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

August 27, 2024

The Board of Directors ("**Board**") of Fern Bluff Municipal Utility District ("**District**") convened in a regular 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, except Director Horton, 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 Brian Schmidt, of Texas Lawn and Garden ("**TLG**"), the District's landscaper.

The Board recited the Pledge of Allegiance.

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 the July 23, 2024, meeting, payment of bills and invoices, payment of transfers for operation expenses, pay requests, change orders, and customer charge write-offs, as applicable. After discussion, Director Barnes moved to approve the consent agenda; Director Smith seconded; the motion carried unanimously.

Mr. Schmidt then reported on the status of the District's ongoing landscaping maintenance. He reported TLG is being sure to comply with all of the City of Round Rock's watering restrictions under their and the District's drought contingency plan. He noted TLG has not done any planting or fertilizing over the previous month and mostly performed routine maintenance and clean-up as trees continue dropping leaves due to the lack of rain.

Next, at 6:11 p.m., Director Sabatino opened the public hearing on the proposed 2024 tax rate, with notice of public hearing on the tax rate having been published in a newspaper of general circulation within Williamson County. Director Sabatino noted no one was present to address the Board on the proposed tax rate and then closed the public hearing at 6:12 p.m.

Next, the Board reviewed the District's draft budget ("**Budget**") for the fiscal year ending September 30, 2025 ("**FY24-25**"), with Mrs. Miller providing additional details regarding the District's services rates. After discussion, Director Stempko moved to approve a resolution

adopting the Budget, as presented; Director Stempko Smith seconded; the motion carried unanimously.

The Board then discussed the proposed tax for the District's 2024 tax year. Director Smith moved to adopt an order levying a tax rate of $0.19 per $100.00 of valuation of real property within the District; Director Barnes seconded; the motion carried unanimously.

Mrs. Miller then laid out an amended District Information Form, reflecting the Board's adoption of the new tax rate and providing an updated notice to purchasers of real property within the District, which would be filed in the real property records of Williamson County. After discussion, Director Barnes moved to approve the amended District Information Form to reflect the new tax rate; Director Stempko seconded; the motion carried unanimously.

Mrs. Miller then reviewed with the Board an order amending the District's Rate Order, therein providing the District's amended services rates as reflected in the Budget. After discussion, Director Smith moved to adopt the order; Director Barnes seconded; the motion carried unanimously.

Next, Mrs. Miller reviewed a proposal from Don Allman, C.P.A., for auditing services for the District fiscal year ending September 30, 2024. After discussion, Director Barnes moved to approve the proposal; Director Stempko seconded; the motion carried unanimously.

Mrs. Miller then summarized the General Manager's report, a copy of which is included in the Board Packet. She noted the majority of the report related to the previously discussed Budget and 2024 tax rate. Mrs. Miller also noted the strip of land adjacent to the District's community center needed maintenance, which the HOA indicated they would no longer provide. Mrs. Miller discussed a proposal from TLG to ensure the strip of land gets watered sufficiently to keep the trees along it alive. After discussion, Director Stempko moved to approve the proposal; Director Smith seconded; the motion carried 3-0-1, with Director Barnes abstaining.

Mrs. Miller then informed the Board she and Mr. Alanis are in the process of seeking proposals from local car dealerships to purchase a new truck to replace one from the District's aging vehicle fleet. Mrs. Miller indicated she would bring proposals to the Board during their next regular meeting.

Mr. Alanis reported that the City of Round Rock had a major water line break over the previous month. He stated that, despite the line break, the District's water service stayed online and the city is taking appropriate measures to repair the line.

On behalf of the Roads Committee, Mrs. Miller reported that chip sealing was not being performed on roadways within the District due to recent high temperatures. Discussion ensued. The Board also discussed several other pending road projects within the District.

The Board then set their next regular meeting for September 24, 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