

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

September 26, 2007

THE STATE OF TEXAS §
§
COUNTIES OF WILLIAMSON AND TRAVIS §

A special meeting of the Board of Directors of Williamson-Travis Counties Municipal Utility District No. 1 was held at 12:00 p.m. on September 26, 2007 at the office of Willatt & Flickinger, 2001 North Lamar, Austin, Texas 78705. 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 with the exception of Director Zervigon, thus constituting a quorum. Also present at the meeting were Bill Flickinger and Heather Magennis of Willatt & Flickinger.

Director Rocco called the meeting to order at 12:00 noon and stated that the Board would first consider Agenda Item 1: Deed Restriction Enforcement Services Contract. Director Davies presented the Board with a Deed Restriction Contract Evaluation sheet, detailing his personal evaluations after meeting with two of the four companies to provide submissions to the District for deed restriction enforcement services. Director Rocco's personal evaluations were also included. A copy of the Evaluation Sheet is attached to these Minutes. The Evaluation Sheet used a numerical scoring system to measure varying levels of functionability and impressions made by the two individual companies, Associa, the parent company of Alliance, and RealManage. Directors Rocco and Davies reported that they had met with both companies. They also reported to the Board their impressions of both companies, finding that both would be competent and able to handle the District's needs. All of the Directors agreed that the choice should be based on the company itself, rather than the specific management personnel that may change from time to time unexpectedly. There was considerable discussion among the Directors as to the number of inspections performed by each company monthly, their ability to take photographs, the potential ease of transition from Severn Trent's previous enforcement history and the value of service compared to the proposed fees. Motion was made by Director Hardin to instruct and authorize the Management Committee to attempt to negotiate with RealManage to come up with a written contract

equivalent to the Request for Proposal, failing which they would then do the same with Associa (Alliance). Director Garrett seconded the motion which passed unanimously. The Contract will come back to the Board unsigned, for approval at the next regular Board meeting. Motion was then made by Director Hardin to authorize the Management Committee to engage Bill Flickinger in these contract negotiations. Director Garrett seconded the motion which passed unanimously.

Director Rocco then called for Agenda Item 2: Auditor's Engagement Letter. Motion was made by Director Hardin and seconded by Director Garrett to accept the auditor's engagement letter for the year ended September 30, 2007, as presented. A copy of the auditor's engagement letter is attached to these Minutes. The motion carried unanimously and Director Rocco signed the engagement letter.

The meeting was adjourned at 1:20 p.m.

Linda Garrett, Secretary
Board of Directors

Date: _____

Attachments: Evaluation Sheet (1 page)
Auditor's Engagement Letter (5 pages)