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

June 13, 2023

The Board of Directors ("**Board**") of Fern Bluff Municipal Utility District ("**District**") convened in a meeting that was open to the public at 6:00 p.m., on the above-referenced date, 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.

Director Sabatino called the meeting to order and called the roll of the Board, to wit: **George Sabatino**, President; **Marc Smith**, Vice President; **Jessica Stempko**, Secretary; and **Kevin Barnes**, Treasurer. With all Directors present and one vacancy existing on the Board, a quorum was established.

Also, in attendance or joining during the meeting, were Janey Miller, the District's General Manager; Hector Alaniz, the District's Operations Manager; Brian Schmidt, of Texas Lawn & Garden ("**Texas Lawn**"), the District's landscaping consultant; and Zachariah T. Evans of the Law Office of Zachariah T. Evans, the District's Attorney ("**Evans Law**"). Members of the public were also present.

Next, Director Stempko led those present in the Pledge of Allegiance.

Director Sabatino next noted no citizens signed up to address the Board.

The Board then considered approval of the monthly consent agenda, including approval of prior meeting minutes, if any; payment of bills and invoices; payment of transfers for operation expenses; pay requests; change orders; and customer charge write-offs. Director Barnes motioned to approve the consent agenda; Director Stempko seconded; and the Board voted unanimously to approve the motion.

The Board next discussed a vacancy on the Board. After discussion, Director Sabatino moved to hold a special meeting on June 27, 2023, at 5:30 p.m., to interview Director candidates, address any other necessary business, and to cancel the Board's July 2023 regular meeting; Director Stempko seconded; and the Board voted unanimously to approve the motion.

Next, Mr. Schmidt provided an overview of Texas Lawn's landscaping activities throughout the District over the previous month.

Ms. Miller and Mr. Alanis then advised the Board regarding the status of ongoing winter storm damage clean-up resulting from Winter Storm Uri in 2021 and the winter storm of January-February 2023. Ms. Miller advised extending the services agreement with contractors who the District engaged in May 2023 to continue clean-up services. A discussion ensued, with Director Barnes inquiring about the District's procurement obligations. Mr. Evans advised the Board of the competitive bidding obligations provided under Chapter 49, Texas Water Code change order

allowances under same. Director Sabatino moved to approve change order up to 25 percent of the original $70,000 contract amount; Director Barnes seconded; and the Board voted unanimously to approve the motion.

Ms. Miller then discussed a proposal to replace the Community Center doors that are warped and damaged by rainwater. She indicated that it is unknown precisely how long it will take for all doors to be replaced; and the District should expect four to six weeks and possibly for the work to be completed. After further discussion, Director Stempko moved to approve the proposal; Director Barnes seconded; and the Board voted unanimously to approve the motion.

Ms. Miller advised the Board regarding the District's anticipated utility rates and the manner in which ad valorem appraisals will affect the District's FY2023-24 budget year and tax rate. Ms. Miller advised the Board regarding the District's obligations with respect to the timing of budget and tax rate adoption. Director Sabatino advised the Board that their current focus is on ensuring District employee tenure and that the District's employees are being compensated in accordance with current market rates.

Mr. Alanis also reported that replacement parts for the pump station have been ordered.

The Board then set their next meeting for June 27, 2023, at 5:30 p.m.

There being no further business, the Board adjourned.

[*Execution page follows*.]

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Jessica Stempko, Secretary
Board of Directors
Fern Bluff Municipal Utility District

(SEAL)

Attachments
Fern Bluff Municipal Utility District
Board of Directors Meeting

1. Board Packet.