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

February 8, 2022

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 **February 8, 2022**, 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, except Director Sabatino, 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; Don Allman, CPA, PC, the District's Auditor; and Zachariah T. Evans and Suzanne McCalla of McGinnis Lochridge, the District's Attorney ("**McGinnis**"). Several members of the public were also present.

Mr. Evans first announced that as Director Sabatino was not present at the meeting and Director Teiber had to leave the meeting early, the Board agreed to have Director Smith preside over the meeting.

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

Director Smith then noted that there were two residents present who wished to address the Board during the Citizen Communications portion of the meeting.

Next, Mr. Allman submitted the draft of the audit report for the District for the fiscal year ended September 30, 2021. He reviewed the Statement of Net Position and Revenues and Expenses, Expenditures, and Changes in Fund Balances. Mr. Allman reviewed the supporting data included in the audit report, including information required by the Texas Commission on Environmental Quality (the "**Commission**").

Mr. Allman then called the Board's attention to the form of the Management Representation Letter from the District's General Manager, attached to the Governance Letter. Mr. Allman reported that he was issuing an unmodified opinion, which was the highest opinion the District can receive. He also noted that the District was in great shape financially and currently had no leases, loans, or bonds outstanding. After a brief discussion, upon a motion duly made by Director Stempko and seconded by Director Barnes, the Board voted unanimously to approve the audit report, as presented. A copy of the audit report, thus approved, is filed in the permanent records of the District.

The next item of business before the Board was Citizen Communications. Yoram Givon first addressed the Board and detailed various concerns surrounding the work performed in the District by AT&T. Michael Snyder then spoke to the Board regarding 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 (the "**Sheriff's Office**"), and he expressed his view that the Sheriff's Office services were not needed.

The Board then considered approval of the monthly consent agenda containing the minutes of the January 11, 2022, 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 Stempko, the Board voted unanimously to approve the Consent Agenda, including the January 11, 2022, regular Board of Directors meeting minutes, as written.

Mr. Gardner then presented the Landscaping Report. He stated that routine weekly maintenance continued to be ongoing throughout the District. He added that the renovations to Olson Meadows Park were complete except for the installation of plants, which plants would be installed after any risk of a freeze has passed. Mr. Gardner noted that Texas Lawn was presenting two proposals for the Board's consideration. He explained that one proposal was for the installation of certified playscape mulch in all District parks and the second proposal was for needed repairs at Fern Bluff Park. After a brief discussion, Mr. Gardner thanked the Board for its time and departed the meeting.

Ms. McCalla then explained the requirement for the District to file the audit report with the Commission and with the Texas Comptroller of Public Accounts as well as certain other governmental agencies. After consideration, upon a motion duly made by Director Barnes and seconded by Director Stempko, the Board voted unanimously authorize the District's Attorney to file the audit report in the District's office and with all governmental agencies as required.

The Board next reviewed a proposed easement from the District to Southwestern Bell Telephone Company, d/b/a/ AT&T Texas (the "**Easement**"). Ms. Miller detailed the provisions of the Easement with the Board. After discussion, upon a motion duly made by Director Stempko and seconded by Director Smith, the Board voted unanimously to

approve the Easement, subject to minor revisions and final approval by the District's General Counsel. A copy of the Easement is included in the Board Packet; which packet is attached hereto as an exhibit to these minutes.

Next, the Board considered AN ORDER BY THE BOARD OF DIRECTORS OF FERN BLUFF MUNICIPAL UTILITY DISTRICT CALLING A DIRECTORS ELECTION TO BE HELD WITHIN SAID DISTRICT; PROVIDING FOR THE CONDUCT AND THE GIVING OF NOTICE OF SAID ELECTION; AND CONTAINING PROVISIONS NECESSARY AND INCIDENTAL TO THE PURPOSES HEREOF;; PROVIDING VOTING DATES, TIMES, AND LOCATIONS; PROVIDING FOR CANCELLATION OF THE ELECTION UNDER CERTAIN CIRCUMSTANCES; PROVIDING FOR AN OPEN MEETING; PROVIDING FINDINGS OF FACT (the "**Election Order**") for the District's May 7, 2022, Directors Election (the "**Election**"). Ms. McCalla explained that the deadline for submission of an application for a position on the District's ballot was 5:00 p.m. on February 18, 2022, and that two positions were up for reelection. She continued that had the District not received more than two applications for the Election, then the Board could have cancelled the Election at its March Board meeting. However, she noted, that to date, the District has received four applications for the Election. After consideration, upon a motion duly made by Director Barnes and seconded by Director Stempko, the Board voted unanimously to adopt the Election Order, subject to any revisions to the polling locations made by Williamson County. A copy of the Election Order is included in the Board Packet.

Ms. McCalla then explained that pursuant to Section 31.123 of the Texas Election Code, the District was authorized to appoint an authorized agent for all purposes of the Election. She explained that the District's Agent was: (1) responsible to maintain and make available for inspection all Election documents received during the Election; and (2) required to be available for election duties for at least three hours each day, during regular office hours, on regular business days, beginning on March 18, 2022, and ending no earlier than June 16, 2022. Ms. McCalla continued that McGinnis, as the District's agent for the Election, would maintain the mandatory office hours for the District. Upon a motion duly made by Director Smith and seconded by Director Barnes, the Board voted unanimously to designate McGinnis as the District's Agent for the Election.

The Board next reviewed the proposals from Texas Lawn as discussed earlier in the meeting. After a question from Director Barnes, Ms. Miller confirmed that all bidding requirements were met. After consideration, upon a motion duly made by Director Barnes and seconded by Director Stempko, the Board voted unanimously to: (1) approve the proposal for installation of playscape mulch in all District Parks at a total cost of $19,400.00; and (2) approve the proposal for repairs to areas in Fern Bluff Park at a total cost of $15,800.00. Copies of both proposals are included in the Board Packet.

At this point Director Teiber left the meeting.

Next, Ms. Miller presented the General Manager's Report, a copy of which is included in the Board packet. She reported the District's facilities did not sustain any damage as a result of the recent winter storm, and that damage to resident pipes was minimal. However, she added that the District was working with those residents with pipe damage as a result of the storm.

Director Barnes next presented the Budget Committee Report. He noted that the Board continued to spend conservatively and that monthly expenses were below budgeted amounts.

Mr. Alanis then provided the Operations Report. He reported that District's Emergency Preparedness Plan was finalized and submitted to the Commission, as required. He then stated that he was assembling a Request for Proposals for the televising and cleaning of the District's wastewater lines. He added that this was a Commission requirement to be completed every five years. After a question from the Board, Ms. Miller confirmed that this item was included within the District's budget.

Next, Ms. Miller presented the Community Center Report. She detailed issues with the building's exterior doors, and suggested that the District solicit proposals for replacement of the doors at this time as supply issues could pose a significant delay, and the Board agreed.

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 March 8, 2022.

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
January 11, 2022, Board of Directors Meeting

1. Board Packet.