MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE FERN BLUFF MUNICIPAL UTILITY DISTRICT
September 10, 2019

THE STATE OF TEXAS §
WILLIAMSON COUNTY §

The Board of Directors (the "**Board**") of the Fern Bluff Municipal Utility District (the "**District**") convened in a **regular** meeting open to the public at 6:00 p.m. on September 10, 2019, at the Fern Bluff Municipal Utility District Community Center, 7320 Wyoming Springs Drive, Round Rock, Texas, pursuant to notice duly given in accordance with the law.

The roll was called of the following members of the Board of Directors, to wit:

George Sabatino	President
Joseph Teiber	Vice President
Jessica Stempko	Secretary
Kevin Barnes	Treasurer
Marc Smith	Assistant Secretary/Treasurer

and all Directors were present, thus constituting a quorum.

Also in attendance, were Janey Miller, the District's General Manager; Hector Alanis, the District's Operations Manager; Jack Gardner, of Texas Lawn and Garden, LLC, ("**Texas Lawn**") the District's landscaper; Williamson County Precinct 1 Commissioner Terry Cook; and Zachariah Evans and Suzanne McCalla of McGinnis Lochridge, the District's Attorney ("**McGinnis**"). Several members of the public were also in attendance at the meeting.

Director Sabatino called the meeting to order, after which Director Teiber led those present in the Pledge of Allegiance.

The Board then considered approval of the monthly consent agenda containing the minutes of the August 13, 2019, regular Board of Directors meeting; payment of bills and invoices; payment of transfers for operation expenses; pay requests; change orders; and customer charge write-offs. After a brief discussion, upon a motion duly made by Director Barnes and seconded by Director Smith, the Board voted unanimously to approve the Consent Agenda, including the minutes of the August 13, 2019, regular Board of Directors meetings, as written.

Mr. Gardner next presented the Landscaping Report. He reported that regular maintenance was ongoing and routine. He stated that Texas Lawn planned to treat several areas of the District with a fungicide during the cooler months. He added that the District's irrigation system was running at full capacity to keep the District's green spaces

and parks irrigated. Mr. Gardner then reported that the work at Brightwater Park was complete and that Texas Lawn continued to work on plant labels for the District's butterfly garden. After a brief discussion, the Board thanked Mr. Gardener for his report, and he departed the meeting.

Director Sabatino then convened the public hearing for consideration of the 2019 tax rate for the District. Ms. McCalla confirmed that the Notice of Public Hearing on Tax Rate was published in the Round Rock Leader, as required. Director Sabatino observed that there were no persons present who wished to address the Board concerning the tax rate, and he closed the public hearing. After consideration, upon a motion duly made by Director Barnes and seconded by Director Teiber, the Board voted unanimously to: (1) set the debt service tax rate at $0.1500 per $100 of assessed valuation; (2) set the tax rate for maintenance and operations at $0.2500 per $100 of assessed valuation, for a total tax rate of $0.4000 per $100 of assessed valuation; and (3) adopt the ORDER LEVYING TAXES. A copy of the Order Levying Taxes is filed among the District's records.

The Board next heard from Commissioner Cook on the status of various Williamson County (the "**County**") projects. Commissioner Cook reported on several issues within the County and took questions from those present. After her presentation, the Board expressed their appreciation to Commissioner Cook for attending the Board meeting and keeping her constituents up-to-date on local issues. Commissioner Cook thanked the Board and departed the meeting.

Ms. Miller then updated the Board on the traffic issues along Smyers Lane. She stated that she had received several complaints about traffic problems in the area since the start of the school year. She told the Board that she had contacted the City of Round Rock (the "**City**") to alert them of the safety issues in the area. She reminded those present that the District has no authority with regard to traffic safety and road issues, and she recommended that residents with concerns contact the City directly. Director Barnes suggested that the City's contact information be listed on the District's website, and the Board concurred.

Ms. Miller next reported that the recent problems with large vehicles using the Community Center's parking lot as a "pass-through" area appears to be resolved due to a "Cease and Desist" letter transmitted to the developers with the Sauls Ranch subdivision as well as the posting of a "No Trucks" sign at the Community Center.

Next, Mr. Evans explained that the Board needed to adopt an Amendment to the District's Information Form whenever any information in the Information Form was changed, including the annual setting of the District's tax rate. He explained that the amendment would be filed with the Texas Commission on Environmental Quality, in the Official Public Records of the County, and in the offices of McGinnis Lochridge. After review, upon a motion duly made by Director Barnes and seconded by Director Smith, the Board voted unanimously to approve Amendment No. 39 to the District's Information

Form and to authorize filing of same as outlined. A copy of Amendment No. 39, thus approved, is filed among the District's records.

Next, the Board reviewed the proposed ORDER AMENDING WATER AND WASTEWATER SERVICE RATES AND CHARGES AND RE-ESTABLISHING WATER AND WASTEWATER TAP FEES AND CAPITAL RECOVERY FEES AND ADOPTING CERTAIN GENERAL POLICIES WITH RESPECT TO THE DISTRICT'S WATER, WASTEWATER AND DRAINAGE SYSTEMS AND PROVIDING PENALTIES FOR VIOLATION THEREOF (the "**Rate Order**"). After review and discussion, upon a motion duly made by Director Sabatino and seconded by Director Stempko, the Board voted unanimously to approve the Rate Order as presented. A copy of the Rate Order, thus approved, is filed among the District's records.

The next item of business before the Board was renewal of the District's contract with the Williamson County Sheriff's Office for after-hour patrols of the District by off-duty officers. Ms. Miller stated that the contract was the same as in year's past and that the County was not increasing any costs to the District for the services. After review and a brief discussion, upon a motion duly made by Director Teiber and seconded by Director Barnes, the Board voted unanimously to renew the District's contract with the Williamson County Sheriff's Office, as detailed above.

The Board next considered a proposal from Texas Lawn for maintenance on the District's sports field. Ms. Miller stated that she had solicited three bids and that Texas Lawn's bid was much lower than the other bids received. After discussion, upon a motion duly made by Director Smith and seconded by Director Teiber, the Board voted unanimously to approve the proposal from Texas Lawn for repair and maintenance of the District's sports field at a total cost to the District of $22,820. A copy of the proposal, thus approved, is included in the Board Packet, which packet is attached hereto as an exhibit to these minutes.

Next, Ms. Miller presented the General Manager's Report in its entirety, a copy of which is included in the Board Packet.

Mr. Alanis then presented the Operations Report for the Board. He reported that the District was currently hosting a backflow prevention seminar at the Community Center. He explained that backflow into a public water system was a serious issue and that he was in the process of drafting additional language to include in the District's Rate Order regarding backflow prevention devices and requirements.

The Board then discussed what actions were appropriate in response to false information posted on local social media sites. After consideration, the Board directed the District's Attorney to include an item on the District's October agenda to allow the Board to consider possible responses plans to false information about the District posted on social media sites.

Director Teiber next informed the Board that Security Committee did not have anything significant to report at this time and that patrols of the District remained routine.

Mr. Evans then updated the Board on the status of the following lawsuits: Fern Bluff Municipal Utility District v Demetria Castillo-Woolf, Gregory Esquivel; and Samantha Castillo and Fern Bluff Municipal Utility District v Michael and Alison Snyder. No action was taken on these items.

The Board then discussed the date of the District's next regular Board of Directors meeting. After discussion, the Board decided that the District's next regular meeting would be held at 6:00 p.m. on October 8, 2019.

There being no further business to come before the Board, the meeting was adjourned.

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Secretary, Board of Directors
Fern Bluff Municipal Utility District

(SEAL)

Attachments to the Minutes of the
Fern Bluff Municipal Utility District
September 10, 2019, Board of Directors Meeting

1. Board Packet.