

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

June 21, 2021

THE STATE OF TEXAS           §  
  §  
COUNTY OF WILLIAMSON       §

A meeting of the Board of Directors of Sonterra Municipal Utility District was held on June 21, 2021, at 113 Limestone Terrace, Jarrell, Texas. The meeting was open to the public and notice 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 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
Darrell Goldman	-	Vice President
Camy Reynolds	-	Secretary
Raven Dunbar	-	Assistant Secretary
Michael Cosimeno	-	Assistant Secretary

All of the Directors were present, thus constituting a quorum. 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; Edward Castro of Landscape Designs and Lawn Care LLC; Elston Johnson of Elston Johnson & Associates; and Carter Dean of Armbrust & Brown, PLLC.

After the Pledges of Allegiance to the United States and Texas flags, Director Faske stated that the Board would receive any Board member remarks or citizens communications. There being none, Director Faske stated that the Board would consider approving the minutes of the May 10 and May 17, 2021 Board meetings. Upon motion by Director Goldman and second by Director Reynolds, the Board voted unanimously to approve the minutes of both Board meetings, as presented.

Director Faske then announced that the Board would next receive the manager's report and recognized Mr. Bilger. Mr. Bilger stated that the pool had opened for the summer on June 10, which was later than planned, due to the improvements to the area. He next stated that pool's patrons seemed to like the new deck and shade structures installed. He then stated that he expected the installation of the splash pads at the pool to be complete in the next few weeks, but that the area was blocked off for now. He recommended that the Board consider replacing the grass at the pool with turf at some point after the summer when the pool had closed, since it was easier and less costly to maintain. He then stated that he believed another pool in the District would be necessary in the future due to the growing number of residents. He also stated that he believed it would be beneficial to hire a parks and recreation coordinator since the District would soon have many parks and recreational facilities. The Board generally agreed that this was a good idea and Director Reynolds asked Mr. Dean to add an item on the agenda for discussion at the next Board meeting. Director Cosimeno stated that he thought the lines in the pool parking lot should be repainted to use the space more efficiently. Mr. Bilger agreed, stating that the best time to do this would be after the summer when the pool had closed. Director Reynolds asked for the status of the splash pad being installed outside of the pool area. Mr. Bilger stated that work had begun on that splash pad, but was not complete. Mr. Bilger then stated that he believed the second entrance to the pool was problematic since it was a dark area

that older kids used for delinquent activities, and wanted to consider its removal after the pool was closed for the summer. Mr. Dean asked Mr. Bilger if he had spoken with anyone at Williamson County (the "County") regarding repainting the curb red on Quarry Rim Drive to prevent truckers from parking there. Mr. Bilger responded that he had, but that the County had declined the request.

Director Faske next stated that the Board would discuss the security items on the agenda, beginning with the security patrol report. Director Reynolds reviewed the report with the Board and stated that the patrol officers had begun patrolling 150 hours per month at the request of the Board, with more attention paid to the pool area during the evening. She stated that she and Director Faske had spoken with the police chief of the Jarrell Police Department ("JPD") regarding its ability to provide full time service to the District, but that it would most likely not make sense to contract with JPD due to jurisdictional issues. Director Faske stated that he would investigate the options a little more before making a recommendation to the Board. Mr. Hendrix stated that "no trespassing" signs may be necessary to prevent trespassing on certain District property, which had become a problem. The Board directed Mr. Bilger to look into "no trespassing" signs to install on District property.

Director Faske next recognized Mr. Castro to present the mowing and landscaping maintenance report to the Board. Mr. Castro reviewed his report and stated that he had been in regular contact with Mr. Goldman regarding various landscaping items and that mowing and landscaping was generally going well in the District.

Director Faske then stated that the Board would receive a report from the District operator. Mr. Hendrix presented Crossroads' report, attached as **Exhibit "B"**, and reviewed it with the Board. He advised the Board that, as of the end of May, the District had 3,245 occupied single-family connections, an estimated population of 9,735, and a total of 3,781 accounts and that there had been 24 new taps sold in May and a total of 407 for the fiscal year to date. Mr. Hendrix reported that there had been a water loss of 14.37% during the prior reporting period, which he noted was down significantly from the prior month. He then reported that operations were generally looking good, but that there had recently been a problem with residents flushing non-flushable items, which caused issues to the District's wastewater system. Director Faske directed Mr. Hendrix to solicit a proposal to mail notices to the residents regarding non-flushable items.

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 "C"**. He reported that Cool Water Phase 1 had been accepted the prior week upon receipt of the remaining close-out documents and completion of the remaining punch-list items, pursuant to Board authorization at a previous meeting. He stated that this meant the District could begin issuing meters in the area, which homebuilders had been requesting. He next presented the following pay applications from DNT Construction, LLC: (i) Pay Application No. 8 for Eastwood Phase I in the amount of \$450,274.27; (ii) Pay Application No. 7 for Eastwood Phase II in the amount of \$25,321.50; and (iii) Pay Application No. 7 for Eastwood Phase III in the amount of \$71,194.50, and recommended approval. Upon motion by Director Faske and second by Director Goldman, the Board voted unanimously to approve the pay applications. Mr. Jones then presented the bid tabulation for construction of the Water Treatment Plant No. 1 High Service Pump Station and recommended award of the contract to the low-bidder, TTC, LLC, in the amount of \$4,005,600. He also recommended that the District authorize execution of the contract contingent upon approval by the District's engineer and attorney, and to authorize the District's engineer to issue a "Notice to Proceed". He additionally recommended the execution of up to \$100,000 in change orders, upon approval by the District's engineer and manager. Upon motion by Director Goldman and second by Director Dunbar, the Board voted unanimously to award the contract to TTC, LLC and approve the attendant recommendations by Mr. Jones. Mr.

Jones then presented Pay Application No. 1 from Liberty Civil Construction, LLC in the amount of \$210,585.89 for Eastwood Sections 4, 5, and 6, and recommended approval. Upon motion by Director Goldman and second by Director Cosimeno, the Board voted unanimously to approve the pay application. Mr. Jones then stated that Eastwood Phase III may need wastewater “pump and haul” service, if the lift station in the area was not completed fast enough, and recommended that the Board authorize negotiation and execution of a “pump and haul” agreement with the developer of Eastwood Phase III, under which the developer would place a deposit to pay for this service until the lift station was operational. Upon motion by Director Goldman and second by Director Faske the Board voted unanimously to authorize negotiation and execution of a “pump and haul” agreement for Eastwood Phase III. Mr. Jones then stated that Bond Application No. 11 was ready to be submitted to the Texas Commission on Environmental Quality. Mr. Dean presented the Resolution Authorizing Application to the Texas Commission on Environmental Quality for Approval of Project and Bonds attached as **Exhibit “D”**, and the Resolution Expressing Official Intent to Reimburse Certain Costs attached as **Exhibit “E”**, noting that the bond amount was \$12,910,000. Mr. Jones then reviewed the Street and Utility Construction Agreements and Agreements Regarding Hold-back of Bond Proceeds for Eastwood Phases I & II, collectively attached as **Exhibits “F”**, which he explained were required by the Texas Commission on Environmental Quality since a portion of the streets and utilities for which the bonds would be issued were not yet complete. Upon motion by Director Goldman and second by Director Cosimeno, the Board voted unanimously to approve the Resolution Authorizing Application to the Texas Commission on Environmental Quality for Approval of Project and Bonds, the Resolution Expressing Official Intent to Reimburse Certain Costs, and the Street and Utility Construction Agreements and Agreements Regarding Hold-back of Bond Proceeds for Eastwood Phases I & II. Mr. Jones then presented a proposal from his firm to prepare Bond Application No. 12, attached as **Exhibit “G”**, for a lump sum fee of \$48,000. Upon motion by Director Faske and second by Director Goldman, the Board voted unanimously to approve the proposal. Mr. Jones then reviewed a map of water and wastewater line construction in and adjacent to the District, and explained that the District needed to obtain offsite easements on six tracts for construction of a wastewater line. Mr. Jones then presented the Fifth Amendment to Agreement for Wholesale Wastewater Service with the City of Jarrell (the “*City*”) attached as **Exhibit “H”**, and stated that it would increase the area for which the City would provide service and added additional points of connection. Upon motion by Director Faske and second by Director Goldman, the Board voted unanimously to approve the Fifth Amendment.

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 “I”** and recommended approval of six transfers, the Director and vendor payments, the renewal of seven certificates of deposit, and a bond payment. After discussion, upon motion by Director Faske and second by Director Dunbar, the Board voted unanimously to approve the transfers, the Director and vendor payments, the renewal of the certificates of deposit, and the bond payment.

Director Faske then announced that the Board would consider emergency response matters. Director Reynolds reported that she had attended a meeting of the newly formed task force, comprised of representatives from the local government entities in the area such as the City and the District, and that the task force continued to work on a plan for communication between the entities during times of emergency. Mr. Dean stated that he was attempting to arrange a meeting between the Board’s Emergency Response Subcommittee and the emergency response staff members of the City and the County to discuss District implementation of the Everbridge emergency notification system.

Director Faske then stated that the Board would consider the budget and tax items on the agenda. Mr. Douthitt reviewed the 2021 preliminary estimate of taxable value with the Board. Mr. Dean reviewed the schedule for adopting the 2021-2022 budget and 2021 tax rate

with the Board, and explained that while the Board would propose a tax rate in August, it would approve a tax rate in September, following notice and hearing regarding the tax rate.


Director Faske then recognized Mr. Dean for the attorney's report. Mr. Dean stated that he had no items to discuss under the attorney's report.

Director Faske then stated that the Board would convene in executive session at 7:12 p.m. to receive a report from Mr. Johnson regarding America's Water Infrastructure Act of 2018 (the "AWIA"), pursuant to Section 551.076 of the Open Meetings Act, and to discuss the acquisition of an offsite utility easement from Scotty Templeton, pursuant to Section 551.072 of the Open Meetings Act. Director Faske reconvened the Board in open session at 7:42 p.m. and stated that no action had been taken during executive session. Upon motion by Director Faske and second by Director Reynolds, the Board voted unanimously to authorize Mr. Johnson to certify to the Environmental Protection Agency the District's completion of its risk and resiliency assessment required under the AWIA, and to authorize Mr. Dean to mail an initial offer letter to Mr. Templeton for purchase of the offsite utility easement required through his property.

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

(SEAL)



  
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Camy Reynolds  
Secretary, Board of Directors

Date: July 19, 2021