

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

12 September 2024

STATE OF TEXAS

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COUNTIES OF WILLIAMSON AND TRAVIS§

The Board of Directors (the "Board") of Williamson-Travis Counties Municipal Utility District No. 1 (the "District"), of Williamson and Travis Counties, Texas, met in special session, open to the public at 6:30 p.m. on the 12th day of September 2024, at The Park at Lakeline Oaks located at 1000 Old Mill Road, Cedar Park, Texas 78613, an official meeting place within the boundaries of the District, pursuant to notice duly given in accordance with the law, and the roll was called of the duly constituted officers and members of the Board, to wit:

Hanoi Avila	President
Linda Fabre	Treasurer
Kelley D. Masters	Secretary
David Flores	Assistant Secretary
Beth Jones	Director

and all of said persons were present, thus constituting a quorum.

Also present in person were Chris Rocco and Carrol Norrell, residents of the District and; Makenzi Scales, Stephanie Reese, and Misty Roberts of Inframark, LLC ("Inframark"), the District's Operator; Jacob Valentien of Westwood Professional Services, Inc. ("Westwood"), the District's Engineer; and Cole Konopka of Coats Rose, P.C. ("Coats Rose"), the District's Attorney. Attending the meeting by teleconference was Tammi Nelson of Coats Rose.

**Agenda Item No. 1: Comments and questions from District residents.**

- Mr. Rocco addressed the Board with a public comment stating that having people with different ideas is key to a successful organization but doing so in a positive, collaborative way. He further stated that highly engaged, collaborative boards are essential for long term organizational growth and innovative and efficient problem solving. Mr. Rocco stated that Directors must define behaviors that align with the District's values, operate behind the scenes without a lot of drama, and hopefully increase property values. Mr. Rocco stated that he had over forty (40) years of governance experience.
- Ms. Norrell then addressed the Board with a public comment stating her qualifications to serve as a Director if elected to the Board. Ms. Norrell then stated that she would be a receptive, responsive and responsible Director if elected.

**Agenda Item No. 2: Conduct public hearing on the District's proposed 2024 tax rate.**

- Mr. Konopka then stated that the Board at last month's Board meeting held on 21 August 2024 authorized the publication of \$0.2733 for the tax rate and published the public

hearing date in the Hill Country News for 12 September 2024. He then stated the steps for calling the public hearing. He further stated that the Board would call for the public hearing and any resident or Director who wanted to discuss the tax rate could do so. Mr. Konopka then stated that after discussion that the Board would close the hearing and make a motion to adopt the tax rate.

- Director Avila then stated that he moved to open the public hearing on the proposed 2024 tax rate.
- Mr. Rocco then questioned whether the reserve in the budget played a part in setting the tax rate for the 2024 tax year. Director Fabre then stated that the tax rate was set based on the maximum amount allowed. Mr. Rocco then asked if the proposed 2024 tax rate would result in the residents' tax bill going up or down. Mr. Konopka then stated that a total tax rate of \$0.2733 would increase the residents' tax bill by \$33.94.
- Director Fabre then stated that the tax rate has gone down naturally almost every year, but the District's expenses had increased. She then stated that there had been discussion about increasing the basic service fee or charging more for water to create more of a reserve for infrastructure projects recommended by the District's engineer.
- Director Avila then stated that the public hearing on the proposed 2024 tax rate was closed.

### Agenda Item No. 3: Adopt Order Levying Taxes.

- **Motion:** Levy a maintenance tax of \$0.2733 on each \$100 of taxable property within the District for tax year 2024.  
**Motion by:** Director Fabre  
**Second by:** Director Flores  
**Ayes:** Director Fabre  
Director Flores  
Director Avila  
Director Masters  
**Abstain:** Director Jones
- Director Jones abstained due to the District's final budget not having been approved.

### Agenda Item No. 4: Approve Amendment to District's Information Form and authorizing filing of same with the Texas Commission on Environmental Quality.

- Mr. Konopka then stated that the Amendment to Information Form and Notice to Purchaser of Special Taxing or Assessment District would be recorded in Williamson and Travis Counties Real Property Records as well as with the Texas Commission on

Environmental Quality ("TCEQ"). He then stated that every year when the District issues a new tax rate that the Board then adopts a new Amendment to Information Form which states the new tax rate.

- **Motion: Approve the Amendment to District's Information Form and authorize filing with the necessary governmental entities.**

**Motion by: Director Masters**  
**Second by: Director Fabre**

**Ayes: Director Flores**  
**Director Avila**  
**Director Fabre**  
**Director Masters**

**Abstain: Director Jones**

- Director Jones abstained due to the District's final budget not having been approved.
- Director Fabre then stated her question concerning the Notice to Purchaser and whether the Notice to Purchaser still needs paragraph two (2) concerning the bonds that the District paid off and, if so, whether paragraph three (3) should include language that states that the District had paid off its bond indebtedness. Mr. Konopka then stated that he would confirm the language with the District's financial advisor and with the District's offering documents. Mr. Konopka further stated that the way the Notice to Purchaser is written it is stating what the District had approved in bonds and what the District had sold in bonds. Mr. Konopka then stated that the Notice is not stating that there is any outstanding debt.

**Agenda Item No. 5: Re-engage Inframark under current contract terms of the Amended and Restated Agreement dated March 16, 2022.**

- Next, Director Avila stated that he had asked for the Board to re-engage Inframark under the current contract terms of the Amended and Restated Agreement because he believed that the District is not ready to move forward with the engagement of a new operator. He then stated that the District needed sustainability and therefore the best course of action would be to remain with Inframark until the next Board decides what would be the best decision for the District. He further stated that the purpose of this motion is to get the District in the position that it was in prior to this decision. Director Avila then stated that the District can always call a meeting to renegotiate the contract with Inframark or to submit a new Request for Proposal ("RFP") for an operator.
- **Motion: Authorize re-engagement with Inframark as written in the Amended and Restated Agreement.**

**Motion by: Director Avila**

**Second by: Director Jones**

**Ayes: Director Avila  
Director Jones  
Director Masters**

**Noes: Director Flores  
Director Fabre**

- Director Jones then stated that Municipal Operations & Consulting, LLC ("MOC") was no longer willing to provide service to the District. She then stated that she had read what Mr. Konopka had sent to the Board and that she did not believe that there were any problems with Inframark. She further stated that she believed that Inframark had done a great job. Director Jones then stated that she would like to go ahead and extend the agreement to keep Inframark.
- Director Masters then stated that she had the same concerns as Director Avila as to the District's readiness for the transition to a new operator. She then stated that she believed that the District was not ready for the transition. She further stated that she does not feel comfortable making a decision for the District knowing that she will soon not be on the Board. Director Masters then stated that she would like the decision regarding Inframark be left to someone newly-elected to the Board who has a long tenure ahead of them and who can devote attention to the matter. She then stated that she still had some customer service issues with Inframark but that she believed that Inframark was doing a good job.
- Director Avila then requested insight from Ms. Scales regarding customer service issues. Ms. Scales then stated that Inframark was actively searching for new changes in the customer service area. She then stated that Inframark was in the process of vetting an entirely new billing system with more automation and communication between the District and the residents of the District. She further stated that Inframark was working on better communication, better customer service and working through concerns.
- Director Fabre then stated that on 4 April 2024 that the District had formally ended its decades long contract with Inframark. She then stated that the decision to rebid the operations contract stemmed from multiple issues. She further stated that Inframark's base fee was approaching \$60,000 per month with automatic increase independent of service quality. Director Fabre then stated that the District had also incurred over a \$1,000,000 in costs due to Inframark's failures, and in particular the catastrophic Hatch Lift Station breakdown and the Sun Chase playscape debacle costing the District another \$50,000. She then stated that the promise of significant savings of almost \$300,000 per year with MOC justified the competitive rebidding process. She further stated that MOC's proposal offered lower fees and came with stellar references and a promising performance record. Director Fabre then stated that MOC's performance record compared to Inframark made the decision clear to terminate Inframark and move forward with MOC. She then stated that the Board had voted unanimously in favor of the change. She further stated that on 19 June 2024 that the Board unanimously approved the hiring

of a litigator to send a demand letter to Inframark to recover costs related to the Hatch Lift Station repair. Director Fabre then stated that the Board had been consistent with its decision making and that there had been no new evidence presented to warrant reconsideration of MOC as the chosen operator. She then stated that given the history it is perplexing that just weeks before the scheduled operator transition that unexpected concerns are suddenly being raised. She further stated that the last minute action had blindsided the Board, legal counsel, MOC and probably even Inframark causing unnecessary confusion and disruption.

- Director Fabre then stated that Chapter 252 of the Texas Local Government Code governs such procurement decisions ensuring that competitive bidding and contract awards are transparent and fair. She then stated that the Board had followed these guidelines and had made decisions that prioritize the best interests of the District and the District's residents. Director Fabre then stated her questions for Mr. Konopka on what is the legal path forward and how will this agenda item impact the demand to Inframark for the Hatch Lift Station repairs. Mr. Konopka then stated that the best standard answer is that it is up to the Board. He then stated that back in April 2024 that an RFP was sent out to multiple firms for an operator. He further stated that Inframark responded as well as MOC and both were interviewed by the Board. Mr. Konopka then stated that the Board voted to terminate Inframark and engage MOC after the six (6) month termination period. He then stated that no contract between MOC and the District was signed at that time. He further stated that four or five months later a discussion occurred about re-engaging Inframark. Mr. Konopka then stated that he had conversations with Mr. Wright at MOC regarding the situation. He then stated that Director Fabre had also had conversations with Mr. Wright. He further stated that the District had a contract with Inframark that expired at the end of September 2024 but does not have a contract with MOC. Mr. Konopka stated that the Board had multiple options. He then stated that the District had historically put out RFP for services. Mr. Konopka then stated that the Board could put out an RFP and go through that process again. He then stated that the Board could re-engage with Inframark or could reach out to MOC to see if they would be willing to put their contract back on the table. Mr. Konopka then stated that he would not recommend that the Board engage Inframark under the current contract conditions. He then stated that the Inframark contract contained a six (6) month termination clause which is lengthy and uncommon. He further stated that he would recommend that the Board renegotiate a contract with Inframark if the Board chose to go down that path.
- Director Flores then stated that the re-engagement with Inframark was a shock to him. He then stated that the Board had made a decision, and that he believed that the decision would be respected even if someone opposed the decision. He further stated that he had concerns with Inframark during the years. Director Flores then stated that he had concerns about how much time Ms. Scales spent with the District. He then stated that he believed that Ms. Scales is obligated to spend forty percent (40%) of her time with the District and that she works with seven (7) Districts. Director Flores stated his concern that Ms. Scales is stretched too thin between the seven (7) Districts that she services. He further stated he is concerned that Inframark makes decisions without the Board's approval. Director Flores then stated that MOC is a professional company who provides services for many Districts. He then stated that he had faith that MOC will be able to

begin work for the District without skipping a beat. He further stated that he valued the fact that MOC is operated by its owners and is locally owned and that if there were issues that the Board can speak directly to the owners. Mr. Flores then stated that there were no metrics on how to judge Inframark on their service to the District. He further stated that it made sense for the District to go forward with a new operator and that he would not be voting to re-engage Inframark.

**Agenda Item No. 6: Provide notification to MOC of the decision to not move forward with the operations RFP issued in March of 2024.**

- **Motion: Authorize providing notification to MOC of the decision to not move forward with the operations RFP issued in March of 2024.**

**Motion by: Director Avila**  
**Second by: Director Masters**

**Ayes: Director Avila**  
**Director Masters**  
**Director Jones**

**Noes: Director Fabre**  
**Director Flores**

- Director Jones then stated that she believed that the Board is making the right decision. She then stated that she had read the response from Inframark that Cole had sent out. She further stated that after reading the response that she does not believe that Inframark had anything to do with the Hatch Lift Station failure and that the failure was not their fault.
- Director Masters then stated that Mr. Konopka is going to draft a letter to MOC informing them of the District's decision.
- Director Fabre then stated that she totally disagreed with Director Avila's position on the whole matter. She then stated that Director Avila had tethered the District to another six (6) month termination clause.
- Director Flores then inquired for transparency purposes how other Board members knew about the re-engagement.

**Agenda Item No. 8: Discuss resolution concerning number of motions made by a Board Member.**

- Next, Director Masters stated that Agenda Item No. 8 related to meeting efficiency. She then stated that the Board is having a hard time completing the Board's business in under two (2) hours. She further stated that part of the issue is repetitive motions that have already failed. Director Masters stated that the Board does limit the number of items that

a Board member can place on the agenda. She then stated that if the Board were to carefully curate Board member's motions to a limit of two (2) motions that it would help the meeting move along faster. She further stated that she had drafted a resolution that does allow the meeting to be extended by a vote of three (3) Board members.

- Director Jones then stated that since a Board member can only put two things on an agenda that limiting the number of motions by a Board member is great.
- Director Avila then stated that the resolution allows Board members to have some accountability in place, be focused and get business done.
- Director Fabre then stated that motions are essential for advancing the District's business. She then stated that limiting the number of motions does not serve the purpose of advancing the District's business. She further stated that limiting the number of motions can hinder progress. Director Fabre then stated that restricting motions can reduce meeting efficiency by stalling the decision-making process and create unnecessary interruptions in meeting flow. She then stated that the more freely Board members can introduce motions, the more effectively issues can be addressed and resolved. She further stated that by controlling or limiting motions that the natural progression of discussion and resolutions can be compromised and ultimately work against the goal of running efficient meetings. Director Fabre stated that her vote would be no.
- **Motion:           Adopt the Resolution concerning number of motions made by a Board member.**  
  
**Motion by:    Director Masters**  
**Second by:   Director Avila**  
  
**Ayes:           Director Masters**  
**Director Avila**  
**Director Jones**  
  
**Noes:          Director Fabre**  
**Director Flores**

**Agenda Item No. 9: Discuss resolution concerning recording of a Board meeting on a personal device.**

- Director Masters then stated that there had been an issue at last month's Board meeting over the recording of the meeting. She then stated that in the interest of keeping the peace and having decorum in the room, that she had placed a draft resolution in the meeting folder. She further stated that the Board wanted to keep transparency and allow recording. Director Masters stated that her proposed resolution would require anyone who wants to record on a personal device to use a tripod stand, place the camera in the

back of the room, and not touch the device during the meeting. Director Masters then made the following motion.

- **Motion: Adopt the Resolution Concerning Recording Board Meeting on a Personal Device.**
- Director Jones then asked whether or not the resolution included members of the public in the audience. Director Masters then stated that her intent was for the resolution to apply to anyone in the room.
- Director Avila then stated that an issue arose in last month's Board meeting between two Board Members when one of the Directors recorded the meeting on a cell phone.
- Director Fabre then inquired what problem does the resolution attempt to solve. She then stated that the key point was to ensure that the resolution for recording public meetings balances the participant's right to record with the need to maintain a non-disruptive environment. She further stated that Texas is a one-party consent state which means that parties have the right to record anything without the consent of others. Director Fabre then stated that in this case the overly restrictive measure like requiring a tripod that sits in the back of the room or not touching the device may be unnecessary if they do not actually contribute to disruptions. She then stated that the resolution should focus on preventing disruptions rather than imposing arbitrary restrictions. She further stated that the language of the resolution should center on principles that ensure that the recordings do not interfere with the meeting or the ability of others to participate without overly burdening those who choose to exercise their right to record. Director Fabre then stated for example, that instead of saying that a tripod must be used that you could say that recording devices should be used in a manner that does not obstruct views or cause distractions. She then stated that the focus should be on preventing distractions rather than dictating specific methods of recording. She further added that the recording at issue at last month's Board meeting was the result of tiger-poking and if that is controlled then the secondary result would not follow.
- Director Flores then stated that he was the one who was recording at last month's Board meeting for his protection. He then stated that there is nothing wrong with audio recording the meeting. He further inquired of Mr. Konopka if First Amendment rights allow for the public to record elected officials in public places. Mr. Konopka then stated that Director Masters allowed for her resolution to be fine-tuned. He then stated that if the requirement is that all phones have to be on a tripod and then someone who comes in who did not know about the resolution, does not have a tripod but wants to record the meeting, and that person is ejected, it could lead to a challenge. Mr. Konopka further stated that the resolution is not to keep someone from recording the meeting but that the recording is done in a way that is more uniform and less disruptive.
- Director Masters then stated that she would like to withdraw her previous motion and make a different motion.
- **Motion: I move that the Board authorize Mr. Konopka to review the resolution**



**and tighten up the language to ensure that there are no constitutional issues.**

**Motion by: Director Masters**  
**Second by: Director Avila**

**Ayes: Director Masters**  
**Director Avila**  
**Director Jones**

**Noes: Director Fabre**

- Mr. Konopka stated that due to unforeseen circumstances, it was not until after the Williamson County deadline had passed that a realization was made that the District could not enter into a contract with Williamson County to be on the Williamson County ballot. He then stated that a solution is for the Williamson County residents within the District to vote at the District's meeting facility located at 1000 Old Mill Road, Cedar Park, Texas. Mr. Konopka further stated that at the Williamson County voting location that there would be ballot boxes, an ADA compliant voting machine and poll workers. Mr. Konopka stated that the dates and times of early voting and regular voting will remain the same as Williamson County voting locations. He then stated that a flyer would go out on the District's website as well as a notice on the residents' water bills instructing the Travis County residents to vote at the Travis County polling locations and for Williamson County residents of the District to vote at the District's meeting facility located at 1000 Old Mill Road, Cedar Park, Texas.
- Director Fabre then inquired whether the Directors Election can be taken off the ballot in Travis County. Mr. Konopka stated that he had put a call into Travis County regarding whether or not it is too late for the Directors Election to be taken off the ballot and he is waiting on a response and will let the Board know. A Board discussion ensued regarding taking the Directors Election off the ballot in Travis County in order that the election be equally disenfranchised for both Counties.. Director Avila then stated that the decision should be a Board decision before taking any action. Mr. Konopka stated that his job is to make sure the District holds an election that is as fair as possible.
- There being no further business to come before the Board, the meeting adjourned.

- **Motion:**       **Adjourn the Board Meeting.**

**Motion by:**   **Director Avila**  
**Second by:**   **Director Masters**

**Ayes:**         **Director Avila**  
              **Director Masters**  
              **Director Jones**



*Kelley Masters*  
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Secretary, Board of Directors