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

**June 14, 2022**

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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 **June 14, 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.

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| 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, Candy Limon, and Suzanne McCalla of McGinnis Lochridge, the District's Attorney ("**McGinnis**"). Several members of the public were also present.

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

Mr. Gardner next presented the Landscaping Report. He first reported on routine maintenance throughout the District. He stated that the wildflower areas within the District had done well and that although the bluebonnets did not bloom as well as anticipated, he was hopeful that over time the number of blooms would increase. Mr. Gardner then stated that all chemical treatments within the District for the season were complete, although spot ant treatments would continue as needed. He added that an irrigation system inspection for May was performed, and all irrigation system repairs completed. The irrigation system inspection for June would be completed on June 15, 2022, he said. After additional discussion, Mr. Gardner thanked the Board for their time and departed the meeting.

Director Sabatino then noted a resident was present who wished to address the Board at this time. The Board heard from Whendy Martinez regarding various District concerns.

The Board then considered approval of the monthly consent agenda containing the minutes of the May 10, 2022, regular and May 23, 2022, special Board of Directors meetings; payment of bills and invoices; payment of transfers for operation expenses; pay requests; change orders; and customer charge write-offs. Director Barnes obtained clarification on several payments included on the General Operation Fund - Cash Account and the General Operating Fund – Manager Account balance sheets. 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 May 10, 2022, regular and May 23, 2022, special meeting minutes, as written.

The Board next discussed the requirement that local government officials and employees annually complete a state-approved cybersecurity training course by June 15, 2022. Ms. McCalla stated that the District was in full compliance with all training requirements, and she added that she would certify the District's compliance with the Department of Information Resources, as required.

Ms. McCalla next reported Directors Stempko and Barnes had completed their Statements of Elected Officer, and she administered the Oath of Office for their terms of office, which commenced as of May 10, 2022. Ms. Miller confirmed that the bonds covering the five persons serving as Directors of the District remained in effect. After consideration, upon a motion duly made by Director Smith and seconded by Director Sabatino, the Board voted unanimously to accept the statements and oaths of Directors Barnes and Stempko.

The Board then entered into executive session at 6:17 p.m., pursuant to V.T.C.A. Government Code, Chapter 551.071, to consider Mr. Evans' advice on items 8(c) and 8(e) as listed on the agenda. The Board reconvened in open session at 7:04 p.m. Director Sabatino reported that no decisions were made and no votes taken on any of the items discussed in executive session.

The Directors next considered the need to reconstitute the Board of Directors, pursuant to the requirements of Section 49.054(b) of the Texas Water Code. After discussion, upon a motion duly made by Director Smith and seconded by Director Stempko, the Board voted unanimously to elect the Directors to the offices indicated below:

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

Next, upon a motion duly made by Director Smith and seconded by Director Barnes, the Board voted unanimously to authorize the District's Attorney to file a revised

District Registration Form with the Texas Commission on Environmental Quality, as required

The next item of business before the Board was updating appointments to the District's committees. Director Sabatino reviewed a proposed list of committee members. Upon a motion duly made by Director Smith and seconded by Director Barnes, the Board voted unanimously to reappoint members to the District's committees as follows:

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| **Parks Committee** | **Directors Teiber and Barnes** |
| **Budget Committee** | Directors Sabatino and Barnes |
| **Community Center Committee** | Directors Stempko and Barnes |
| **Deed Enforcement Committee** | Directors Stempko and Barnes |
| **Roads Committee** | Directors Stempko and Smith |
| **Security Committee** | Directors Teiber and Sabatino |
| **Communications Committee** | Directors Smith and Stempko |

The motion carried with it approval of a RESOLUTION OF THE BOARD OF DIRECTORS OF THE FERN BLUFF MUNICIPAL UTILITY DISTRICT; ESTABLISHING COMMITTEE POLICIES; ESTABLISHING COMMITTEES; APPOINTING MEMBERS TO SUCH COMMITTEES; PROVIDING FINDINGS OF FACT; PROVIDING FOR AN OPEN MEETING (the "**Resolution**"). A copy of the Resolution is included in the Board Packet, which packet is attached hereto as an exhibit to these minutes.

Ms. Miller next updated the Board on the status of road projects within the District. She reported that the Smyers Lane/Wyoming Springs intersection work was progressing quickly and that she anticipated completion of the work in the near future.

Director Stempko then stated her belief that the District's General Manager was paid less than general managers in other comparable water districts. She added that she would like to research the current pay rate for general managers in the area, and the Board agreed.

Next, Ms. Miller presented the General Manager's Report, a copy of which is included in the Board packet. She first reported that the District's 2021 Consumer Confidence Report was complete and would be included in the District's utility billings on June 27, 2022. Ms. Miller then stated that recent thunderstorms have caused tree damage within the District and that staff was assessing and removing trees where appropriate to ensure the continued safety of District residents. She noted that there were also numerous trees hanging over sidewalks and near schools on private property that may pose a danger to pedestrians in the area. She pointed out that seemingly healthy trees are falling more frequently due to certain environmental stressors such as droughts and ice storms. She continued that her office plans to work with Sage Management, the

District's deed enforcement company, to assist in notifying residents of the issues. Director Smith agreed and stated that a tree in Oak Brook South fell on two cars this date at the community pool. He added that, thankfully, no one was injured, but emphasized that dead and/or dying trees are a safety concern and should be addressed.

Mr. Alanis next reported on District Operations. He stated that all required lead and copper sampling was completed by June 3, 2022, and he thanked the entire operations staff for their hard work on the project ensuring that the testing was completed well ahead of the deadline.

Director Barnes then presented the Budget Committee Report. He noted that the Board continued to spend conservatively and that most monthly expenses were below budgeted amounts. He then reminded the Board that tax season was approaching and that he remained optimistic that the District would be able to lower its tax rate despite higher expenses to the District resulting from the current economy. He noted that inflation was affecting District costs significantly and that a review of the District's vehicle maintenance and operations requirements would be conducted, and the District's budget adjusted accordingly. Director Sabatino agreed, and he emphasized that staff salaries should also be reviewed carefully to ensure that staff are compensated fairly in the current economy.

Next, Ms. Miller updated the Board on events at the Community Center. She stated that the Community Center continued to be busy, with many reservations dates already booked.

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 (the "**Sheriff's Office**"). He stated that officers had patrolled the District a total of 80 hours for the month of May. He continued that officers continue to focus on patrols in the District's parks as well as monitoring traffic issues along various streets.

Next, Director Smith presented the Communications Report. He reported that the Communications Committee was considering preparation of a quarterly newsletter to be posted on the District's website and sent out to District residents. He added that he was working the Ms. Miller on the newsletter and the details for the mail out.

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 July 12, 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
May 10, 2022, Board of Directors Meeting

1. Board Packet.