

**SONTERRA MUNICIPAL UTILITY DISTRICT  
MINUTES OF BOARD OF DIRECTOR'S MEETING**

December 14, 2020

THE STATE OF TEXAS           §  
  §  
COUNTY OF WILLIAMSON       §

A meeting of the Board of Directors of Sonterra Municipal Utility District was held on December 14, 2020 via videoconference pursuant to Section 551.127, Texas Government Code, as modified temporarily by Governor Greg Abbott, and pursuant to the related guidance from the office of the Texas Attorney General in connection with the Governor's COVID-19 Disaster Proclamation. Notice of the meeting was given as required by the Texas Open Meetings Act. A copy of the Certificate of Posting of the notice is attached as **Exhibit "A"**. The meeting was open to the public via the website link provided in the meeting notice. An electronic agenda packet for the meeting was provided online via the link included in the meeting notice and the meeting was recorded and made available at the same link.

The videoconference meeting was called to order at 6:00 p.m. and the roll of the members of the Board of Directors was called, as follows:

|                    |   |                     |
|--------------------|---|---------------------|
| John Faske         | - | President           |
| [Vacant]           | - | Vice President      |
| Darrell Goldman    | - | Secretary           |
| Camy Lenn Reynolds | - | Assistant Secretary |
| Raven Dunbar       | - | Assistant Secretary |

All of the Directors were present. Also present at the meeting were Andy Bilger of Vecindario Management, LLC; Jason Jones of Jones-Heroy & Associates, Inc.; Dennis Hendrix of Crossroads Utility Services LLC ("Crossroads"); Allen Douthitt of Bott & Douthitt, PLLC; Carter Dean of Armbrust & Brown, PLLC, and Michael Cosimeno, a resident of the District.

Director Faske stated that the Board would first receive any Board member remarks or citizens communications. There being none, Director Faske next stated that the Board would consider the director items on the agenda, beginning with the appointment of a director to the Board to fill the vacancy created by the resignation of Director Slowbe. Dr. Cosimeno introduced himself to the Board and reviewed his qualifications to serve as a director. After determining that Dr. Cosimeno was willing and qualified to serve on the Board, upon motion by Director Faske and second by Director Goldman, the Board voted 4-0 to appoint Dr. Cosimeno to the Board. Next, upon motion by Director Goldman and second by Director Faske, the Board voted 4-0 to approve the Sworn Statement, Oath of Office, and Official Bond for Director Cosimeno. Mr. Dean advised Director Cosimeno that he would need to complete the required Open Meeting Act training and Public Access Option Form as requirements for being on the Board. The Board then considered the election of officers. After discussion, upon motion by Director Reynolds and second by Director Faske, the Board voted unanimously to approve the following slate of officers:

|                    |   |                     |
|--------------------|---|---------------------|
| John Faske         | - | President           |
| Darrell Goldman    | - | Vice President      |
| Camy Lenn Reynolds | - | Secretary           |
| Michael Cosimeno   | - | Assistant Secretary |
| Raven Dunbar       | - | Assistant Secretary |

Director Faske then stated that the Board would consider the consent items on the agenda, including: (1) the revised District Registration Form; (2) the Resolution Approving Change in Bank Signatories and Change Certificate (Operating Account and Capital Projects Fund Account) attached as **Exhibit “B”**; (3) the Resolution Approving Change in Bank Signatories and Change Certificate (Lockbox Clearing Account) attached as **Exhibit “C”**; (4) the Resolution Approving Change in Bank Signatories and Change Certificate (Park and Pool Account) attached as **Exhibit “D”**; (5) the Amended Secretary’s Certificate and Resolutions Regarding Bookkeeper’s Account attached as **Exhibit “E”**; and (6) the minutes of the November 16, 2020 Board meeting. Upon motion by Director Faske and second by Director Goldman, the Board voted unanimously to approve the consent items on the agenda.

Director Faske then stated that the Board would receive the manager’s report and recognized Mr. Bilger. Mr. Bilger reported that he had solicited bids for repair of the roof of the pool clubhouse. He next reported that the developer planned on beginning the construction of splash pads and shade structures in January 2021 and that he would present the developer’s park plans at one of the upcoming Board meetings. He then stated that he had multiple contractors evaluate the pool deck and determined that it could be effectively repaired by applying a new spray technology that looked like stucco and would not peel.

Director Faske next stated that the Board would consider District security. Director Reynolds reviewed the Sheriff’s Office Report attached as **Exhibit “F”** with the Board. Director Faske then asked whether the Board believed the current level of patrol service was appropriate. Director Dunbar stated that he believed it was, as it allowed officers to respond to calls quickly, and recommended the service level be kept the same.

Director Faske then announced that the Board would not discuss the parks and recreational facilities items on the agenda, since they were effectively covered during the manager’s report.

Director Faske stated that the Board would consider the mowing and landscaping items on the agenda. Mr. Dean presented the Landscape Maintenance Agreement with Landscape Designs and Lawn Care LLC attached as **Exhibit “G”**, advising that it was a one year renewal of the current agreement that would expire at the end of December. Director Goldman commented that he was happy with the service provided under the contract. Upon motion by Director Reynolds and second by Director Faske, the Board voted unanimously to approve the agreement.

Director Faske stated that the Board would next receive the District operator’s report. Mr. Hendrix presented Crossroads’ report, attached as **Exhibit “H”**, and reviewed it with the Board. He advised the Board that, as of the end of November, the District had 2,866 occupied single-family connections, an estimated population of 8,598, and a total of 3,417 accounts and that there had been 47 new taps sold in November and a total of 129 for the fiscal year to date. Mr. Hendrix reported that there had been a water loss of 5.00% during the prior reporting period. He stated that he had no write-offs to request. Director Faske asked Mr. Hendrix how many residential water meters in the District were ready to be exchanged for new ones. Mr. Hendrix responded that there were about 200 meters, mostly in older sections of the District, that had logged over 1,000,000 gallons and could be replaced with electronic meters. Mr. Hendrix then reported that beginning mid-November, the District had begun decreasing the amount of surface water it was purchasing from Lone Star Regional Water Authority and increasing the amount of well water pumped, due to the relatively high price of the surface water. Mr. Hendrix next asked whether the reverse osmosis water system at the pool was still needed. Director Cosimeno stated that he saw people use the system often. The Board generally agreed that the system should stay in place. Mr. Hendrix then presented as proposal from Crossroads in the amount of \$1,643.01 attached as **Exhibit “I”** for an external display, which

would be used to verify the flow at the City of Jarrell's (the "City's") wastewater treatment plant. Director Faske asked that Mr. Hendrix request the City pay half of the cost of the external display. Mr. Hendrix agreed to do so. Upon motion by Director Faske and second by Director Dunbar, the Board voted unanimously to approve the proposal. Director Faske then asked Mr. Hendrix whether Crossroads had been receiving calls regarding water odor or taste. Mr. Hendrix responded that such calls had decreased dramatically since the introduction of surface water to the system earlier that year, and had all but stopped entirely.

Director Faske next stated that the Board would consider the water, wastewater, and rate matters on the agenda. Mr. Jones reported that the City was advertising for bids on the next phase of its wastewater treatment plant expansion, which would be constructed during 2021. Mr. Jones next reported that the request for a residential wastewater connection adjacent to CR 313 may best be met by including a small change order to the utility construction that was planned to take place on the other side of CR 313.

Director Faske then recognized Mr. Jones for the purpose of receiving the engineer's report. Mr. Jones called the Board's attention to and reviewed his report, attached as **Exhibit "J"**. He first presented Pay Application – Retainage 2 from TTE, LLC in the amount of \$44,144.06 and recommended approval, noting that this would leave \$5,000 retainage to cover the remaining punch list items, which was appropriate. Upon motion by Director Faske and second by Director Goldman, the Board voted unanimously to approve the pay application. He then presented the following pay applications from DNT Construction, and recommended approval: (1) Pay Application No. 2 for Eastwood Phase I in the amount of \$213,186.60 attached as **Exhibit "K"**; (2) Pay Application No. 2 for Eastwood Phase II in the amount of \$151,227.00 attached as **Exhibit "L"**; and (3) Pay Application No. 2 for Eastwood Phase III in the amount of \$196,784.10 attached as **Exhibit "M"**. Upon motion by Director Faske and second by Director Goldman, the Board voted unanimously to approve the pay applications from DNT Construction. Mr. Jones then informed the Board that the Rio Lobo construction contract in Cool Water Municipal Utility District ("Cool Water") would likely be awarded to Cash Construction, which was the low bidder, noting that the subdivision would contain approximately 250 lots when completed. He also stated that bidding on the construction contract for Cool Water Phase II would begin soon. Mr. Jones next presented a proposal from Jones-Heroy in the amount of \$48,000 attached as **Exhibit "N"** to prepare Bond Application No. 11 for submission to the Texas Commission on Environmental Quality (the "TCEQ"). Upon motion by Director Goldman and second by Director Reynolds, the Board voted unanimously to approve the proposal. Mr. Dean then advised that an agreement had been reached with the landowners of the two offsite wastewater easements required by the District and, that only the details of the written easement agreements needed to be finalized before the easements could be obtained and construction could proceed in the easements. Mr. Jones then stated that he was still reviewing the request from the City for utility service at the future Cornhill Business Park. Mr. Jones next advised that HydroPro had submitted a contract to Mr. Dean for the provision of electronic meters and the attendant infrastructure, noting that Mr. Dean was still reviewing the contract. Mr. Jones concluded his report by informing the Board that the impact fee application was still under review at the TCEQ and, that Mr. Dean would soon provide the TCEQ-required notice to the landowners affected by the impact fee application, which would keep the review process moving forward.

Director Faske then stated that the Board would receive a report from the District's bookkeeper. Mr. Douthitt reviewed the bookkeeper's report attached as **Exhibit "O"** and recommended approval of three transfers, the Director and vendor payments, and the renewal of two certificates of deposit that were set to expire. Mr. Douthitt advised that the District was \$11,000 "to the good" with respect to its budget for the fiscal year so far. After discussion, upon motion by Director Goldman and second by Director Reynolds, the Board voted unanimously to

approve the transfers and the Director and vendor payments, and to renew the expiring certificates of deposit.

Director Faske next stated that the Board would receive the attorney’s report. Mr. Dean presented the memorandum regarding America’s Water Infrastructure Act of 2018 (the “*AWIA*”) attached as **Exhibit “P”** and reviewed it with the Board. He explained that, since the District served a population greater than 3,300, it would need to certify the completion of an “Risk and Resiliency Assessment” and an “Emergency Response Plan” to the United States Environmental Protection Agency by June 30, 2021 and six months thereafter, respectively. The Board requested Mr. Jones to solicit proposals to complete the AWIA requirements for the Board’s consideration.

Director Faske then stated that the Board would consider its future meeting schedule. The Board generally agreed that it would hold its January meeting by video conference.

There being no further business to come before the Board, the meeting was adjourned.

(SEAL)



*Camy Reynolds*

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Camy Reynolds  
Secretary, Board of Directors

Date: January 18, 2020