

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

October 17, 2007

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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 October 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; Don Bayes with Gray-Jansing & Associates; Greg Vinella with Austin EcoSystems; Kirk Harrison with Waste Management; and District resident and Beverly Zervigon.

Director Rocco called the meeting to order at 6:09 p.m. and stated that the Board would first consider Agenda Item 1: *Minutes from September 19, 2007 and September 26, 2007 meetings*. On a motion by Director Garrett seconded by Director Zervigon, the Board unanimously approved the minutes of September 26, 2007 as written, and the minutes of September 19, 2007 with the following changes.

Page 2, Agenda Item 24 should be revised to read:

“ . . . Mr. Flickinger said he does not interpret this motion as broad enough authorization to file a lawsuit between now and the October meeting. Director Hardin suggested authorizing Mr. Flickinger to file suit should the owner and resident fail to take action to repair the fence. Mr. Flickinger suggested allowing the owner and resident ten days to commit to corrective action. Director Zervigon revised his motion accordingly. Director Garrett seconded the revised motion, which carried unanimously.”

Director Rocco then called for Agenda Item 2: *Reconsideration of Minutes previously approved with oral revisions*. On a motion by Director Garrett, seconded by Director Zervigon, the August 15, 2007 minutes were revised with the following changes:

Page 2, Agenda Item 5, Paragraph 2 should be revised to read:

“Director Rocco will work on an article explaining the responsibilities of HOAs, counties, the MUD, and STES”.

Director Rocco then called for Agenda Item 3: *Report from the District’s engineer*.

- a) *Complaints by residents regarding drainage problems and the impact of District’s CMU fence on such areas*
- b) *New commercial development; Starfish; WCAD Reference No. R314445; Terriville 2 El Salido*
- c) *City of Cedar Park extension of water line on El Salido*

Mr. Bayes said he was not aware of any drainage or wall complaints.

Mr. Bayes reported that he received correspondence from Starfish’s engineer, but has not seen a site plan. According to the engineer, the Williamson County and Cities Health District is requiring a letter from the utility service providers stating that utility

service is available for the property. The City of Cedar Park required that utility service for the combined tract, which has been replatted, be provided by the entity within whose service area or boundary that particular tract was located. Director Hardin moved to grant the permission requested. Director Davies seconded the motion, which passed unanimously. Mr. Bayes will draft a letter for Mr. Flickinger's review. Director Rocco indicated he will call Sam Roberts about the issue.

Extension of the water line on El Salido can be removed from the agenda.

Director Rocco then called for Agenda Item 25: *Report from the District's landscape contractor and related action*. Director Hardin noticed at the B&I Committee meeting that an extra mowing and weeding is being done by the pond. Mr. Fry explained that STES had been doing some hand trimming and asked EcoSystems to handle it. This has never been a part of Eco's base fee. Director Hardin suggested looking at the contract and adding what is necessary. This will include mowing the lift stations 10 times a year and a schedule of rates. STES and Eco will work together on the contract and also include a map. The revised contract will be presented to the Parks Committee for approval before going to the Board

Director Rocco then called for Agenda Item 11: *Solid Waste Disposal Contract*. Ms. Stathos mentioned receiving a report of a WM employee going through the trash. Mr. Harrison said the company has a very strong policy against scavenging. It is possible he could have seen or smelled something questionable in the trash. Mr. Harrison will let Director Rocco know details about disposal of lawnmowers, paint, etc.

WM wants to discontinue use of their boom trucks because of the problems they present. Residents will need to be reeducated about bundling brush and tree limbs. Director Hardin moved to authorize the Solid Waste Committee to work on modification of rules due to the boom truck issue. Director Garrett seconded the motion, which passed unanimously.

Director Rocco then called for Agenda Item 7: *Agreement for Deed Restriction Enforcement Services*. Director Zervigon made a lengthy motion to finalize the contract for DRE services. The full content of the motion is attached. Director Garrett seconded the motion, which passed unanimously. Director Zervigon will e-mail the motion to Ms. Stathos.

Director Rocco then called for Agenda Item 5: *Newsletter*. There was no discussion under this agenda item.

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 under this agenda item.

Director Rocco then called for Agenda Item 8: Repairs to District's CMU fence. There have not been any recent repairs to the CMU fence.

Director Rocco then called for Agenda Item 9: District Website. The DRC minutes for June and August have not been posted. Director Garrett moved to post a redacted version of the June minutes after review by Mr. Flickinger. Director Hardin seconded the motion, which passed unanimously. The August minutes will be posted also.

Director Rocco then called for Agenda Item 10: Fire Protection Services. Mr. Flickinger expects a response from the City attorney within a few days.

Director Rocco then called for Agenda Item 12: District Depository, bank accounts. Director Hardin said Dain-Rauscher does not want discretionary accounts any more. He will research any impact this will have on fees charged.

Director Rocco then called for Agenda Item 13: Proposal for Strategic planning services. A blurb will be added to the water bill asking residents interested in strategic planning to contact Director Rocco. The Committee will plan the preliminary session.

Director Rocco then called for Agenda Item 14: Crime Shield Policy. Mr. Flickinger will furnish the Insurance Committee with the application he and Ms. Hester prepared for their review.

Director Rocco then called for Agenda Item 15: Rate Order. This issue will remain on the agenda for several more months.

Director Rocco then called for Agenda Item 16: Plumbing Inspection Agreement with City of Cedar Park. Mr. Flickinger explained that the 5-year agreement has expired but the City has continued performing plumbing inspection in the interim. He has prepared a draft 5-year agreement with the same terms as before. The City will review the new agreement after approval by the District. Director Hardin moved to approve the new plumbing inspection agreement. Director Garrett seconded the motion, which passed unanimously.

Director Rocco then called for Agenda Item 17: Receive citizens' communications. There were no citizens present wishing to address the Board.

Director Rocco then called for Agenda Item 18: *Report from the DRC and act on restrictive covenant enforcement*. Director Zervigon reported that Mr. Flickinger was authorized to write a letter to the owner and residents of 1807 Old Mill Road to repair/replace the fence. Ms. Stathos said Ms. Madani had contacted her and said the fence had been replaced. STES was directed to e-mail Ms. Madani that it is the Board's understanding the issue has been taken care of and asking her to please notify STES or the new DRE company right away if there is any change. They will copy the ACC on the e-mail and let Ms. Madani know the ACC may want to inspect the fence.

In response to the request for advice from Mr. Flickinger (see minutes of September 19, 2007, page 2, Agenda item 24), Mr. Flickinger advised that the nuisance provision of the deed restrictions would have to be looked at on a case-by-case basis.

Director Rocco then called for Agenda Item 19: *Approval of DRC Minutes by Deed Restriction Committee Members*. Directors Zervigon and Rocco, as members of the DRC, approved both sets of minutes.

Director Rocco then called for Agenda Item 20: *Appoint Member to DRC to replace Luis Zervigon whose term expires October 17, 2007*. Director Rocco reappointed Director Zervigon to a term which will expire in January and appointed Director Garrett for a term to expire in February.

Director Rocco then called for Agenda Item 21: *Report from ACC*. There was no discussion on this agenda item. Director Rocco then called for Agenda Item 22: *Authorization for filing of Lawsuit against Brandon Finnegan for deed restriction violations including automotive repair and auto body business operations at 2800 Buckeye Trail*. This item should be left on the agenda for another month

Director Rocco then called for Agenda Item 23: *Funding for and interaction with homeowners associations within the District to facilitate operation of Architectural Control Committee and other HOA functions*. Director Rocco said AMWNA will submit a bill next month to be reimbursed for cleaning up the yard at 1706 Hatch.

Director Rocco then called for Agenda Item 24: *Rules for enforcement of restrictive covenants that include fines and termination of services*. Mr. Flickinger was asked to research the feasibility of using a stand-by fee on abandoned property to encourage the property owner to maintain the property.

Director Rocco then called for Agenda Item 26: *Report from the Park Subcommittee*

*regarding park improvements. There was no discussion on this agenda item.*

Director Rocco then called for Agenda Item 27: *All matters related to the District's parks, fields, and office building.* There was no discussion on this agenda item.

Director Rocco then called for Agenda Item 28: *Proposal by Volente Hills HOA for conveyance of land to District and construction of park facilities.* The HOA has not met yet. STES will let them know the Board would like a map of where the wall would be installed, as well as the linear feet.

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 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) 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*
- s) District patrols*

Mr. Fry reviewed the information contained in the General Manager's report and distributed a copy of the report on lead and copper sampling.

Ms. Stathos will e-mail the legislative summary to the Board.

Ms. Hester discussed the broken customer service valve on Melba Pass. Director Rocco will call the resident and let her know the Board is not responsible for repair of customer service valves.

The request from a resident on Beechnut Cove to remove a \$40 fine was referred to the DRC.

The Directives were reviewed and are attached.

The water accountability chart will be corrected before the next meeting.

Ms. Hester then reviewed the financial transactions of the District during September.

On a motion by Director Garrett, seconded by Director Zervigon, the Board unanimously approved payment of invoices totaling \$168,405.51 and ratified bills paid out of the Manager's Account.

Ms. Hester will e-mail the Solid Waste Committee information on how the City of Austin handles large item pick-up.

Ms. Stathos will e-mail WM recycling information to Director Rocco.

Meetings were scheduled as follows:

Date	Committee	Members	Location	Time
10/29	Infrastructure	Hardin/Zervigon	STES	Noon
10/25	Parks (+VH)	Hardin/Garrett	LLO	4:00
11/7	DRC	Garrett/Zervigon	LLO	7:00
11/12	B&I	Hardin/Zervigon	Jim's	8:00 a.m.
11/14	Board meeting	All	LLO	6:00

Additional meetings will be scheduled as needed.

Director Rocco then called for Agenda Item 29: Adjournment. The meeting was adjourned at 9:31 p.m.

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Linda Garrett, Secretary

Board of Directors

Date: \_\_\_\_\_

Procedure to move the finalization of a contract for DRE Services:

Authorize the MUD Attorney to undertake the services required to support the following.

Move on two tracks as directed by the Management Committee which is authorized to determine the scheduling of both Tracks. In Track One the Management Committee and the MUD Attorney negotiate the terms of the agreement with Real Manage relative to compliance with the RFP. In Track Two the MUD Attorney confects a contract using the RFP, the terms and conditions that Real Manage requested (in the proposed contract that they submitted) and the results of the negotiations with Real Manage.

**TRACK ONE:**

1. Negotiate with Real Manage using the terms of the RFP and the Real Manage letter which listed the RFP terms with their ability to comply.

Assume that Real Manage will comply with all the provisions of the RFP that they don't

object to and confirm that in the negotiations.

Negotiate the provisions where they do indicate reservations as to:

- a. They will comply
  - b. They will comply later, by some date.
  - c. They will not comply (the requirement will be waived?)
1. The results of that negotiation are conveyed to the MUD Attorney to incorporate in the draft contract he is preparing through the activities of Track Two.
  2. Include in the negotiations any provisions that the Attorney recommends be added to the negotiations such as liability or insurance provisions.
  3. The negotiations should take place at the office of the MUD Attorney, in the presence of the Attorney.
  4. Relative to the importation of historical DRE data from the records of STES, as required by the Initial Additional Activity of the RFP, the historical data will go back two years.

## **TRACK TWO**

The MUD attorney confects a contract using the RFP, the proposed contract from Real Manage and any additional terms and conditions devised in the negotiations of Track One.

Motion submitted by Director Zervigon, seconded by Director Garrett and approved by the Board of Directors at the meeting of 10/17/2007.

The motion submitted to the Board has been edited by Director Zervigon to reflect the provisions discussed and agreed to by the Board. This is the edited version.

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