

MINUTES OF MEETING OF THE BOARD OF
DIRECTORS OF WILLIAMSON-TRAVIS COUNTIES
MUNICIPAL UTILITY DISTRICT NO. 1

December 21, 2005

THE STATE OF TEXAS §

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COUNTIES OF WILLIAMSON AND TRAVIS §

A regular meeting of the Board of Directors of Williamson-Travis Counties Municipal Utility District No. 1 was held at 6:00 p.m. on December 21, 2005, at the District office at The Park at Lakeline Oaks, 1000 Old Mill Road, Cedar Park, Texas 78613. The meeting was open to the public and notice was given as required by the Texas Open Meetings Act. A copy of the Certificate of Posting of the Notice is attached as Exhibit "A".

Director Nasky called the roll of the members of the Board:

Barry D. Hawk	-	President
Brian Nasky	-	Vice President
Steve Davies	-	Secretary
Brian T. Hardin	-	Treasurer

All the directors were present with the exception of Directors Hawk and Hardin, thus constituting a quorum. Also present at the meeting were Bill Fry, Becky Stathos, and Kristi Shanks with Severn Trent Services; Bill Flickinger with Willatt & Flickinger; Chief Chris Connealy with the Cedar Park Fire Department; and District residents John Chadwell of 2814 Buckeye and James Shamard of 2400 Kristen Lane.

Director Nasky called the meeting to order at 6:10 p.m. and stated that the Board would first consider Agenda Item 1: Minutes from the November 16, 2005 meeting. Director Henry said she was the one who reported tree limbs being thrown over the fence into the Hatch Road detention area and asked Eco Systems to pick them up at the next scheduled mowing. Director Davies said he does not think there was enough detail included in the minutes regarding the fire protection contract discussion, but did not ask that anything else be added. On a motion by Director Henry seconded by Director Nasky, the Board voted unanimously to approve the November 16, 2005 minutes as amended.

Director Nasky then called for Agenda Item 2: Report from the District's engineer. Director Nasky said he told Mr. Bayes he did not think there was anything on the agenda that would require his attendance at tonight's meeting.

Director Nasky then called for Agenda Item 11: Cedar Park Fire Protection. Mr. Flickinger introduced Chief Connealy and said he invited him to the meeting this evening to answer any questions concerning the City's rate change from \$9.43 to \$12.85 per meter for fire protection. It is a long-term contract but can be terminated on one year's notice. The current contract expires at the end of December. The City Council will take up the contract at tomorrow night's meeting.

Director Nasky said District representatives met with the City to set up the current contract but then the City subsequently charged other MUD districts less. He said he would like to see a clause put into this contract saying Williamson-Travis County MUD #1 would not pay more than any other MUD district. Chief Connealy said they would not do so without City Council action. Director Nasky said he thinks the District will have more leeway now with a termination clause in

the contract and that the Fire Protection committee recommends approval. The committee has not reviewed other options and how they would affect residents' insurance rates.

Chief Connealy said the only other MUD left to negotiate with is Blockhouse and that will be in the next 60 days. The proposed rate for Blockhouse is \$12.85 also. Director Davies asked Chief Connealy the intent of the formula used for determining the amount charged per meter. Chief Connealy explained that they determine the number of residents being served and the budget of fire department, then multiply that by 3 for the average number residents per household. The 85% is to help pay city sales tax because of the districts' close proximity to the City. City residents are actually paying more when debt service is included. Director Nasky said the figures are based on 2003 numbers and will be recalculated at the end of 2006. The fee could go up but won't go higher than 85% of the personnel costs at Station 3, where there are currently four firefighters on staff every day. Director Henry said she wished the committee had checked other options, but Director Nasky said they were unable to find other good options. Mr. Flickinger said the committee can check other options after the first of the year.

Director Davies said he is in favor of signing the contract because he believes the formula is a fair calculation of expenses, it is the closest fire station, and provides the best protection for property owners. He said it is irksome if other MUDs get a better rate, but as long as the District is getting good service for the fees, he can't be upset.

On a motion by Director Davies, seconded by Director Nasky, the Board unanimously approved the contract for City of Cedar Park fire protection services.

Chief Connealy said to let him know if there is anything the Board wants the fire department to do or if they would like the department to participate in community activities such as parades and he would be glad to set it up.

A District resident told the Board that the City of Austin Fire Department does not contract its services outside the City, and he thinks District residents are lucky to have the City of Cedar Park Fire Department.

Director Nasky then called for Agenda Item 17: Receive citizens' communications. Mr. Shamard said his home backs up to the apartments. He submitted a plat map to Williamson County and PEC to relinquish a 7' utility easement that runs to the wall behind his home. He wants to build a pool in his backyard with a 2' walkway around the pool. The walkway would end up 5' away from the wall. He said all utilities are in the front. Mr. Shamard said he has been through Lakeline Oaks HOA, PEC, and Williamson County. He thought everything was in place to obtain a permit from the City of Cedar Park but the City told him he would need to get the easement vacated. Mr. Flickinger pointed out that there is not an action item on the agenda for this issue. STES will need to confirm that the easement is not needed. Mr. Flickinger said he was originally contacted about this issue by Ms. Nolte. She was instructed to get more information and have STES look at the easement on the ground. He also told her the resident would need to get his attorney draw up a document for Board consideration. Mr. Flickinger said he contacted Ms. Nolte prior to posting the agenda and she had not received anything from the resident. Mr. Shamard asked if the Board thought the easement could be vacated because he doesn't want to sign off on the loan for the pool he won't be allowed to put it in the ground. Director Davies asked if easements have been waived for any of the neighbors that have a pool but Mr. Fry didn't know. Mr. Shamard said he has received verbal approval from the cable and gas companies, but he needs to send them something to sign. Mr. Fry will verify through Mr. Bayes that nothing is in the easement. An action item needs to appear on the January agenda to handle this matter.

Director Nasky then called for Agenda Item 5: Repairs to District's CMU fence. Mr. Fry referred to his report in the packet, saying he has written many e-mails to the committee and Mr. Chadwell regarding the status of repairs. The all-thread had rusted causing cracks in the foundation, and the structural engineer who was consulted required modifications. Traffic control was required and the cost was more than originally thought resulting in a change order which Mr. Fry approved.

Workers removed the original rods, then re-drilled and epoxied new rods. Additionally, a car skidded into the construction site on December 8th, presumably due to the icy roads. It hit the stockpile of bricks and caused damage to the cross fence. On the same day, a car hit another portion of the wall at 2610 Buckeye Trail. The repaired wall is now up. The cap was put on today but needs to be inspected and the wall still needs to be washed down. Mr. Chadwell said not to worry about the post that was hit on the cross fence. He said he does not think the wall was originally put together well, but he is satisfied with the repair. He further stated he was initially opposed to the wall because of concern as to whether it would be put together properly. The bigger issue has been the level of communication during the repair process and he hopes

future repairs to the wall can be made on a more timely basis.

Mr. Fry said the company that makes the CMU block is in Round Rock and they gave him a list of contractors to call. After exhausting that list, he went to the yellow pages. He said there are a lot of contractors out there constructing this type of wall, but they are not interested in small repair jobs. He said that he thinks there needs to be a complete inspection of the wall to see if any repairs should be addressed during the next budget year. Safety should be the first consideration.

Mr. Fry will contact TML to see if the wall damage is covered.

The change order to CD Lone Star for repair work on the wall behind Mr. Chadwell's home was the result of the all-thread rods not being put in properly. The rust was not structurally damaging at this time, but would have been over the years. Mr. Kam had warned there could be unseen problems once the wall was opened. On a motion by Director Henry, seconded by Director Nasky, the Board unanimously approved the change order to CD Lone Star in the amount of \$709.

CD Lone Star has submitted a quote of \$4,680 to repair 25' of wall at 2610 Buckeye. That much length is required because the wall is now bowed as a result of being hit by the car. Director Davies said he would like more detail shown before approving the bid. He is especially concerned about the cost per linear foot to make repairs. On a motion by Director Davies, seconded by Director Nasky, the Board voted unanimously to refer the bid to the Infrastructure Committee and authorize the committee to approve up to \$4,680 in repairs. Mr. Fry will contact CD Lone Star and set up a time to meet with the committee. He will also notify the telephone company to replace the telephone cable sign knocked down by the car. CDLS has said they can tear down and replace the portion of wall in two day's time.

Director Nasky then returned to Agenda Item 17: *Receive citizens' communications*. Mr. Chadwell said his daughter plays on the slides in Anderson Mill West Park and that there is a significant amount of graffiti inside the slides. Mr. Fry will investigate and have the graffiti removed.

Director Nasky then called for Agenda Item 3: *Report from the District Manager and Affected Persons, including payment of bills and invoices and transfer of funds:*

- a) *review and discussion of pending Board directives to Manager, attorneys, Board members and sub-committees*
- 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) *RBC Dain Rauscher*
- j) *solid waste collection and disposal service*
- k) *marquees*
- l) *customer and resident complaints*
- m) *adjustment of delinquent accounts*
- n) *review changes made to Standard Operating Procedures (SOP) Manual*
- o) *collection of delinquent property taxes*

Directives were reviewed as follows:

BOARD MEMBERS:

- Director Nasky e-mailed September and October minutes to Mr. Schuessler
- Director Hardin contacted the EPA regarding the ERP
- There was no need for Director Nasky to e-mail directors to attend a special meeting concerning the ERP.
- Director Nasky has not contacted Director Hawk
- Director Nasky still plans to contact Commissioner Boatright
- Director Hardin and Mr. Fry will monitor the need for a camera and revisit if necessary
- Director Nasky has not yet gotten a quote on moving the backstop
- Director Davies is ready to work with Mr. Misenheimer regarding records retention. Mr. Flickinger has a draft retention schedule and will set up a meeting.
- Director Davies still wants to go on another drive with Ms. Nolte
- No crime watch information has been received from Ms. Lyon yet
- The ERP will be discussed under an agenda item

SUBCOMMITTEES:

- Park Rental – The policy regarding park rentals will be left as is and removed from the directives. The Board can waive deposits as needed. Director Davies will issue a key to Mr. Rocco and obtain his signature on the rules form. STES will make Volente Hills and Hunter's Glenn HOA's aware of the availability of the meeting room.
- Website – The directive to post revised park rental rules on the website should be removed

- Williamson County – The committee still plans to attend a commissioners' meeting
- Management – in the process working on the STES contract
- Infrastructure – The directive related to a possible water audit should remain
- Finance – Director Hardin might want to go back to STES' office while auditors are there, so this directive should remain
- Fire Protection – The committee has met with the City, but a new directive should be added to review other options for fire protection. A notice should be put on the bottom of the bill that the City of Cedar Park has raised the rate to the District effective January 1. A notice should also be put on the billboard in both parks.

ATTORNEY:

- John Carlton assured Mr. Flickinger that any mail received for the District is being forwarded
- There was no need for a special meeting on November 28 so no posting was necessary
- There was no need for a special meeting on November 28 so there was no agenda
- The offer on 2809 Cortez was extended to January 15, 2006 because the resident said he did not get the e-mail until two weeks later
- Mr. Flickinger will try to set up meeting on records retention
- Will work on documents related to condemnation by City of Cedar Park as received
- Keep residential drainage problems on Old Mill Road on the agenda
- Lawsuit regarding 2809 Cortez has been filed. This item can be removed from directives
- Mr. Flickinger will forward election information to Director Davies to post on the website

ENGINEER:

- All GJA directives remain the same

GENERAL MANAGER:

- The minutes of September 21, 2005 were corrected
- First deed restriction letters were sent to 1008 and 1100 Old Mill Road. Copies should be sent to Mr. Flickinger
- Eco Systems picked up limbs in Hatch Road detention pond today after Director Henry noticed the limbs still on sight at Hatch Road detention pond.
- Notice of the recycling meeting on January 5 appeared on bills mailed in November & December. Put notice on bulletin boards in parks also. There will not be a quorum so there will be no need to post an agenda.
- September & October minutes e-mailed to Director Nasky
- Ms. Nolte is working with Mr. Misenheimer to put more detail in the Admin manual for procedures related to deed restrictions
- Copies of tax collection contracts are in the packet. An action item should be placed on the next agenda.
- The committee listing has been updated
- Mr. Nees was contacted regarding whispering during meetings
- Five accounts were turned over for collection
- Additional information was sent to Director Davies regarding reconnection fees for 1301 Texas Oak Way. Appears to have been an oversight and can be removed
- CD Lone Star was notified to repair the wall at a cost not to exceed \$10,320, but a change order was required to complete the job.

- Residents were contacted about wall repair and safety precautions were taken and monitored
- A check returning Lakeline Oaks HOA's building deposit is ready for signature tonight
- A new space shuttle has been ordered to Anderson Mill West Park
- Repair of pickets on the gazebo in Anderson Mill West is ongoing and can be removed from the directives
- No written quote has been received yet from Eco Systems for recommendations on grass
- Replacement of the ADA access mat at Anderson Mill West Park is still pending
- The volleyball court has been tilled up and sand added
- The requested quote to repair the Anderson Mill West basketball court is in the packet
- Signs have been installed outside the Lakeline Oaks tennis courts
- The clean-out work in Sunchase Park has not been done yet, but is scheduled
- Pea gravel has been added to the northeast play area
- STES is in the process of installing a bike rack
- Repair of pickets as needed in Lakeline Oaks is ongoing and can be removed from the directives
- Eco Systems will remove the dead tree in Madeline Loop detention pond for \$750
- STES will continue following up with Eco Systems on any issues
- Installation of signs at all major entrances to the District will be completed before the next meeting. Director Davies said he thinks there are too many signs in the District, but Mr. Fry said this project does not involve installation of new signs, but becoming more consistent with uniform signs.
- All lift stations now have the same signage

- Obtain more temporary-type signs for fireworks that do not mention fire arms and leave this up through year-end. This item needs to remain on the directives
- Information about obtaining a tennis key has been posted at Lakeline Oaks tennis court
- Installation of “no motorized vehicles” signs in Lakeline Oaks and Sunchase is still pending
- District identification has been posted on the Anderson Mill West posting board
- Mr. Fry will send a letter to the resident on Rainfall Trail to contact him about the sprinkler head damaged during wall construction.
- An item will be on the next agenda regarding tax collection
- A check has been cut to Children’s Courtyard for signature tonight. Workman’s Corp and ANDCO Construction have been called and letters sent.
- Mr. Fry and Director Hardin will monitor the need for a camera and revisit if necessary
- STES has still not been able to meet with contractor regarding building repairs. Mr. Henderson is researching the name of the company that did the tile work
- Mr. Fry and the Management committee are in the process of working on the STES contract
- The missing letters on the Anderson Mill West posting board have been replaced by signage matching that at Lakeline Oaks.

Customers must pay their delinquent taxes directly to the Tax Assessor-Collector. STES has been contacted by all three residents who recently received letters. STES is not recommending any termination of service at this time.

Director Nasky asked if the \$11,000 error on the commercial sewer bill for Christianson had been adjusted and Ms. Shanks said it had.

On a motion by Director Henry, seconded by Director Nasky, the Board voted unanimously to write off one account (#982-0198-05 in the amount of \$8.74) and to turn over two accounts for collection (#982-0608-05 in the amount of \$130.69 and #982-0076-04 in the amount of \$44.95).

The Board reviewed the two quotes from K-Courts, the same company that installed the Lakeline Oaks basketball court. Basic resurfacing would cost \$2,400, and it would cost \$3,400 to resurface with "Plexiflor". The court at Anderson Mill West is basically a concrete square with asphalt in the middle, and the one at Lakeline Oaks is all concrete. Any action on this item will have to be taken under the agenda item dealing with park improvements.

The Board then discussed an e-mail Mr. Fry received from the resident at 1903 Ebony. The resident paid \$93.58 after talking with Mr. Fry but said he is only going to pay the delinquent amounts to keep his water from being turned off. He now owes \$208.13, of which \$159.09 is delinquent. Mr. Fry was directed to let the resident know the Board is sympathetic to his problems, but that he needs to follow the District policy.

Mr. Fry then called the Board's attention to information in the packet regarding 1409 Mimosa Pass. He gave the resident an extension but told her she must come in by noon to make the payment or her water meter would be pulled. Payment was not received by the specified time so the meter was pulled. The resident's fiancé came in later in the day and paid her bill, including the pulled meter fee of \$100.

Director Davies stated that anything included in the packet is a matter of public record.

Mr. Fry said he does not know if Waste Management has cleaned streets in the District. He will follow up with WM to review the street clean-up. The recycling meeting is scheduled for January 5, 2006.

Ms. Shanks then reviewed financial transactions of the District during November. She said two

transfers will need to be signed tonight – one transferring funds back into Debt Service due to an incorrect invoice on the last bond payment, and one transferring 38¢ into the Operating account in an effort to get the Park account closed.

Director Henry said the Lakeline Oaks HOA will probably be coming to the Board next month to request \$2,175 for beautification. Mr. Flickinger said there is a standing item on the agenda to cover such requests.

On a motion by Director Henry, seconded by Director Davies, the Board unanimously approved payment of all bills and invoices totaling \$155,034.07. This includes an invoice from GJA in the amount of \$375.

Director Nasky then called for Agenda Item 4: Service Agreement with Severn Trent Environmental Services and Planned Community Management Inc. for General Management and Deed Restriction Enforcement Services. Mr. Fry called the Board's attention to the proposed amended service agreement in the packet. He then distributed copies of the proposed deed restriction contract which was e-mailed to Board members earlier in the week. He said Severn Trent would like for the new contracts to become effective January 1, 2006 for a 2-year term. The monthly base fee in of the service agreement has been reduced from \$15,500 to \$15,000. Mr. Fry pointed out that Ms. Stathos' time for preparation of minutes is currently being billed separately, but would be included in the new contract.

The current contract, executed five years ago, only contained \$500 for deed restriction enforcement, but that function has grown considerably. Director Davies said he would like to see some enhancements to the information provided by the PCMI system. The contract for deed restriction enforcement needs a little more work and probably more detail. Director Hardin had requested that it contain an Exhibit "A" that can be changed from time to time. Mr. Fry will oversee both contracts.

Mr. Flickinger has not reviewed the contracts and said he would need direction from the Board to do so. He expressed concern that with two separate contracts you run the risk of one contract being canceled and the other one not. Mr. Fry said the current contract was for a two-year term

but has been month-to-month for the last three years. The \$4,000 fee was arrived at by using all of Ms. Nolte's time as well as a vehicle. Mr. Flickinger prior to the next meeting showing the basis for the pricing, suggested Mr. Fry prepare a schedule of calculations. Mr Fry indicated that he would have the information available at the next meeting.

Director Davies said he told Mr. Fry he did not want to be a party to a one-sided contract. For a fee of \$4,000 he will want to see changes and more than what is being provided now. He has also requested that letters be tuned down so they focus in on the issue rather than the process.

On a motion by Director Davies, seconded by Director Nasky, the Board voted unanimously to authorize legal review of both contracts.

Director Nasky then called for Agenda Item 6: *Condemnation filed by City of Cedar Park*. Mr. Flickinger said this subject was covered during discussion of directives.

Director Nasky then called for Agenda Item 7: *Emergency Response Plan*. Director Davies feels the plan is complete now, but that it should be kept confidential. The Board can continue fine tuning it as necessary. On a motion by Director Davies, seconded by Director Henry, the Board voted unanimously to adopt the Emergency Response Plan as presented. Director Henry then moved to authorize Director Nasky to sign the certification of completion of the Emergency Response Plan. Director Davies seconded the motion, which passed unanimously.

Director Nasky then called for Agenda Item 8: *Residential drainage problems on lots on Old Mill Road*. There was no discussion on this agenda item.

Director Nasky then called for Agenda Item 12: *Signs and markers within the District*. This was discussed under a previous agenda item.

Director Nasky then called for Agenda Item 13: *Amend District Rate Order – Fire Protection Fees*. Mr. Flickinger said the only change in the Rate Order was the addition of one sentence to paragraph E regarding the increase in fire protection fees. On a motion by Director Henry, seconded by Director Davies, the Board voted unanimously to approve the amended District Rate Order.

Director Nasky then called for Agenda Item 9: *Access Control, Building Security, and Site Surveillance for 1000 Old Mill Road*. There was no discussion on this agenda item.

Director Nasky then called for Agenda Item 10: *District website*. Director Davies said he would like to be relieved of the responsibility of maintaining the website at some point in the future. Director Nasky suggested putting something on the website to see if anyone in the District would be interested. A notice could also be put in the next newsletter. No action was taken at this time.

Director Nasky then called for Agenda Item 14: *Amended Information Form*. Mr. Flickinger explained that the District Information Form needs to be amended since the tax rate was lowered. He said he does not think this is the proper document to mention deed restrictions. Director Henry moved, seconded by Director Nasky, to amend the Information Form. Motion carried unanimously.

Director Nasky then called for Agenda Item 15: *District Registration Form*. Mr. Flickinger said at the last meeting there was some concern expressed as to whether TCEQ has updated information. He has determined that they do have the correct information on file so the District Registration Form does not need to be amended at this time.

Director Nasky then called for Agenda Item 16: *TCEQ Database on District*. Mr. Flickinger checked the TCEQ website and found all information is current. Director Davies expressed concern about work and cell phone numbers appearing in public records.

Director Nasky then called for Agenda Item 18: *Report from the DRC and act on restrictive*

covenant enforcement. An extension was granted to a lady whose ex-husband had passed away. She is awaiting probate of his will so she can get the money necessary to repair the windows in his garage door before putting his home up for sale. A resident has obtained signatures from neighbors on London Lane to approve basketball goals throughout the subdivision. The committee instructed him to take the argument to his ACC.

Director Nasky then called for Agenda Item 19: *Report from the ACC.* There was no discussion on this agenda item.

Director Nasky then called for Agenda Item 20: *Funding for and interaction with homeowners associations within the District to facilitate operation of Architectural Control Committee and other HOA functions.* When Lakeline Oaks HOA submits a request for beautification funds, it must comply with the same restrictions set for Anderson Mill West Neighborhood Association.

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

Director Nasky then called for Agenda Item 22: *Report from District's landscape contractor and related action.* There was no discussion on this agenda item.

Director Nasky then called for Agenda Item 23: *Report from the Park Subcommittee regarding park improvements.* On a motion by Director Henry, seconded by Director Davies, the Board voted unanimously to have K Courts do the basic resurfacing of the Anderson Mill West tennis courts at a cost of \$2,400 and for STES to cut a check from the Manager's account to cover the 20% due upon execution of the contract. Since the park was not built with bond money, this repair cannot come out of surplus funds.

Director Nasky then called for Agenda Item 24: *All matters related to the District's parks, fields and office building.* There was no discussion on this agenda item.

Director Nasky asked that the Bills & Invoices committee review the tax collection contracts and be prepared to make a recommendation to the board by the January meeting.

Director Nasky then called for Agenda Item 25: Adjournment. The meeting was adjourned at 10:07. p.m.

Steve Davies, Secretary

Board of Directors

Date: _____