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

August 18, 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, Stempko, Barnes, and Horton present, and Director Smith absent, a quorum was established.

Also attending the meeting were Hector Alanis, the District's General Manager; Jeremiah Alcantar, the District's Operations Manager; and Zachariah T. Evans, of ZTE Law, PC, the District's Attorney.

The Board recited the United States Pledge of Allegiance.

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

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 July 28, 2026, meeting. Director Barnes moved to approve the consent agenda; Director Horton seconded; the motion carried unanimously.

Next, pursuant to Section 49.057, Texas Water Code, the Board reviewed a draft budget for the fiscal year ending September 30, 2027 ("**Budget**"), with Director Barnes and Mr. Alanis providing details. Mr. Alanis went on to detail several projects and other anticipated expenditures that are included in the Budget, as well as the District's overall financial position. After discussion, Director Stempko moved to approve the Budget, as presented; Director Horton seconded; the motion carried unanimously.

Next, pursuant to Section 49.236, Texas Water Code, Mr. Alanis and the Board discussed the District's proposed tax levy for the 2026 tax year. After discussion, Director Sabatino moved to (i) adopt a proposed tax rate of $0.177500 per $100.00 of valuation of real property within the District, (ii) call a public hearing on the proposed tax rate for September 22, 2026, to be held during the Board's regular meeting starting at 6:00 p.m., and (iii) publish notice of the public hearing in a newspaper of general circulation in Williamson County; Director Barnes seconded. Upon a roll call vote, Director Sabatino voted in favor of the motion; Director Horton voted in favor of the motion; Director Stempko voted in favor of the motion; and Director Barnes voted in favor of the motion. The motion carried unanimously.

Mr. Alanis then presented the General Manager's report, including the status of the District's contract renewal with Republic Services for solid waste disposal services. Mr. Alanis also reported that the City of Round Rock agreed to reduce the District's water bill by fifteen percent (15%) for a billing cycle where the City underbilled the District.

Mr. Alcantar briefed the Board on facilities maintenance and operations over the last month.

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

There was no report from the Budget Committee, as the Board discussed budget matters earlier during the meeting as indicated above.

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.

On behalf of the Communications Committee, Mr. Alanis reported that the latest District newsletter was distributed on August 4, 2026.

During its next meeting, the Board will hold a public hearing on the proposed 2026 tax rate.

Finally, the Board scheduled its next regular meeting for September 22, 2026, at 6:00 p.m.

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