

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

August 14, 2023

THE STATE OF TEXAS           §  
  §  
COUNTY OF WILLIAMSON       §

A meeting of the Board of Directors of Sonterra Municipal Utility District was held on August 14, 2023, 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
Sherry Roark	-	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”); Carter Dean of Armbrust & Brown, PLLC; Andy Bilger and Darrell Goldman of Vecindario Management, LLC; Allen Douthitt of Bott & Douthitt, PLLC; Garry Kimball of Specialized Public Finance Inc.; Trent Rush of Hitchcock Design Group; Eddie Castro of Landscape Designs & Lawn Care; Alex Small of Flock Safety; and Tom Slowbe and Daniel Islas, members of the public.

After the Pledges of Allegiance to the United States and Texas flags, Director Faske stated that the Board would receive any Board member remarks and citizens communications. Director Faske first recognized Daniel Islas, who stated that he was not seeking conflict through his social media activity concerning District issues, but was trying to benefit the community by providing relevant information. Director Faske then recognized Alex Small, who stated that he would like to make a presentation regarding Flock Safety cameras to the Board at its next meeting. Director Faske asked Mr. Dean to place an appropriate item on the next agenda.

Director Faske next stated that the Board would consider the Director Items on the agenda, beginning with the resignation of Director Reynolds. Director Reynolds stated that she would be resigning effective at the end of the Board meeting. Upon motion by Director Faske and second by Director Cosimeno, the Board voted 4-0-1 to accept Director Reynolds’ resignation effective as of the end of the meeting, with Director Reynolds abstaining. Mr. Dean stated that items 4, 5, 6, and 8 on the agenda could be tabled until the Board had a candidate for appointment to the Board. Then, upon motion by Director Roark and second by Director Cosimeno, the Board voted unanimously to approve the revised District Registration Form to remove Director Reynolds.

Director Faske then stated that the Board would consider the consent items on the agenda, including (i) the minutes of the July 17, 2023 Board meeting; (ii) the Plumbing Inspection Services Agreement with Roadrunner Inspection Services attached as **Exhibit “B”**; and (iii) the Website Maintenance Agreement with James Williams attached as **Exhibit “C”**.

Upon motion by Director Reynolds and second by Director Cosimeno, the Board voted unanimously to approve the consent items, as presented.

Director Faske then stated that the Board would consider the Budget and Tax Items on the agenda, beginning with the District's tax rate classification for tax year 2023. Mr. Dean reviewed the memorandum attached as **Exhibit "D"** with the Board and advised that the District still qualified as a "developing" district, since its utility facilities were not yet 95% built-out and financed yet. Messrs. Jones and Kimball concurred. Mr. Dean stated that this meant that the District could increase taxes on the average residential homestead no more than 8% from the prior year without potentially triggering a "roll-back" election. The Board then considered the District's 2023/2024 budget and 2023 tax rate. Mr. Kimball reviewed the 2023 certified appraised values from Williamson Central Appraisal District attached as **Exhibit "E"** with the Board, stating that the District's certified taxable value for 2023 was \$1,194,943,219. Mr. Kimball recommended that the Board propose a 2023 tax rate of \$0.7035 per \$100 of taxable values, allocated \$0.5750 to debt service and \$0.1285 to operation and maintenance. Mr. Douthitt then reviewed the draft budget attached as **Exhibit "F"** with the Board. Board discussion ensued regarding the draft budget. Mr. Dean then asked whether the Board would be able to attend a meeting on September 11<sup>th</sup> in lieu of its standard meeting date, since Williamson County required the District to submit its tax rate by September 15<sup>th</sup>. The directors responded that they could attend a September 11<sup>th</sup> Board meeting. After discussion, upon motion by Director Cosimeno and second by Director Dunbar, the Board voted in favor of proposing a 2023 tax rate of \$0.7035, allocated as discussed, scheduling a public hearing on the tax rate for September 11<sup>th</sup> at 6:00 p.m. at the District's office, and authorizing Mr. Dean's office to publish the Water District Notice of Public Hearing on Tax Rate, with Directors Reynolds, Faske, Cosimeno, Dunbar, and Roark each present and voting "aye".

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 "G"** and recommended approval of the transfers and the Director and vendor payments as listed in his report. Upon motion by Director Cosimeno and second by Director Dunbar, the Board voted unanimously to approve the transfers and the Director and vendor payments. Mr. Dean stated that the Board table items 14(b) and (c) on the agenda until the Board had identified a candidate for appointment to the Board to fill the vacancy created by Director Reynolds' resignation.

Director Faske next stated that the Board would receive a report from the District manager. Mr. Goldman first reported that there was no date set for striping of the pool parking lot yet and that the basketball pavilion bathroom had been boarded up due to vandalism. He then referred the Board to a proposal from Georgetown TV & Audio, LLC attached as **Exhibit "H"** for the purchase and installation of security cameras at the basketball pavilion. Upon motion by Director Dunbar and second by Director Roark, the Board voted unanimously to approve the proposal. Mr. Goldman then stated that Bartlett Electric would need to provide electricity to the basketball pavilion for the security cameras. Mr. Goldman next reported that there were various repair and maintenance items that needed be addressed at the District's pool, and that he would present proposals for such items at the Board's next meeting.

Director Faske then stated that the Board would consider matters related to the District's parks and recreational facilities. Trent Rush of Hitchcock Design Group addressed the Board and stated that Hitchcock could create a new park master plan for and provide related landscape architecture and design services to the District. He reviewed Hitchcock's qualifications and work done for other water districts. Mr. Faske stated that one of the Board's primary goals with respect to its parks was to have a consistent design among facilities, both practically and aesthetically. The Board asked Mr. Rush to provide a proposal to the Board at its next meeting to create a new master park plan. Mr. Goldman then presented the proposal for landscape architectural design services for Sonterra Phase 2 trails from Keith Cavet attached as **Exhibit**

**“I”**. Upon motion by Director Reynolds and second by Director Dunbar, the Board voted unanimously to approve the proposal.

Director Faske then stated that the Board would consider items related to District security. The Board discussed who would replace Director Reynolds as the Board’s liaison to the Williamson County patrol officers providing patrol services to the District. After discussion, the Board generally agreed that Director Cosimeno would be the new liaison. Mr. Dean then stated that he would present a new patrol agreement with Williamson County at the next Board meeting, since the vehicle usage rate was increasing. Director Faske asked Mr. Dean to determine whose insurance covered liability related to the patrol services provided by the County. The Board then discussed the recurrent vandalism at the basketball pavilion and directed Mr. Dean to draft a warning to send to the Sonterra West HOA for distribution.

Director Faske then stated that the Board would receive a report from Landscape Designs & Lawn Care. Mr. Castro referred the Board to his report in the packet.

Director Faske then stated that the Board would receive a report from the District’s operator. Mr. Hendrix presented Crossroads’ report, attached as **Exhibit “J”**, and reviewed it with the Board. He advised the Board that, as of the end of June, the District had 4,100 occupied single-family connections and a total of 4,334 accounts and that there had been 133 new taps sold in July and a total of 439 for the fiscal year. Mr. Hendrix reported that there had been a water loss of 5.30% during the prior reporting period and seven write-offs. He next reported that well no. 2 had not yet been repaired, since the necessary parts had not yet been delivered. He then stated that the compressor at lift station no. 4 needed to be replaced. Director Faske asked Mr. Hendrix to determine whether the maintenance bond or warranty on the compressor covered its replacement. After discussion, upon motion by Director Faske and second by Director Cosimeno, the Board voted unanimously to authorize purchase of a new compressor not to exceed \$6,700, but only if the maintenance bond or warranty on the compressor had already expired. Mr. Hendrix then stated that a homeowner on Amber Lane needed to be reimbursed due to a backup in the District’s main resulting in a plumbing bill to the homeowner. Upon motion by Director Faske and second by Director Cosimeno, the Board voted unanimously to reimburse the homeowner as recommended. Mr. Hendrix then reported that sod had been placed in a District storm drain, which had resulted in expenses to the District. Upon motion by Director Dunbar and second by Director Roark, the Board voted unanimously to approve backcharging the amount to the homeowner and terminate service to the home if the backcharge was unpaid. Mr. Hendrix concluded his report by requesting that the District approve a CPI increase to Crossroads’ compensation, attached as **Exhibit “K”**, in accordance with the Operations Services Agreement. Upon motion by Director Dunbar and second by Director Roark, the Board voted unanimously to approve the request effective October 1, 2023.

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 “L”**. He stated that the District was still using only surface water, but he was trying to get the District back on ground water use. He noted that well no. 2 should be repaired and back in service that week and that the other well pumps should be up and running by the end of the month as well. He then stated that he would like to ask the Lone Star Regional Water Authority, from which the District’s wholesale surface water came from, to increase the District’s water floor for the Brazos River Authority’s 2023-2024 water year by 61,021,000 gallons, for a total demand of 328,472,000 gallons, due to construction delays of the District WTP No. 1 site and the District’s two largest water wells being out-of-service. Upon motion by Director Reynolds and second by Director Dunbar, the Board voted unanimously to so-authorize Mr. Jones.

Director Faske stated that the Board would receive a report from the District’s attorney. Mr. Dean stated that all prior directives were either completed or in process. He then stated that

he had spoken to Dr. Hicks, Jarrell ISD's superintendent, regarding access to the District's basketball pavilion, and was told that a barrier would not be installed preventing access to the pavilion. Mr. Dean then stated that, since Director Reynolds was resigning, another director should be appointed replace her as the director with authority to take action regarding matters related to the Cornhill Business Park and related agreements. The Board unanimously agreed to so-designate Director Cosimeno. Mr. Dean next provided a brief update regarding the results of the 2023 Legislature. Mr. Dean then reviewed a draft License Agreement with Williamson County to permit the County to use the District's clubhouse for November election polling. The Board asked Mr. Dean to see if the County would be willing to narrow down the dates of use.

Director Faske stated that the Board would consider its future meeting schedule and agenda items. The Board generally agreed that it would meet next month on September 11, 2023. The Board also asked Mr. Dean to place an item on the meeting agenda for the appropriate month to consider director attendance of the 2024 CASE conference.

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

(SEAL)



Date: September 11, 2023



Michael Cosimeno  
Secretary, Board of Directors