensions. He was directed to only grant extensions as set out in the rules.

Director Davies reported that Director Hardin questioned the amount of Severn Trent's maintenance invoice, thinking that a portion of it should have been covered under the base fee. Mr. Ferris has put together a report for Director Hardin's review and they will further discuss the matter at a later date.

Director Davies moved to approve payment of bills and invoices with the exception of STES, and to hold per diem checks for Directors Hardin and Nasky until their notarized affidavits are received. Director Hawk seconded the motion, which passed unanimously.

Director Henry reported recent vandalism in the neighborhood. An Expedition was stolen from a homeowner's garage on Hunters Creek Drive and the air bag system was stolen out of Honda parked in a driveway on Little Elm.

Director Davies said he spent time with Scott Manuel identifying all District assets for the Vulnerability Assessment Report. The City of Cedar Park furnished him with the name of someone to contact for a bid to complete the report. One bid was previously received for \$10,000.

The item for the Waste Management contract should be removed from the agenda.

Director Hawk then called for Agenda Item 23: Adjournment. The meeting was adjourned at 9:50 p.m. (SEAL) \_\_\_\_\_ Steve Davies, Secretary Board of Directors Date: \_\_\_\_\_