

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

January 17, 2007

THE STATE OF TEXAS

§

§ §

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 January 17, 2007, 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.

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

Chris Rocco	-	President
Steve Davies	-	Vice President
Linda Garrett	-	Secretary
Brian T. Hardin	-	Treasurer
Luis Zervigon	-	Assistant Secretary/Treasurer

All the directors were present, thus constituting a quorum. Also present at the meeting were Bill Fry, Kristi Hester, and Becky Stathos with Severn Trent Services; Bill Flickinger with Willatt & Flickinger; and Don Bayes with Gray-Jansing & Associates.

Director Rocco called the meeting to order at 6:09 p.m. and stated that the Board would first consider Agenda Item 3: *Report from the District's engineer*.

a. Approval of Site Utility Improvements for Wheeler Retail (Lot 2, Replat of Lot 1,

Block B of Anderson Mill West, Section Nine)

b. Water and Wastewater Utility Service to Lot 2 of Replat of Lot 1, Block B of Anderson Mill West, Section Nine – Wheeler Retail

Mr. Bayes said the project engineer has addressed all review comments. He recommended approval of the project subject to execution of the agreement with the City of Cedar Park. On a motion by Director Davies, seconded by Director Garrett the Board voted unanimously to approve the project and to authorize Director Rocco to execute the agreement regarding water and wastewater service between the District and the City.

Mr. Bayes said he was asked by STES to provide a copy of the preliminary operating procedure for utilization of a structural engineer to handle fence repair issues. Director Zervigon moved to approve the draft of the procedure as the standard operating procedure for wall complaints. Director Garrett seconded the motion, which passed unanimously. Director Zervigon requested that a copy be furnished to directors for their notebooks.

Mr. Bayes received a phone call from Marc Frease with UPC Development regarding a 5.4 acre tract on El Salido. Mr. Bayes referred Mr. Frease to STES and asked to be notified when the \$5,000 deposit is received.

Director Hardin inquired about billing rates shown on the GJA invoice. The invoice will be held until Mr. Bayes can investigate.

Director Rocco then called for Agenda Item 4: *Report from District's 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*
- p) *preventative maintenance program*
- q) *quarterly investment reports*
- r) *committee reports*

STES will check with its IT Department in an effort to locate project management software which would provide a mechanism for an institutional memory system to manage and monitor District decisions.

Recommendations from committees should be attached to directives. Minutes and directives should refer to any attachments and the attachments should refer back to the minutes and directives.

Directives were reviewed as follows:

BOARD MEMBERS:

- All directives have been completed with the exception of the on-going directives.

SUBCOMMITTEES:

- DRC – Notifying the HOA and ACC presidents about future dog complaints is now part of STES' SOP.
- AUDIT – The Audit Committee will now be responsible for developing a risk assessment process for the District.
- INFORMATION MANAGEMENT – Director Rocco will draft the reduction of “trash juice” article for the next newsletter.
- INFORMATION MANAGEMENT – Director Rocco will develop the educational material on duties of a MUD, an ACC, and an HOA.
- VULNERABILITY STUDY – The VA was reviewed and returned to Kimmons Security to for changes.
- PARKS – STES will see what the dedication plaque in Anderson Mill West Park says.
- INFRASTRUCTURE – Inclusion in the packet of an activity report on fence repairs should be moved to “on-going.”
- DEED RESTRICTIONS – The possibility of resuming night drives will be discussed at the DRC meeting in February.
- AUDIT – Preparation of the MD&A is in progress.

ATTORNEY:

- All current directives have been completed.
- Directives on the records retention project and condemnation proceedings should be moved to “on-going.”
- The directive to add an agenda item for Lot 2, Blk. B of AMW Section 9 should be removed.
- All other directives should remain.

ENGINEER:

- There was no change in directives

SEVERN TRENT:

All current directives have been completed with the following notes or exceptions:

- Review of the file for 3109 Pepper Grass will be discussed at the February meeting.

- Investigation is pending to determine if the PEC easement is also a drainage easement.
- The reconsidered motion regarding clarification of violation notices was passed unanimously at the November 30, 2006 meeting.

All pending directives from prior meetings have been completed with the following notes or exceptions:

- The ERP is still pending.
- The City is willing to amend the contract related to water purchases.
- Working with Director Hardin on a business plan for rental of a camera should be moved to “on-going.”
- STES has not been able to obtain written confirmation from other waste companies for a contingency plan. Mr. Fry said he would provide the Board written notification of STES’ intentions in the event WM does not fulfill its contract.
- Insurance would cost \$630/year for fire hydrants and \$1,050/year for night watchman lights, with a deductible of \$1,000 in both cases. The Insurance Committee will consider the issue.
- A CMU wall very similar to the District’s is being constructed on Hwy. 620. STES will attempt to obtain the name of the contractor as well as the engineer. Time and material costs for repairs has still not been obtained from the Grass Patch.
- The directive to attach the computerized PM list as an appendix to the contract was requested by the Infrastructure Committee on 11/10 and is pending.
- The directive to amend the STES contract was requested by the Infrastructure Committee on 11/10 and is pending.
- All work approved as a result of the recent fire hydrant and manhole surveys has been completed with the exception of painting the hydrants, which will be done as soon as weather permits.

On-going directives:

- Director Davies has received notification from an outside source about legislative activities now going which could affect the District. He will forward the information to Mr. Fry who will investigate why he has not been notified by AWBD about the issue.

On a motion by Director Hardin, seconded by Director Garrett, the Board unanimously approved the following items shown on the Parks Maintenance List:

PARK	TASK	COST
------	------	------

LLO	Re-stain gazebo	\$375 - STES
AMW	Replace 3 BBQ pits	\$936 - STES
Hatch DP	Graffiti removal	\$675 - Off-the-Wall
Hatch DP	Replace sign	\$175 - STES

Ms. Hester said she will add security activity logs and a summary to future packets. Director Rocco is going to meet with Deputy Doyer.

Ms. Hester e-mailed Eco Systems about detailing rates on future invoices.

Mr. Fry explained that the roots were in the District's line at 2803 and 2805 Buckeye.

Mrs. Hester reviewed the December financials and distributed a revised check detail list. On a motion by Director Garrett, seconded by Director Zervigon, the Board unanimously approved checks #7776 – #7817, but will hold check #7779 payable to Gray-Jansing in the amount of \$674.08. The approved checks total \$158,040.77.

Director Rocco then called for Agenda Item 5: Newsletter. Director Rocco cannot access the e-mail account containing responses from residents interested in preparing the newsletter. A formal RFP will be included in the next newsletter.

Director Rocco then called for Agenda Item 6: Management Services Agreement and Deed Restriction Enforcement Management Services Agreement with Severn Trent Environmental Services, Inc. There was no discussion on this agenda item.

Director Rocco then called for Agenda Item 7: Request for Qualifications to Management Companies. Director Zervigon moved to authorize GJA to collect information on companies qualified to do deed restriction enforcement at a cost not to exceed \$600 and to ask STES to also submit a list. Director Garrett seconded the motion, which passed unanimously.

Director Rocco then called for Agenda Item 8: Repairs to District's CMU Fence. Mr. Fry reported that no repairs are needed at this time.

Director Rocco then called for Agenda Item 9: District Website. This item was addressed, but no motion was made.

Director Rocco then called for Agenda Item 10: Fire Protection Services. This item was addressed, but no motion was made.

Director Rocco then called for Agenda Item 11: *Solid Waste Disposal Contract*. On a motion by Director Zervigon, seconded by Director Garrett, the Board voted unanimously to have STES go ahead with three tests at a cost of \$65 each if the tests can determine if the samples are petroleum based and to not test additional samples until such time as directed by the Board.

Director Rocco then called for Agenda Item 12: *District Depository, Bank Accounts*. Signature cards are still needed for the Dain Rauscher accounts.

Director Rocco then called for Agenda Item 13: *Electronic payment and credit card agreements for payments by customers*. Mr. Flickinger reviewed the agreements and does not see any problem with them. On a motion by Director Zervigon, seconded by Director Davies, the Board voted unanimously to approve the agreements allowing e-check and credit card payments by customers. Ms. Hester will bring the agreements to the February meeting for signature.

Director Rocco then called for Agenda Item 14: *Amend Rate Order*. Mr. Flickinger will draft an amendment to the Rate Order allowing use of e-checks and credit cards as methods of payment for current charges as well as delinquencies.

Director Rocco then called for Agenda Item 15: *Strategic planning process*. The Audit Committee will negotiate with Ms. Baker and bring a proposal to the next meeting.

Director Rocco then called for Agenda Item 16: *Emergency Response Plan and Vulnerability Assessment and compliance with statutory and regulatory requirements in connection with same*. Director Rocco will send the Board a copy of the changes he requested Mr. Dunlap make to the VA. Mr. Fry distributed revision #4 to the ERP.

Director Rocco then called for Agenda Item 17: *Audit*. On a motion by Director Hardin, seconded by Director Garrett, the Board unanimously approved the audit subject to approval by the Audit Committee.

Director Rocco then called for Agenda Item 18: *Appointment of District Spokesperson*. Director Rocco appointed STES to be spokesperson for the District, but said it in no way prevents any Board member from speaking to the press as long as the Board member makes it clear he/she is speaking for themselves as a citizen and not as a member of the Board.

Director Rocco then called for Agenda Item 19: *Annual review of District Investment*

Policy. On a motion by Director Hardin, seconded by Director Zervigon, the Board voted unanimously to approve the resolution regarding annual review of the District Investment Policy and Investment Strategies and to direct Director Rocco to sign the resolution.

Director Rocco then called for Agenda Item 20: *Plumbing Inspection Contract with City of Cedar Park (current contract expires March 28, 2007).* Director Hardin moved to extend the contract for five more years. Director Garrett seconded the motion, which passed unanimously.

Director Rocco then called for Agenda Item 21: *Water conservation programs including provision of low flow showerheads and faucet aerators and rebates for installation of low flow toilets.* Mr. Fry said the City of Cedar Park does not presently offer water conservation or rebate programs.

Director Rocco then called for Agenda Item 22: *Receive citizen's communications.* There were no citizens present to address the Board.

Director Rocco then called for Agenda Item 23: *Report from DRC and act on restrictive covenant enforcement.* This item was discussed, but no action was taken.

Director Rocco then called for Agenda Item 24: *Appointment of Member of DRC to replace Steve Davies, whose current term expires January 17, 2007.* Director Rocco was appointed to serve on the committee for a six-month term expiring July 18, 2007. He said he will keep Director Davies in the communications loop to ensure a smooth transition.

Director Rocco then called for Agenda Item 25: *Approval of DRC Minutes.* On a motion by Director Davies, seconded by Director Garrett, the Board unanimously approved the minutes from the January 10, 2007 DRC meeting.

In response to a question, Mr. Flickinger said a resident cannot be compelled to maintain the area between the gutter and the asphalt.

Director Rocco then called for Agenda Item 26: *Report from ACC.* There was no discussion under this agenda item.

Director Rocco then called for Agenda Item 27: *Funding for and Interaction with Homeowners Associations within the District to facilitate operation of Architectural Control Committee and other HOA functions.* STES will continue putting a copy of the report in the packet.

Director Rocco then called for Agenda Item 28: *Rules for enforcement of restrictive covenants that include fines and termination of services*. The DRC will work with STES on this issue.

Director Rocco then called for Agenda Item 29: *Report from District's landscaper contractor and related items*. There was no discussion under this agenda item.

Director Rocco then called for Agenda Item 30: *Report from Parks Subcommittee regarding park improvements*. This item was addressed, but no motion was made.

Director Rocco then called for Agenda Item 31: *All matters related to the District's parks, fields, and office building*. This item was addressed, but no motion was made.

Director Rocco then called for Agenda Item 1: *Minutes from December 13, 2006 meeting*. On a motion by Director Garrett, seconded by Director Davies, the minutes from the December 13, 2006 meeting were approved with the following corrections:

- Page 2: The second sentence of Mr. Waits' comments should read "Residents should be complaining to animal control and law enforcement."
- Page 6: It should be noted that Direction Hardin left the meeting after discussion of Agenda Item 11.

STES should add the newly approved method of taking minutes to the Administrative SOP manual.

Research of restrictive covenants of commercial property (Agenda Item 19 at the December 13, 2006 meeting) was referred to the DRC.

Director Davies' motion regarding deed restriction enforcement adopted on December 13, 2007, should be added to the SOP on deed restriction enforcement.

Director Rocco then called for Agenda Item 2: *Reconsideration of Minutes previously approved with oral revisions (November 15 & 30)*. There was no discussion under this agenda item.

Director Rocco then called for Agenda Item 28: *Adjournment*. The meeting was adjourned at 10:12 p.m.

Linda Garrett, Secretary
Board of Directors

Date: _____