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

April 23, 2024

The Board of Directors ("Board") of Fern Bluff Municipal Utility District ("**District**") convened in a special 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 78681, pursuant to notice posted in accordance with 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; **Kevin Barnes**, Treasurer; and **Richard Horton**, Assistant Secretary-Treasurer. With all Directors present, a quorum was established.

Also, in attendance or joining during the meeting, were Janey Miller, the District's General Manager; Hector Alanis, the District's Operations Manager; Jeremiah Alcantar, the District's Assistant Operations Manager; and Zachariah T. Evans, of the Law Office of Zachariah T. Evans, the District's Attorney ("**Evans Law**").

Next, the Board recited the Pledge of Allegiance.

Mrs. Miller then reported on behalf of Texas Lawn and Garden ("**TLG**") the District's landscaping maintenance provider, on the status of the District's parks maintenance and landscaping. Mrs. Miller reported that the stormwater ponds in Oakbrook have developed algae blooms, which is normal for this time of year, due to stormwater runoff having more fertilizers and other chemicals in it from residents performing spring maintenance on their lawns.

Next, Director Sabatino noted no citizens were present to address the Board.

The Board then considered approval of the monthly consent agenda, including minutes of their March 26, 2024, meeting; payment of bills and invoices; payment of transfers for operation expenses; pay requests; change orders; and customer charge write-offs. Director Stempko moved to approve the consent agenda; Director Smith seconded; and the Board voted unanimously to approve the motion.

On behalf of the Roads Committee, Mrs. Miller reported on the status of the Bridge Project. She stated that the water fountains along Williamson County Trail are not functioning and neither the District nor Williamson County have been able to locate the waterline to perform repairs. Mrs. Miller stated she anticipates the District will ultimately install a new meter for the water fountains.

Mrs. Miller then summarized the General Manager's report, a copy of which is included in the Board Packet. Among other items, Mrs. Miller provided an overview of a proposal from Whirlix Design, Inc., facilitated through the state-approved BuyBoard Cooperative Purchasing program, to perform an overhaul of the playground at Veteran's Park, with a projected total cost

of $125,973.27. Director Horton pointed out that the proposal includes improved accessibility within the playground. Mrs. Miller also discussed the District's actions over the last several years to build a capital improvement reserve for the District's parks. She stated the reserve is currently about $3.5 million, while total anticipated improvements would be around $2.6 million. After a lengthy discussion, Director Smith moved to approve the proposal; Director Horton seconded; and the Board voted unanimously to approve the motion.

Mrs. Miller and Mr. Alcantar then reviewed proposals from three different fencing companies to install access gates at one driveway of the District's Community Center and two at the water tower. After discussion, Director Horton moved to approve $43,000.00 to complete the work proposed by Empire Fence; Director Smith seconded; and the Board voted unanimously to approve the motion.

Next, Mr. Alanis reported that, recently, hackers accessed a Texas municipality's water infrastructure system. Mr. Alanis stated that, in an effort to deter hackers, the District utilizes two-factor authentication and other available security measures to protect the District's system.

The Board then reviewed the District's drought contingency plan ("**DCP**"). Mr. Evans reminded the Board that, in years past, the District adopted and implemented the City of Round Rock's DCP and he recommended that the District do so again, given that the city is the District's wholesale water provider. Accordingly, Director Sabatino moved to adopt and implement the City of Round Rock's DCP; Director Barnes seconded; and the Board voted unanimously to approve the motion.

On behalf of the Budget Committee, Director Barnes then reviewed the District's budget thus far in the fiscal year.

On behalf of the Deed Restriction Committee, Director Horton noted the Architectural Control Committee ("**ACC**") continues to receive resistance from a resident who has installed "mini-split" air conditioning units in his residence, despite not having approval from the ACC. He stated that, should the resident continue to fail to comply with the deed restrictions, he may recommend referring the matter to Mr. Evans for enforcement.

On behalf of the Communications Committee, Director Smith indicated he is drafting the District's next newsletter, which will include, among others, articles on the mowing schedule of the greenbelts and traffic enforcement, respectively, within the District.

At this point, the Board retired into executive session pursuant to Section 551.071, Texas Government Code, to discuss agenda item #14 with Mr. Evans. The Board then reconvened in open session and Director Sabatino announced that the Board neither made any decisions, nor took any votes. Director Sabatino then moved to appeal the district court's ruling in District's litigation against Nick Steward and Whendy Martinez; Director Smith seconded. After discussion, with Directors Sabatino, Smith, and Stempko voting in favor of the motion and Directors Barnes and Horton voted against, the motion passed. Director Sabatino then moved to engage the law firm of Duggins, Wren, Mann & Romero, LLP, to litigate the District's appeal; Director Horton seconded. With Director Barnes voting against the motion and all others voting in favor, the motion passed.

The Board then set their next regular meeting for May 28, 2024, at 6:00 p.m.

There being no further business, the Board adjourned.

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

Attachments
Fern Bluff Municipal Utility District
Board of Directors Meeting

1. Board Packet