

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

August 15, 2022

THE STATE OF TEXAS §
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COUNTY OF WILLIAMSON §

A meeting of the Board of Directors of Sonterra Municipal Utility District was held on August 15, 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:

Camy Reynolds	-	President
John Faske	-	Vice President
Michael Cosimeno	-	Secretary
Raven Dunbar	-	Assistant Secretary
Daniel Islas	-	Assistant Secretary

All of the Directors were present except Director Faske, 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; Carter Dean of Armbrust & Brown, PLLC; Susan Gregurek of the Jarrell Community Library (the “Library”); Eddie Castro of Landscape Designs & Lawn Care; Andy Bilger and Darrell Goldman of Vecindario Management, LLC; Garry Kimball of Specialized Public Finance Inc.; and Mr. English and Ms. Melton, residents of the District.

After the Pledges of Allegiance to the United States and Texas flags, Director Reynolds stated that the Board would receive any Board member remarks and citizens communications. Director Reynolds recognized Mr. English, who asked whether all Board members were residents, whether the ad valorem tax rate would be increased that year, and when the splash pad would be functional. Director Reynolds then recognized Ms. Melton, who requested that the pool remain open during select hours in the off-season for use by adults for lap swimming.

Director Reynolds announced that the Board would next consider the budget and tax items on the agenda. Mr. Dean stated that water districts, such as the District, were classified as one of three classifications for purposes of the election and voter-approval tax rate procedures that related to setting a tax rate. Mr. Dean reviewed the classifications with the Board and advised that the District was a “developing district” for the 2022 tax year since it had not yet been over 95% built-out and financed. Mr. Kimball and Mr. Jones concurred. Upon motion by Director Cosimeno and second by Director Dunbar, the Board voted 4-0 to confirm the District’s classification as a “developing district” for the 2022 tax year. Mr. Kimball then reviewed the District’s 2022 certified taxable values from the Williamson Central Appraisal District attached as **Exhibit “B”** and recommended, based on the values, that the District propose a 2022 tax rate of \$0.7150 per \$100 of taxable value, comprised of \$0.60 for debt service and \$0.1150 for operations and maintenance. Mr. Douthitt then reviewed the draft budget attached as **Exhibit “C”** with the Board. After discussion, upon motion by Director Cosimeno and second by Director Dunbar, the Board voted 4-0 to hold a special meeting to consider the budget on August 30, 2022 at 12:30 p.m.; propose a tax rate of \$0.7150 per \$100 of taxable value; schedule a public hearing at which the adoption of the 2022 tax rate would be considered on September

12, 2022 at 6:00 p.m.; and authorize Mr. Dean's firm to publish the notice in a newspaper of general circulation in the District.

Director Reynolds next stated that the Board would consider approval of the minutes of the July 18, 2022 and July 22, 2022 Board meetings. Upon motion by Director Cosimeno and second by Director Dunbar, the Board voted 4-0 to approve the minutes of both meetings.

Director Reynolds next stated that the Board would receive a report from the District manager. Mr. Bilger stated that two pools were planned to be constructed in the Sonterra neighborhood: one across from Igo Elementary and the other in Cool Water Municipal Utility District, which he advised would begin construction within the next few weeks. He next stated that a small park was going to be constructed in Section 10. He then stated that the splash pad and adjacent soccer field were almost complete and ready for use. He stated that trails were planned to be built to "snake" through the entire community. He then stated that that construction of a basketball pavilion would begin soon. Mr. Bilger next reported that he would have interviews lined-up for the parks and recreation manager position within the next 30-60 days. He advised that the District should consider also hiring a full-time pool maintenance employee since the community would eventually have three pools.

Director Reynolds then stated that the Board would next consider matters related to the Jarrell Community Library and recognized Ms. Gregurek. Ms. Gregurek reviewed the report from the Library with the Board. She next presented a Certificate of Appreciation to the Board for its support of the Library. The Board thanked Ms. Gregurek. Ms. Gregurek then reported that the Library was changing its hours of operation to 10:00 a.m. to 6:00 p.m. due to security concerns, noting that there had recently been suspicious cars in the parking lot. She next stated that she had been discussing including a link to make donations to the Library in the District's utility bills with Mr. Hendrix. She concluded her report by asking if the Library could use the foyer and for the District to facilitate a calendar for use of the meeting room by different organizations. Mr. Dean stated that he could talk with Ms. Gregurek regarding potentially amending the District's lease agreement with the Library to include the foyer if the Board was interested.

Director Reynolds next announced that the Board would consider renewal of the Website Maintenance Agreement with James Williams attached as **Exhibit "D"**. Mr. Dean reviewed the agreement with the Board. Upon motion by Director Reynolds and second by Director Dunbar, the Board voted 4-0 to approve the Website Maintenance Agreement.

Director Reynolds then stated that the Board would consider items related to District security. Ms. Reynolds reported that Officer Denney of the Jarrell Police Department had informed her that two members of Jarrell City Council would comprise a subcommittee for the purpose of discussing with Directors Reynolds and Dunbar the District's potential contracting with the Jarrell Police Department for patrol services.

Director Reynolds then stated that the Board consider mowing and landscape maintenance items. Mr. Dean stated that Mr. Castro and he were working on a new landscape maintenance agreement that would incorporate additional areas requiring landscaping services, which he planned to present at one of the next Board meetings.

Director Reynolds then stated that the Board would receive a report from the District operator. Mr. Hendrix presented Crossroads' report, attached as **Exhibit "E"**, and reviewed it with the Board. He advised the Board that, as of the end of July, the District had 3,670 occupied single-family connections and a total of 4,364 accounts and that there had been 243 new taps sold in July and a total of 807 for the fiscal year to date. Mr. Hendrix reported that there had been a water loss of 14.25% during the prior reporting period, but that he had been coordinating

with Mr. Jones to implement additional pressure tests that would decrease the District's water loss. Mr. Hendrix then stated that Crossroads had conducted a survey of the Section 13 wastewater system and had located no issues; however, due to the number of wastewater backup calls that had been received for Eastwood Sections 1-3, he recommended approval of the proposal attached as **Exhibit "F"** for a survey of those sections. Upon motion by Director Dunbar and second by Director Cosimeno, the Board voted 4-0 to approve the proposal for surveying Eastwood Sections 1-3. Mr. Hendrix then stated that HydroPro had informed him that a portion of the District's old meters would be replaced with electronic meters in a few weeks. He added that he would send an "email blast" out to the District's customers who would be receiving new meters. Mr. Hendrix next presented a proposal from Heart of Texas Inspection Services attached as **Exhibit "G"** for a routine inspection of the District's elevated storage tank. Upon motion by Director Dunbar and second by Director Cosimeno, the Board voted 4-0 to approve the proposal. Mr. Hendrix then presented the Operations Services Agreement with Crossroads Utility Services LLC, attached as **Exhibit "H"**, noting that the current agreement between the District and Crossroads expired at the end of September. Mr. Hendrix pointed out the compensation increase in the agreement from the prior agreement. Upon motion by Director Dunbar and second by Director Cosimeno, the Board voted 4-0 to approve the Operations Services Agreement.

Director Reynolds 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"**, and provided an update regarding development projects currently underway, noting that all single-family construction in the neighborhood was now occurring in Cool Water Municipal Utility District. He then presented Pay Application No. 11, attached as **Exhibit "J"**, in the amount of \$37,750.99 from TTE, LLC for the Water Treatment Plant No. 1 High Service Pump Station. Upon motion by Director Cosimeno and second by Director Dunbar, the Board voted 4-0 to approve Pay Application No. 11. Mr. Jones then presented a proposal from the W.F. Smith Company for appraisal services, attached as **Exhibit "K"**, in the amount of \$12,100 to determine the land purchase amount included for funding in the District's 12th bond issue. Upon motion by Director Cosimeno and second by Director Dunbar, the Board voted 4-0 to approve the proposal.

Director Reynolds then stated that the Board would receive a report from the District's bookkeeper. Mr. Douthitt reviewed the bookkeeper's report attached as **Exhibit "L"** and recommended approval of the transfers and the Director and vendor payments as listed in his report, noting that he would need to void Director Faske's director fee check due to his absence. Upon motion by Director Cosimeno and second by Director Islas, the Board voted 4-0 to approve the transfers and the Director and vendor payments.

Director Reynolds stated that the Board would receive a report from the District's attorney. Mr. Dean presented the memorandum detailing the prior month's requests for corrective action and penalties for violation of the District's rules regarding erosion control. At 7:25 p.m., Director Reynolds announced that the Board would convene in executive session to receive legal advice from Mr. Dean regarding the acquisition of easements for the Willis Creek wastewater interceptor. At 7:33, Director Reynolds announced that the Board would reconvene in open session and that no action had been taken during executive session.

There being no further business to come before the Board, the meeting was adjourned at 7:33 p.m.

(SEAL)



Date: October 17, 2022



Michael Cosimeno
Secretary, Board of Directors