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

July 28, 2026

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 Directors Sabatino, Smith, Barnes, and Horton present, and Director Stempko absent, a quorum was established.

Also attending the meeting were Hector Alanis, the District's General Manager; Jeremiah Alcantar, the District's Operations Manager; Brian Schmidt, of Texas Lawn & Garden ("**TLG**") and Zachariah T. Evans, of ZTE Law, PC, the District's Attorney.

The Board recited the United States Pledge of Allegiance.

Director Stempko joined the meeting at this time.

During the citizen communications, the Board accepted comments from the public.

Mr. Schmidt provided an update on TLG's activities within the District during the previous month.

The Board then considered the monthly consent agenda, including payment of the District's bills and invoices, payment of transfers for operation expenses, pay requests, change orders, and the minutes of the Board's June 23, 2026, meeting. Director Barnes moved to approve the consent agenda; Director Stempko seconded; the motion carried unanimously.

Mr. Evans reported that Directors Stempko and Barnes submitted their executed Statements of Officer and Oaths of Office for their terms of office commencing May 2, 2026, the date of the most recent Directors Election. Mr. Evans confirmed that valid directors' bonds were in place and effective as of the May 2, 2026, election, each director being bonded in the amount of $10,000.00, in compliance with Section 49.055, Texas Water Code. After discussion, Director Smith moved to accept the oaths and statements; Director Barnes seconded; the Board approved the motion unanimously.

Next, the Board considered reconstituting its officer positions. Director Horton moved that all officers maintain their current positions, as reflected on the first page of these minutes; Director Barnes seconded; the Board voted unanimously to approve the motion. Mr. Evans informed the

Board that he would draft and file a revised district registration form with the Texas Commission on Environmental Quality, with officers' positions and all directors' terms of office updated.

The Board considered renewal of the District's directors' bonds, which are scheduled to renew on September 1, 2026. After consideration, Director Horton moved to approve renewal of the directors' bonds; Director Smith seconded; the motion carried unanimously.

Mr. Alanis then presented the General Manager's report, including consideration of the District's solid waste disposal services, solicitation of which the District posted notice to the public pursuant to Section 49.273, Texas Water Code. Mr. Alanis briefed the Board on proposals received in response to the District's request for proposals for said services. Mr. Alanis reported that the District received two proposals, one from Republic Services and one from Texas Disposal Services. Mr. Alanis reviewed with the Board a summary comparing the proposed rates, proposed contract terms, and levels of service, including collection frequency, bulk and brush collection, and recycling and composting options. Ultimately, Mr. Alanis recommended that the board award a contract with Republic Services. Following discussion and the Board finding that Republic Services' proposal would provide the best value to the District, Director Horton moved to approve the proposal from Republic Services, subject to negotiation of a service agreement; Director Smith seconded; the motion carried unanimously.

Continuing the General Manager's report, Mr. Alanis reported that the District's service agreement with Sage Management for deed restriction enforcement services has terminated. Enforcement will be performed in-house going forward. Mr. Alanis also reported that the City of Round Rock notified him that the city under billed the District for wholesale water services by approximately $27,000.00. Mr. Alanis is negotiating with the city to reduce that amount given that the city made the error.

Mr. Alcantar briefed the Board on facilities maintenance and operations over the last month. Among other things, he advised the Board that staff continue working on the AMI water meter switchover throughout the District. Mr. Alcantar also reported that the City of Round Rock will be performing another chlorine conversion within their water system. Accordingly, with the city being the District's wholesale water provider, the District will have to perform line flushing.

Under the Roads Committee report, the Board discussed the condition of roadways within the District.

On behalf of the Budget Committee, Director Barnes advised the Board that the committee is working with Mr. Alanis on drafting the District's budget for the fiscal year ending September 30, 2027. Mr. Alanis summarized several ongoing projects and expenses that will affect the budget.

There was no report from the Community Center Committee.

There was no report from the Deed Restriction Committee.

There was no report from the Security Committee. However, the Board briefly discussed the possibility of increasing Williamson County Sheriff's deputies' patrols.

On behalf of the Communications Committee, Director Smith gave a brief summary of topics he intends to cover in the next District's next newsletter.

At 7:26 p.m., Director Sabatino announced that the Board would retire into executive session pursuant to Section 551.071 to receive legal advice from Mr. Evans regarding agenda item 15. The Board reconvened in open session at 7:45 p.m. Director Sabatino announced that no votes were taken and no decisions were made.

Finally, the Board scheduled its next regular meeting for August 18, 2026, at 6:00 p.m.

During their next meeting, the Board will consider the District's annual budget and tax rate.

Except as otherwise reflected in these minutes, the Board took no action on any other item listed on the agenda for this meeting. Pursuant to notice provided in accordance with law, the Board may have taken some agenda items out of order.

There being no further business, the Board adjourned.

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Jessica Stempko
Secretary, Board of Directors