MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE FERN BLUFF MUNICIPAL UTILITY DISTRICT

September 14, 2021

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 14, 2021**, 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.

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 or joining during the meeting, 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; and Zachariah T. Evans and Suzanne McCalla of McGinnis Lochridge, the District's Attorney ("**McGinnis**"). Several members of the public were also present.

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

Director Sabatino then noted that there were residents present who wished to address the Board during the Citizen Communications portion of the meeting. He noted that Citizen Communications would be taken up after the District's Landscaping Report.

Mr. Gardner then presented the Landscaping Report. He stated Texas Lawn has toured the District and determined that the District's parks and green belts are in good shape. He continued that Texas Lawn is spending extra time in the District to complete work within the green belts. Mr. Gardner reported that Texas Lawn planned to raise the tree canopy in the near future as well as replace the annuals with fall colors. He told the Board that the District's irrigation system was inspected and repairs completed timely. He added that the final aeration of the sod within the District would take place in late September or early October and that the final pre-emergent fertilizer would be installed during the same time frame. He then stated that Texas Lawn was presenting a proposal for an "overhaul" of Olson Meadows Park for review by the Board. Finally, he stated that he was working on a database of plants at the District's butterfly garden for inclusion on

the District's website. With no further information to report, Mr. Gardner thanked the Board for their time and departed the meeting.

The Board next heard Citizen Comments. First, Ms. Trennah Dishongh addressed the Board regarding information on a past Board member. She also questioned the procedures in place for deed restriction violation notices.

Next, Mr. Patrick Savarese spoke. He thanked the Board for their excellent work in lowering the District's tax rate and commended them for doing a great job overall.

Finally, the Board heard from Ms. Whendy Martinez who questioned the status of public information requests submitted to the District. She then summarized information that she has gathered regarding the formation of the District's Architectural Control Committee.

The Board then considered approval of the monthly consent agenda containing the minutes of the August 10, 2021, 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 Stempko and seconded by Director Teiber, the Board voted unanimously to approve the Consent Agenda, including the August 10, 2021, regular Board of Directors meetings minutes, as written.

Director Sabatino then convened the public hearing for consideration of the 2021 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 Smith, the Board voted unanimously to: (1) set the debt service tax rate at $0.0 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 $0.2500 per $100 of assessed valuation; and (3) adopt AN ORDER OF THE BOARD OF DIRECTORS OF FERN BLUFF MUNICIPAL UTILITY DISTRICT: LEVYING TAXES, PROVIDING FINDINGS OF FACT, PROVIDING FOR OPEN MEETING (the "**Order Levying Taxes**"). A copy of the Order Levying Taxes is included in the Board Packet and attached hereto as an exhibit to these minutes.

Next, Ms. McCalla 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. She explained that the amendment would be filed with the Texas Commission on Environmental Quality (the "**Commission**"), in the Official Public Records of Williamson County, and in the offices of McGinnis Lochridge. After review, upon a motion duly made by Director Smith and seconded by Director Teiber, the Board voted unanimously to approve Amendment No. 41 to the District's Information Form and to authorize filing of same as outlined. A copy of Amendment No. 41, thus approved, is included in the Board Packet.

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 Barnes and seconded by Director Teiber, 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 Board next reviewed a memorandum from McGinnis detailing items required to be posted on the District's website. Ms. McCalla reported that during the recent Texas Legislative Session, several laws were passed that added required items for posting on the District website. After consideration, upon a motion duly made by Director Smith and seconded by Director Barnes, the Board voted unanimously to authorize the District's General Manager to update the District's website, as required.

Mr. Alanis next detailed with the Board the requirements of Senate Bill 3, passed during the 87th Texas Regular Legislative Session ("**SB3**"). He explained that SB3 requires the District to adopt and submit to the Commission for its approval an emergency preparedness plan ("**EPP**") that ensures the emergency operation of the District's water system during an extended power outage. He emphasized that the District must submit the EPP to the Commission no later than March 1, 2022, and must implement the EPP no later than July 1, 2022, or upon the Commission's final approval of the EPP. Mr. Alanis stated that he had already begun work on the EPP and planned to submit all required information timely. After review and discussion, the Board authorized the District's General Manager to comply with all aspects of SB3, as required, and confirmed that the General Manager would be the official emergency contact designee for the District.

Ms. Miller then detailed the status of the improvements and/or widening of Brushy Creek Road and Hairy Man Road (the "**Hairy Man Project**"). She stated that the Hairy Man Project was nearing completion and that the District would begin assessing the need for the District's new parking area in Olson Meadows Park. She added that the improvements to the Great Oaks Drive/Brushy Creek Road intersections, including bridge replacement, would begin later in the month. She noted that the signal at O'Connor Road was still not complete, and Director Barnes stated he would contact Williamson County Commissioner Terry Cook regarding the status of the signal.

Ms. Miller then presented the General Manager's Report in its entirety, a copy of which is included in the Board Packet. She reported that the District's parks and greenbelts were in great shape. She stated that the District would be concentrating on the "Fern Bluff" area of the regional trail this fall. She continued that because the Hairy Man Project is almost complete, the District will begin improvements to Olson Meadows Park, which improvements were delayed due to the ongoing construction in the area. She

explained that Texas Lawn had assessed the needs of the park and was presenting a proposal for the upgrades for consideration by the Board.

Mr. Alanis then provided the Operations Report. He first reviewed the District's water loss report as included in the Board Packet. He noted that the District's water accountability for the month of August was at 86% of water pumped versus water distributed. He added that the District's water accountability for the past 12 months was at 100% of water pumped versus water distributed.

Mr. Alanis then reported that the District's Operations crew was focusing on preventive maintenance items within the District in preparation for the upcoming winter. He also noted that a new administrative support staff member was hired, and that the new staff member was doing well and was very qualified.

Director Barnes next reviewed with the Board the Profit and Loss Statement for the District for the fiscal year to date. He stated that the District's budget numbers were sound and that the District was ending the fiscal year in good financial shape.

The Board next considered the proposal from Texas Lawn for renovations at Olson Meadows Park. After review, upon a motion duly made by Director Smith and seconded by Director Teiber, the Board voted unanimously to approve the proposal from Texas Lawn at a total cost to the District of $48,345.00. A copy of the proposal from Texas Lawn is attached hereto as an exhibit to these minutes.

Ms. Miller next reported on the status of the Community Center. She stated that the District's Community Center continued to take reservations, but was limiting capacity to 75% at this time. After a question from the Board, Mr. Alanis responded that the sound system at the Community Center was operational but that updates to the system would be needed in the future.

Director Barnes next provided the Deed Restriction Committee report. He stated that the Architectural Control Committee was planning revisions to the Unsightly List due to recent changes by other architectural control committees within the District.

The Board then entered into executive session at 6:43 p.m., pursuant to V.T.C.A. Government Code, Chapter 551.071, to receive the Mr. Evan's advice on Agenda Item No. 10(g)(i) as listed on the District's agenda. The Board reconvened in open session at 7:19 p.m. Director Sabatino reported that no decisions were made and no votes taken on the items discussed in executive session.

Director Teiber then reported on the patrols of the District by off-duty officers pursuant to the Independent Contractor Agreement for Off-Duty Security and Patrol Services between the District and the Williamson County Sheriff's Office. He stated that 75 patrol hours were logged in by patrol officers for the month of August. He noted that these patrols included traffic enforcement along many of the streets within the District.

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Director Smith noted that he would be including the database of plants installed at the District's butterfly garden on the website. Ms. Miller stated that her office was in the process of updating the District's website, which should be complete within the next two months.

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 12, 2021.

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 14, 2021, Board of Directors Meeting

1. Board Packet; and
2. Proposal from Texas Lawn for Olson Meadows Park.