

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

June 20, 2022

THE STATE OF TEXAS           §  
  §  
COUNTY OF WILLIAMSON       §

A meeting of the Board of Directors of Sonterra Municipal Utility District was held on June 20, 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, thus constituting a quorum. Also present at the meeting were Jason Jones and Keith Collins 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; Andy Bilger and Danielle Smith of Vecindario Management, LLC; Ashlee Martin of McCall Gibson Swedlund Barfoot PLLC; Kevin Deñney of the Jarrell Police Department; and Brandi Dill, Chelsie Odom, and Frederick Graham, residents 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. Ms. Dill stated that, the prior summer, she, Ms. Odom, and Mr. Graham, had been issued trespass warnings for an incident that they were involved in at the District pool, effectively banning them from the pool indefinitely. Ms. Dill stated that she, Ms. Odom, and Mr. Graham would like their access to the pool to be reinstated. Mr. Faske stated that the Board would take the request under consideration.

Director Faske announced that the Board would next consider approving the minutes of the May 16, 2022 Board meeting. Upon motion by Director Reynolds and second by Director Dunbar, the Board voted unanimously to approve the meeting minutes.

Director Faske next stated that the Board would consider a request from the Sonterra West Homeowners' Association (the "*HOA*") to hold its 2022 Independence Day event on District property. Director Reynolds stated that the HOA had ended up making a deal with the Jarrell Independent School District to use its property, and no longer needed to request use of the District's property.

Director Faske next stated that the Board would receive a report from the District manager. Mr. Bilger stated that the splash pads were repaired following Memorial Day; new equipment had been order for the pool; a tree by the pool was being moved due to dropping leaves into the pool; there was a commercial chlorine shortage, so he was asking Crossroads to provide some for the pool; over 200 people per day were attending the pool; the new software

system, Community Pass, was buggy at first, but was now running smoothly; the pool would need some modifications in the fall, after the swimming season; and the parking lot would be restriped after the swimming season. Director Reynolds asked if the pool could sustain the number of visitors it was receiving. Mr. Bilger stated that it may be necessary to implement a policy only permitting residents and their guests. After discussion, upon motion by Director Cosimeno and second by Director Dunbar, the Board voted unanimously to implement a policy that only residents and their guests be permitted to the pool (with their resident sponsor present), beginning that Saturday. Ms. Smith stated that she would create a graphic containing this rule that could be posted on the social media.

Director Faske next stated that the Board would consider items related to the District's parks and recreational facilities. Mr. Bilger stated that the new playground was about two months away from being completed. He then presented Estimate No. 4 from Landscape Designs & Lawn Care for mulch installation at the playscape area in the amount of \$5,505.50 attached as **Exhibit "B"**, and Quotation No. 65040443 from SCP for various pool-related equipment in the amount of \$8,442.30 attached as **Exhibit "C"**. Upon motion by Director Reynolds and second by Director Dunbar, the Board voted unanimously to approve Estimate No. 4 and Quotation No. 65040443. Director Reynolds asked if the District should purchase security cameras for the District's recreational facilities. Mr. Bilger responded that he had been looking into it. Mr. Bilger next stated that construction of the basketball court would begin sometime after July 4<sup>th</sup>. He then stated that there had been reports of motorcycles using the pump track, which was meant for use by bicycles. Director Reynolds stated that Mr. Dean should send a letter to the address(es) that Mr. Bilger had for the offenders demanding that they cease use of the pump track with motorized vehicles.

Director Faske then stated that the Board would receive a report from Ms. Gregurek regarding the Jarrell Community Library (the "*Library*"). Ms. Gregurek provided an update regarding the Library, noting that the reading program was going so well that they had to begin limited the number of attendees. She then asked if the Library could use one of the rooms in the District's administrative building that was not under sublease to the Library for temporary use in an "escape room" game. Upon motion by Director Reynolds and second by Director Dunbar, the Board voted unanimously to permit the Library to use the empty side room in the administrative building for one time use in an "escape room" game. Ms. Gregurek then stated that the Library had become accredited on June 9<sup>th</sup>, but still needed additional funding. The Board then discussed whether the District would pay for inserts to the District's utility bills requesting donations to the Library. Mr. Bilger volunteered to pay for one month of inserts to see how it went. Upon motion by Director Faske and second by Director Reynolds, the Board voted unanimously to permit Mr. Bilger to do so, noting that the Board would consider the efficacy of the inserts at the next Board meeting in order to determine whether continuing the practice was worth it.

Director Faske next announced that the Board would consider items related to District security. Ms. Reynolds reviewed the security patrol report with the Board. She stated that, based on her conversations with Deputy Kidwell, 150 hours of security patrol per month remained appropriate, and that increasing the number of hours would be difficult anyway, due to current staffing shortages. Officer Denney then addressed the Board and requested that it consider contracting with the City of Jarrell for patrol services. After Board discussion, the Board generally agreed that Directors Reynolds and Dunbar would investigate whether contracting with the City of Jarrell for patrol services would benefit the community and to report back to the Board at a later date.

Director Faske then stated that the Board consider mowing and landscape maintenance items. Mr. Castro referred the Board to his report summarizing the prior month's landscape maintenance, and stated that he had nothing else to add.

Director Faske then stated that the Board would receive a report from the District operator. Mr. Hendrix presented Crossroads' report, attached as Exhibit "D", and reviewed it with the Board. He advised the Board that, as of the end of May, the District had 3607 occupied single-family connections and a total of 4,088 accounts and that there had been 85 new taps sold in April and a total of 398 for the fiscal year to date. Mr. Hendrix reported that there had been a water loss of 22.26% during the prior reporting period, which he attributed primarily to a 12+ hour water leak that had occurred on May 27<sup>th</sup>. He then reported that it would be July or August before AMI could install the new electronic meters that the District had ordered. Director Faske asked whether the District needed to issue a drought warning and impose water restrictions in accordance with its drought contingency plan. Mr. Hendrix stated that this was not yet necessary since the District had a high percentage of ground water and did not have a shortage at this time.

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 "E", and provided an update regarding development projects currently underway. He next stated that Verizon wanted to construct a cell phone tower at the District's dog park, which was District property. The Board generally agreed that this was not a suitable location, but that it would be open to considering alternative locations. Mr. Jones next stated that he had not yet issued letters of acceptance for Rio Lobo or Cool Water MUD Phase 2 since he had not yet received the required affidavits of bills paid. He then presented and recommended approval of Pay Application No. 9 from TTE for Water Treatment Plant No. 1 High Service Pump Station in the amount of \$400,763.95 attached as Exhibit "F". Upon motion by Director Faske and second by Director Reynolds, the Board voted unanimously to approve Pay Application No. 9. Mr. Jones then stated that he and Mr. Douthitt recommended that the Board approve the use of impact fees collected by the District to fund construction of a second elevated storage tank in the District. Following discussion, upon motion by Director Cosimeno and second by Director Reynolds, the Board voted unanimously to approve the use of impact fees for construction of EST No. 2. Mr. Jones then reviewed a request for out-of-district wastewater service to a 250-unit apartment complex and 30,000 of retail space to be located at 1100 CR 313. He recommended that the Board only provide retail wastewater service if it also provided retail water service, as there were issues with only providing one. Director Faske stated that the Board would table the request until it had been determined whether the City of Jarrell was willing to provide the District with the necessary LUEs of wholesale water service to provide the out-of-district property with retail water service. Mr. Jones concluded his report by informing the Board that the Lone Star Regional Water Authority had been allocated approximately \$14,000,000 in funds from the ARPA program for purposes of obtaining additional water for its member entities, including the District.

Director Faske next announced that the Board would receive a supplemental reimbursement report regarding the District's Bond Issue No. 11 from Ms. Martin. Ms. Martin reviewed the report attached as Exhibit "G" and recommended that the District approve disbursement of the bond funds as recommended in the report. Mr. Dean stated that the funds related to the land should not be disbursed until the deeds to the land had been received. Upon motion by Director Cosimeno and second by Director Dunbar, the Board voted unanimously to approve the disbursement of the funds as recommended by the reimbursement report, with the condition that the funds related to the land not be disbursed until the deeds had been executed.

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 "H" and recommended approval of the transfers and the Director and vendor payments as listed in his report, authorization to close the District's CDs, since TexPool's interest rate had gone up significantly, and approval of the upcoming bond payment. After discussion, upon motion by Director Cosimeno and second by Director Reynolds, the Board voted unanimously to approve

the transfers and the Director and vendor payments, to authorize closing the CDs, and to make the bond payment.

Director Faske then stated that the Board would consider the budget and tax items on the agenda. Mr. Douthitt covered the preliminary estimate of 2022 taxable value, attached as Exhibit "I", with the Board and reviewed the schedule for adopting the 2022-2023 budget and tax rate attached as Exhibit "J". He recommended that the District hold a special budget workshop meeting between its August and September meetings. Mr. Dean then stated that the Board would need to move its September meeting date since the regularly scheduled date would not work with the deadline from Williamson County to submit the approved tax rate. The Board agreed to move its September Board meeting to September 12<sup>th</sup> at 6:00 p.m.

Director Faske next stated that the Board would consider the acceptance of easements form KB Home Lone Star for Cool Water Phase 3, including water and wastewater easements on Brannigan Drive, Old Western Pass, and Ringo Kid Road attached collectively as Exhibit "K". Mr. Dean recommended acceptance of the easements as they were necessary to provide service to Cool Water Phase 3. Upon motion by Director Faske and second by Director Dunbar, the Board voted unanimously to accept the easements.

Director Faske stated that the Board would receive a report from the District's attorney. Mr. Dean reviewed his directives with the Board. He then presented a proposal from Williams Mapping for erosion control and trash inspections at construction sites and recommended approval, along with authorization for execution of a related agreement attached collectively as Exhibit "L". Mr. Jones confirm that this service was still needed in the District. Upon motion by Director Cosimeno and second by Director Dunbar, the Board voted to approve the proposal and a related agreement, with the stipulation that the term of the agreement only be until the end of the calendar year, after which the necessity for the service would be reconsider.

Director Faske then stated that the Board would consider the acquisition of easements for the Willis Creek interceptor. Mr. Dean recommended that a Board member be appointed to the subcommittee that handled issues related to acquisition of these easements to replace Mr. Goldman, who was not longer on the Board or subcommittee. Upon motion by Director Faske and second by Director Reynolds, the Board voted unanimously to appoint Director Cosimeno to the subcommittee along with Director Faske.


Director Faske then stated that the Board would convene in executive session at 8:32 p.m. to consider receive legal advice regarding the acquisition of the easements need to the Willis Creek interceptor and to discuss security issues related to the pool patrons who had been issued trespass warnings at the District pool. At 9:11 p.m., Director Faske stated that the Board would reconvene in open session, noting that no action had been taken during executive session. Upon motion by Director Cosimeno and second by Director Dunbar, the Board voted unanimously to permanently ban Mr. Graham from the District pool and to temporarily ban Ms. Dill and Ms. Odom from the pool, noting that they may request lifting of the ban in April of 2023, prior to the opening of the pool for that season. Upon motion by Director Faske and second by Director Cosimeno, the Board voted unanimously to authorize the District's condemnation attorney, Brad Anderson, to send final offer letters for the easements to be acquired for the Willis Creek interceptor.

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

(SEAL)



Date: July 18, 2022



Michael Cosimeno  
Secretary, Board of Directors