

**SONTERRA MUNICIPAL UTILITY DISTRICT  
MINUTES OF BOARD OF DIRECTORS MEETING**

January 17, 2022

THE STATE OF TEXAS           §  
  §  
COUNTY OF WILLIAMSON       §

A meeting of the Board of Directors of Sonterra Municipal Utility District was held on January 17, 2022, 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 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; Robin Barfield and Susan Gregurek of the Jarrell Community Library (the "Library"); Andy Bilger, of Vecindario Management, LLC; Carter Dean of Armbrust & Brown, PLLC; Lloyd Potts of LT Investments; and Danielle Smith, a resident of the District.

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. Director Faske recognized Mr. Potts, who stated that he was purchasing property adjacent to County Road 314 and needed water and wastewater provided to the property. He asked the Board to consider providing service to the property, which was outside of the boundaries of the District. Director Faske asked Mr. Potts to discuss the matter with Mr. Jones, who would review the District's out-of-district service policy and present the matter to the Board at a future meeting, if appropriate.

Director Faske then stated that the Board would consider matters related to the Jarrell Community Library. Ms. Barfield reviewed the Library report with the Board and stated that with the permission of the Board, the Library had installed a new security system in the office building, and would provide new building keys to the appropriate District consultants. She next stated that the Library had terminated the employee who had, without permission, filled one of the office building's rooms that was not one of those leased to the Library with items. Ms. Barfield noted that the Library would soon remove the items from the room. She then stated that the Library was interested in entering into an interlocal agreement with the City of Jarrell and the District that would provide support to the Library. Director Reynolds stated that she would be open to discussing such an agreement with Ms. Barfield.

Director Faske next announced that the Board would receive a report from the District manager and recognized Mr. Bilger. Mr. Bilger reported that he had received two bids for replacement of the office building doors, and did not believe that he would receive any more. Director Goldman stated that while the bid price from Cothron's was lower, the bid from Laforce

would meet fire code, which was the purpose of replacing the doors. After discussion, upon motion by Director Faske and second by Director Cosimeno, the Board voted unanimously to authorize Director Goldman to further consider the bids and approve one at his discretion. Mr. Bilger next reported that he was waiting on the final plans for the pool that would be constructed in the Eastwood subdivision; that the playground equipment had been ordered; that it had been determined that the playground would need drains, since it would not utilize wood chips; and that the splash pad outside of the pool was functional, but not yet available for use since installation of a perimeter fence was still. Mr. Bilger then stated that Ms. Smith had stepped up to handle clubhouse reservations at the pool since the pool manager had quit. He stated that Ms. Smith had also worked with the District's website administrator to create a website to handle clubhouse reservations. Ms. Smith reviewed the website with the Board.

Director Faske then called the Board's attention to the election items included on the supplemental agenda. Mr. Dean advised that Directors Reynolds' and Goldman's terms on the Board ended in May, and that the Board would need to call an election to be held on the May 7, 2022 general election date for the two positions on the Boards. Mr. Dean then presented the Order Calling Director Election attached as **Exhibit "B"** and the Resolution Approving Election Agreement and Contract for Election Services attached as **Exhibit "C"** to the Board. He also explained that the Board would need to authorize him to give notice of the Director election. Upon motion by Director Goldman and second by Director Cosimeno, the Board voted unanimously to approve the Order Calling Director Election and the Resolution Approving Election Agreement and Contract for Election Services, and to authorize Mr. Dean to give notice of the Director election.

Director Faske next announced that the Board would consider approving the consent items on the agenda, including the minutes of the December 13, 2021 Board meeting, the Resolution Confirming Annual Review of Written Procedures for Post Bond Issuance Federal Tax Compliance attached as **Exhibit "D"**, and the Resolution Confirming Annual Review of Water Conservation and Drought Contingency Plan and Updating Water and Wastewater Utility System Profile attached as **Exhibit "E"**. Upon motion by Director Cosimeno and second by Director Reynolds, the Board voted unanimously to approve the consent items, as presented.

Director Faske then stated that the Board would receive a report from the District operator. Mr. Hendrix presented Crossroads' report, attached as **Exhibit "F"**, and reviewed it with the Board. He advised the Board that, as of the end of December, the District had 3,557 occupied single-family connections and a total of 3,900 accounts and that there had been 74 new taps sold in December and a total of 74 for the fiscal year to date. Mr. Hendrix reported that there had been a water loss of 8.73% during the prior reporting period. Mr. Hendrix stated that he had sent no write-offs to collections. Mr. Hendrix reported that the District's Water Well Nos. 4 and 5 were out of service due to failed cooling fans, adding that the parts needed to repair the wells had been ordered. The Board then considered whether to send the delinquent bill for \$11,609.15 to collections. Mr. Dean stated that he had determined that a utility lien could not be filed on the property. Director Faske asked whether a memorandum could be recorded with the County Clerk on the property subject to the delinquency providing notice of the delinquency. Mr. Dean stated that he thought that this may be possible. After discussion, upon motion by Director Faske and second by Director Goldman, the Board voted unanimously to approve Mr. Dean to record such a memorandum, if possible, and to send the delinquent bill to collections. Mr. Hendrix then reviewed the First Amendment to Operations Services Agreement with Crossroads Utility Services LLC attached as **Exhibit "G"** with the Board and stated that it added operation of the Eastwood Lift Station, which had recently been placed in operation, to Crossroads' scope of services, and adjusted Crossroads' compensation accordingly. Upon motion by Director Faske and second by Director Goldman, the Board voted unanimously to approve the first amendment, as presented. Mr. Hendrix next reported to the Board that the Identify Theft Prevention Program had been working well and that he recommended no changes to it.

Upon motion by Director Faske and second by Director Goldman, the Board voted unanimously to approve the Resolution Confirming Annual Review of Identity Theft Prevention Program attached as **Exhibit "H"**. Mr. Hendrix then reported that he would soon attend a kickoff meeting with HydroPro to discuss the upcoming smart meter installation. Mr. Hendrix then stated that the televising work approved at the prior Board meeting had been performed on the laterals located within the Cool Water subdivision, and that issues were identified in 28 of them, noting that there had been reports of sewer backups into homes. He stated that the homebuilders had caused some of the issues, so the homebuilders' deposits with the District could be applied to cover the damage. The Board generally agreed that this should be done and authorized Crossroads to backcharge the responsible homebuilders.

Director Faske then recognized Mr. Jones for the purpose of receiving the engineer's report. Mr. Jones reviewed his report with the Board, attached as **Exhibit "I"**. He next presented and recommended approval of Pay Application Nos. 14 and 15 for Eastwood Phase I; Pay Application No. 10-Retainage for Eastwood Phase II; Pay Application No. 4 for Water Treatment Plant No. 1 High Service Pump Station; and Pay Application No. 7 for Eastwood Sections 4, 5, and 6, attached collectively as **Exhibit "J"**. He also recommended acceptance of Eastwood Phase II for operation and maintenance and requested Board authorization to administratively accept Eastwood Phase III for operation and maintenance upon receipt of all close-out documentation, including an affidavit of all bills paid. Upon motion by Director Faske and second by Director Reynolds, the Board voted unanimously to approve the pay applications presented by Mr. Jones, to accept Eastwood Phase II for operation and maintenance, and to authorize Mr. Jones to administratively accept Eastwood Phase III for operation and maintenance upon receipt of all close-out documentation, including an affidavit of all bills paid. Mr. Jones stated that acceptance of the Rio Lobo project as not ready and that the item should be tabled under the next Board meeting.

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 "K"** and recommended approval of the transfers, the Director and vendor payments, and upcoming bond payments. After discussion, upon motion by Director Goldman and second by Director Faske, the Board voted unanimously to approve the transfers, the Director and vendor payments, and the bond payments.

Director Faske then recognized Mr. Hendrix to provide an update to the Board regarding completion of the emergency preparedness plan required under Senate Bill 3. Mr. Hendrix reported that Defensor Solutions, with whom the District had contracted to complete the work, was working on the plan and would be able to make the March 1 filing deadline.

Director Faske stated that the Board would receive a report from the District's attorney. Mr. Dean reviewed the Resolution Confirming Annual Review of Code of Ethics and Financial Investment, Travel and Professional Services Polices; and Amending List of Qualified Brokers attached as **Exhibit "L"** with the Board. Upon motion by Director Reynolds and second by Director Cosimeno, the Board voted unanimously to approve the Resolution, as presented.

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

(SEAL)



Date: February 21, 2022

  
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Camy Reynolds  
Secretary, Board of Directors