MINUTES OF MEETING OF THE BOARD OF DIRECTORS
OF WILLIAMSON-TRAVIS COUNTIES
MUNICIPAL UTILITY DISTRICT #1

January 11, 2021

STATE OF TEXAS §
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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 6:30 p.m. on January 11, 2021 by remote access only in accordance with the March 16, 2020 Order by Governor Abbott temporarily suspending certain requirements of the Texas Open Meetings Act to advance the goal of limiting face-to-face meetings to slow the spread of COVID-19. The meeting was open to the public and notice was given as required by the Texas Open Meetings Act and as modified by the Governor's Order.

The meeting was called to order at 6:36 p.m. and roll was called of the members of the Board, to-wit:

Catherine Franke	-	President
Art Medrano	-	Vice President
Linda Fabre	-	Secretary
Megan Dudo	-	Assistant Secretary/Treasurer
Elizabeth Jones	-	Assistant Secretary/Treasurer

All Directors were present, thus constituting a quorum. Also attending the meeting were Todd Burrer, Makenzi Scales, and Leigh Catlin of Inframark; Bill Flickinger of Willatt & Flickinger; Michael Willett of Touchstone District Services; James and Diana Sagnes of Sage Management; and District residents Gerald Burgess, Usha Divi, Jana Norton Ramirez, and Sarah Teale.

Agenda Item 1: *Public Comments.*

- Sarah Teale addressed the Board with a public comment. She noted that the agenda for this meeting is clear, concise, easy to understand, and the attachments were uploaded with time to review the documents. She hopes this type of transparency continues in order to foster neighborhood involvement and that future agendas will uphold this standard.

- Jana Norton Ramirez addressed the Board with a public comment. She has noticed an abundance of trash on the roadsides in last couple of weeks: Christmas trees, trash on trails, dog waste, water bottles, etc. She asked if recycling carts could be added to the pavilions or parks to ease the amount of trash.

  Ms. Norton Ramirez addressed the Board regarding Agenda Item 4. She wanted an update on the status of this item.

  Ms. Norton Ramirez addressed the Board regarding Agenda Item 5. She noted that Sage has had two amendments to their contract, and it costs the District money each time.

  Ms. Norton Ramirez addressed the Board regarding Agenda Item 11. She has attended many Board meetings and reviewed meeting minutes from Districts in Harris County and Hays County, and no Board meetings go over three hours. She suggested shortening the agendas, so more people can attend meetings. She suggested there be a time limit on how long Board members could speak.

- Gerald Burgess addressed the Board regarding Agenda Item 2. He said that Board members should be given counter time to respond to public comments and rebut comments that are not factually correct. To reduce the time of meetings, each Board member should speak for a limited time on each item.

  Mr. Burgess addressed the Board regarding Agenda Item 5. He has always received positive feedback about Sage Management, and they have resolved issues with trailers, etc. in a personable way. Sage should not have to get permission to do their job nor should the Board impede them from doing their job.

  Mr. Burgess addressed the Board regarding Agenda Item 9. He discussed some strategies from neighboring MUDs that ensure meetings are run smoothly and that all Board members adhere to the rules of the meeting.

  Mr. Burgess addressed the Board regarding Agenda Item 10, saying that he does not believe Board members or family of Board members should be able to access particular records because of a conflict of interest.

  Mr. Burgess addressed the Board regarding Agenda Item 11. He believes meetings would be better served if they were shorter and if there were more of them.

- No action was taken on this item.

Agenda Item 2: *Communications Policy.*

- Mr. Flickinger discussed the Communications Policy draft. He incorporated Touchstone's examples as well as the District's email policy. A draft copy was brought to the Board as a starting point for input.

- Dir. Franke asked about specific rules in dealing with Facebook and social media; Mr. Willett noted that Facebook has changed their policies so that comments are allowed on all pages and a policy relative to handling comments will be necessary. The Board and Mr. Willett discussed moderation of social media pages.

- Mr. Willett intends for any Facebook posts to drive traffic to the official website; Dir. Fabre wants to ensure that the website is where it needs to be before the Facebook site sends traffic back to it. Dir. Dudo, Dir. Fabre, and Mr. Willet discussed the potential cost for moderation of the Facebook page.

- Dir. Franke believes that in order to achieve a shorter meeting, more items need to be completed at the subcommittee level before being presented to the Board.

- Dir. Fabre will send her redline edits of the Communications Policy to Mr. Flickinger and Mr. Willett.

- No action was taken on this item.

Agenda Item 3: *Establishment and Use of Online Message Board in accordance with Section 551.006, Texas Government Code*

- Dir. Fabre suggested at the last meeting that the Board of Directors utilize an online message board; Mr. Flickinger asked if this was something the Board wanted to pursue.

- Mr. Willet asked about complications or problems with editing posts; Mr. Flickinger said that additional information could be posted to clarify but posts could not be edited as part of the rules of use of the bulletin board.

- The Board discussed issues of transparency and proper usage of online message boards.

- Dir. Franke instructed the Information Management Committee to investigate the use of online message boards, including how it will work, what it will cost, and how it will fit into the communications policy.

- No action was taken on this item.

Agenda Item 4: *Cause No. D-1-GN-19-002136; Williamson-Travis Counties Municipal Utility District No. 1 v. Ken Paxton, In His Official Capacity as Attorney General of the State of Texas; In the District Court of Travis County, Texas; 126th Judicial District.*

- Mr. Flickinger discussed a pending lawsuit regarding a draft report issued by a consultant in connection with annexation.

- The Board discussed the annexation document in question, including how to preserve confidentiality if necessary and costs of the lawsuit.

- Dir. Fabre discussed the context of her open records request and noted that the contents of the report had already been made public.

- **Motion: Approve dismissal of Cause No. D-1-GN-19-002136; Williamson-Travis Counties Municipal Utility District No. 1 v. Ken Paxton, In His Official Capacity as Attorney General of the State of Texas; In the District Court of Travis County, Texas; 126th Judicial District.**

  Motion by: Dir. Medrano
  Second by: Dir. Fabre

  Aye: Dir. Dudo
  Dir. Fabre
  Dir. Franke
  Dir. Medrano

  Abstain: Dir. Jones

- The Board discussed the reasons the annexation document remained confidential. Dir. Franke explained that the document was not considered complete as it was a working draft; it had to do with strategies on annexation and there was concern that the City of Cedar Park would be informed on the actions the MUD intended to take in the face of annexation, limiting any negotiating leverage at the time.

- **Motion: The specific annexation report that is the subject of Agenda Item 4 and any past, present, and future annexation reports be made available to any member of the public who wishes to see them, without hesitation.**

  Motion by: Dir. Fabre

- Mr. Flickinger cautioned the Board against releasing future annexation reports without seeing the content. Dir. Franke agreed that the motion was overbroad.

- **Amended Motion: The specific annexation report that is the subject of Agenda Item 4 be made available to any member of the public who wishes to see them, without hesitation.**

  Motion by: Dir. Fabre
  Second by: Dir. Medrano

Aye: Dir. Dudo
Dir. Fabre
Dir. Franke
Dir. Jones
Dir. Medrano

Agenda Item 5: *Amended and Restated Restrictive Covenant Management Agreement with Sage Management Services; Payment of Invoices from Sage Management Services*

- Mr. Flickinger discussed potential changes to the Sage Management contract as well as an outstanding invoice.
- Sage Management and the Board discussed an outstanding invoice regarding letters.
- Mr. Flickinger and the Board discussed prior amendments to the Sage Management contract. Dir. Fabre discussed business expenses being invoiced to the District. Dir. Franke instructed Mr. Flickinger to review the Sage Management contract and minutes to ensure all is correct.
- No action was taken on this item.

Agenda Item 6: *Resolution Regarding Approval of Additional Services and Designated Subcommittee in connection with Amended and Restated Restrictive Covenant Management Agreement with Sage Management Services.*

- Mr. Flickinger discussed additional services performed by Sage Management that must be approved by the Board in advance of the services if they are not approved in a subcommittee.
- The Board discussed the Deed Restriction Committee's ability to approve additional services, including who is able to authorize (entire Board vs. DRC alone) and costs (e.g. a set amount up to a maximum).
- Dir. Franke and Ms. Sagnes discussed the Sage Management contract and how additional services and charges are laid out. Dir. Franke suggested a ceiling be imposed on the cost of additional services and that it be equivalent to the cost of a day tour.
- Dir. Fabre presented a spreadsheet of six months of Sage's additional service. Those services cost $5,356.00, and she said they were completed without Board approval or legitimate DRC approval. Dir. Jones and Dir. Franke said that all additional services undertaken by Sage have been authorized and at the behest of the DRC.
- Mr. Flickinger discussed a resolution with alternative language versus a resolution without alternative language to set the cap on additional services outside of meetings. The Board can approve a resolution without the alternative language and insert a dollar amount for the cap on additional services.
- The Board discussed the scope of additional services for Sage Management, including number of hours and payment amounts.
- **Motion: Approve resolution as presented without alternative language and a cap of $200.00 between Board meetings.**

  Motion by: Dir. Jones
  Second by: Dir. Franke

  Aye: Dir. Dudo

Dir. Franke
Dir. Jones
Dir. Medrano

No: Dir. Fabre

Dir. Fabre said that no committee should obligate funds for the District; it should be done by the entire Board.

Agenda Item 7: *District Records Retention; Use of Shared Drives for Records Management*

- Mr. Flickinger stated that no one had been appointed to the Records Modernization Committee.
- Mr. Flickinger said that a Records Management Officer is required by law, and typically is the Board secretary. He presented a retention schedule for documents.
- Dir. Franke assigned Dir. Dudo and Dir. Medrano to the Records Modernization Committee.
- No action was taken on this item.

Agenda Item 8: *Obligations, duties and responsibilities of Board Directors, including the distribution and discussion of confidential records and their content.*

- Dir. Fabre wanted to clarify to the Board their responsibilities and duties to the Board and public.
- Mr. Flickinger said that once the Board votes on an issue, it becomes a Board decision; a Board member cannot make decisions on their own.
- The Board discussed confidential information and the need for Board approval to disclose attorney/client privileged information.
- No action was taken on this item.

Agenda Item 9: *Obligations, duties and responsibilities of the Attorney for the District.*

- Mr. Flickinger discussed the attorneys that are currently working for the District: his firm is general counsel and works in a broad scope, but other attorneys include the bond attorney (relating to bonds and advice on bonds), special counsel for litigation (represents the Board on litigation), and special counsel for open records work and matters related to former Dir. Zervigon.
- The Board discussed the increasing length of meetings.
- No action was taken on this item.

Agenda Item 10: *Committee purpose and authority according to the Open Meetings Act.*

- Mr. Flickinger stated that all committees except the Deed Restriction Committee are advisory and limited to two Board members; minutes are not required and do not need to be recorded or posted.
- The Board discussed the allocation of additional services to Sage Management and policymaking with regards to the same.

- Dir. Franke asked if there was anything dictating that subcommittee meetings need to be made open meetings; Mr. Flickinger responded that there is nothing, beyond the Deed Restriction Committee for waiving fines, etc.

- No action was taken on this item.

Agenda Item 11: *Future Board meetings – schedule and scope of agendas.*

- Dir. Franke suggested that the Board meeting on the third Wednesday of the month be condensed so that the only agenda items on it are the engineer's report, manager's report, financial report, and any deed restriction items that might come up. An additional meeting will be scheduled for the following Wednesday to address any subcommittee business and outstanding DRC items.

- The Board discussed the meeting agenda items and schedules.

- Dir. Franke wants a dramatically shortened agenda for the meeting on January 20, 2021. Most work will need to be completed in the subcommittees to ensure the appropriate items are ready for the agenda.

- Dir. Fabre noted that the audit was scheduled to be delivered on January 20.

- Mr. Flickinger said that the DRC meeting agenda will not change, but he will provide a condensed agenda for the regular meeting schedule for January 20 with no DRC items. At the meeting on January 20, the Board can discuss having a third meeting.

- No action was taken on this item.

Agenda Item 12: *Adjournment.*

- **Motion: Adjournment of meeting at 9:48 p.m.**

  Motion by: Dir. Medrano
  Second by: Dir. Franke

  Aye: Dir. Dudo
  Dir. Fabre
  Dir. Franke
  Dir. Jones
  Dir. Medrano

Linda R. Fabre

Board of Directors

April 16, 2021

Date