

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

September 11, 2023

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

A meeting of the Board of Directors of Sonterra Municipal Utility District was held on September 11, 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:

[Vacancy]	-	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.; Carter Dean of Armbrust & Brown, PLLC; Darrell Goldman of Vecindario Management, LLC; Allen Douthitt of Bott & Douthitt, PLLC; Bryan Warne of Hitchcock Design Group; Eddie Castro of Landscape Designs & Lawn Care; Alex Small of Flock Safety; Susan Gregurek of the Jarrell Community Library and Resource Center; Blake Reynolds, the District's Director of Parks and Recreation; Jesse Payne, a candidate for appointment to the Board; and various 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 and citizens communications. There being none, Director Faske stated that the Board would consider the Director Items on the agenda. Mr. Dean introduced Mr. Payne, who he stated had been identified as a qualified and willing candidate for appointment to the Board to fill the vacancy created by Director Reynolds' resignation. Upon motion by Director Cosimeno and second by Director Dunbar, the Board voted 4-0 to appoint Mr. Payne to fill the vacancy on the Board. Mr. Dean next stated that Director Payne had taken his sworn statement and oath of office, which now needed to be formally accepted by the Board. Upon motion by Director Cosimeno and second by Director Dunbar, the Board voted 4-0 to accept Mr. Payne's sworn statement and oath of office. The Board then considered the election of officers. After discussion, upon motion by Director Cosimeno and second by Director Dunbar, the Board voted unanimously to approve the following slate of officers:

Michael Cosimeno	-	President
John Faske	-	Vice President
Raven Dunbar	-	Secretary
Sherry Roark	-	Assistant Secretary
Jesse Payne	-	Assistant Secretary

Then, upon motion by Director Cosimeno and second by Director Dunbar, the Board voted unanimously to approve the revised District Registration Form to reflect Director Payne's appointment to the Board and the new slate of officers. The Board then considered the following

revised account resolutions: (i) Resolution Approving Change in Bank Signatories and Change Certificate (Bookkeeper's Account); (ii) Resolution Approving Change in Bank Signatories and Change Certificate (Operating Account and Capital Projects Account); (iii) Resolution Approving Change in Bank Signatories and Change Certificate (Lock Box Clearing Account); and (iv) Resolution Approving Change in Bank Signatories and Change Certificate (Park and Pool Account) attached collectively as **Exhibit "B"** (the "*Account Resolutions*"). Upon motion by Director Faske and second by Director Cosimeno, the Board voted unanimously to approve the Account Resolutions.

Director Faske then stated that the Board would consider the Bond Items on the agenda. Mr. Dean reviewed the Arbitrage Compliance Summary and Arbitrage Rebate Review Letter from BLX Group attached collectively as **Exhibit "C"** with the Board.

Director Faske then stated that the Board would consider the Consent Items on the agenda, including (i) the minutes of the August 14, 2023 Board meeting; and (ii) the proposal from McCall Gibson Swedlund Barfoot PLLC ("*MGSB*") for audit services for fiscal year ending September 30, 2023 attached as **Exhibit "D"**. Mr. Dean briefly reviewed the standard fraud questionnaire provided by MGSB attached as **Exhibit "E"** with the Board, and asked that any suspicions of fraud be reported to MGSB. Upon motion by Director Cosimeno and second by Director Dunbar, 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. Mr. Dean stated that the District's financial advisor's 2023 tax rate recommendation of from the Board's last meeting of \$0.7035 per \$100 of taxable value, allocated \$0.5750 to debt service and \$0.1285 to operation and maintenance had not changed. Mr. Faske opened a public hearing regarding the District's proposed tax rate of \$0.7035 per \$100 of taxable value. There being no one wishing comment, Director Faske closed the public hearing. Mr. Douthitt then reviewed the draft budget for the 2023-2024 fiscal year with the Board, noting the changes from the prior version of the draft budget. After discussion, upon motion by Director Cosimeno and second by Director Dunbar, the Board voted unanimously to approve the Resolution Adopting Budget attached as **Exhibit "F"**. Then, upon motion by Director Cosimeno and second by Director Faske, the Board voted unanimously to adopt a 2023 tax rate of \$0.7035 per \$100 of taxable value, allocated \$0.5750 to debt service and \$0.1285 to operation and maintenance, and to approve the Order Levying Taxes attached as **Exhibit "G"**, with Directors Cosimeno, Faske, Dunbar, Roark, and Payne present and voting "aye". Mr. Dean then presented the Amended and Restated Information Form attached as **Exhibit "H"** to the Board, which he stated had been revised to reflect the District's 2023 tax rate and to make comprehensive changes to the form of Notice to Purchaser included as Exhibit "A" thereto, in compliance with new law. Upon motion by Director Cosimeno and second by Director Faske, the Board voted unanimously to approve the Amended and Restated Information Form.

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 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 recommended that the Board table items 13(b) and (c) on the agenda since he and Mr. Douthitt needed to discuss the items in further detail.

Director Faske next stated that the Board would receive a report from the District manager. Mr. Goldman first presented the proposal from Alpha Paving to install wheel stops at the pool parking lot attached as **Exhibit "J"** to the Board. Upon motion by Director Cosimeno and second by Director Faske, the Board voted unanimously to approve the proposal. Mr. Goldman next stated that the District would need to purchase a few mowers and a skid steer

soon. Upon motion by Director Cosimeno and second by Director Roark, the Board voted unanimously to authorize Director Faske and Director Dunbar to approve purchase of the necessary mowers and skid steer. Mr. Goldman then stated that Mr. Reynolds and he had walked the proposed path for Phase 2 of the District's trails with KOM Trails, which prepared the proposal for Phase 2 attached as **Exhibit "K"**. Mr. Dean stated that since the expected cost of the project exceeded \$150,000, it would need to be publicly bid. The Board then discussed the need to hire additional employees for purposes of general maintenance and parks and recreation. After discussion, upon motion by Director Dunbar and second by Director Cosimeno, the Board voted unanimously to designate Directors Faske and Cosimeno as the Employment Committee and the Parks and Recreation Committee, and authorize the Employment Committee to hire a general maintenance employee and to further consider the possibility of hiring an additional parks and recreation employee. Mr. Goldman then presented the proposal attached as **Exhibit "L"** to purchase and install a UV sterilization system at the pool. Upon motion by Director Faske and second by Director Cosimeno, the Board voted unanimously to approve the proposal, and to authorize Directors Faske and Dunbar to approve a proposal to convert the pool to an Accutab/Acidrite system, after Mr. Goldman solicited at least three bids for the project. Mr. Goldman then reviewed the preliminary budget for the Eastwood Amenity Center attached as **Exhibit "M"** with the Board, which he stated totaled approximately \$8,900,000. He then stated that the new camera system had been installed at the basketball pavilion, but that vandalism of the facilities continued regardless. Board discussion ensued. After discussion, due to the rampant vandalism, the Board directed Mr. Goldman to close the pavilion restrooms permanently and to lift the basketball goals to prevent use indefinitely. The Board also directed Mr. Dean to draft a notice to the community regarding closure of the facilities and coordinate dissemination of the message with the Sonterra West HOA. Mr. Warne of Hitchcock Design Group next presented the two proposals for the parks master plan and for updates to the existing amenity center attached as **Exhibit "N"** and **Exhibit "O"**, respectively, to the Board. Upon motion by Director Cosimeno and second by Director Dunbar, the Board voted unanimously to approve the proposal for creation of a new District parks master plan.

Director Faske next stated that the Board would receive a report from the District's Director of Parks and Recreation. Mr. Reynolds first stated that he had been in contact with Jarrell ISD for possible use of its indoor basketball court for a youth basketball league. He next stated that he would like to join the Texas Public Pool Council, the Texas Recreation and Park Society, and the National Recreation and Park Society, which would allow him to stay abreast of important developments in parks and recreation. Upon motion by Director Cosimeno and second by Director Dunbar, the Board voted unanimously to approve membership in the three organizations, including payment of the associated membership fees. Mr. Reynolds next stated that he would like to attend the National Recreation and Park Society conference in Dallas in October. Upon motion by Director Dunbar and second by Director Cosimeno, the Board voted unanimously to approve Mr. Reynolds' attendance of the conference, including the associated signup costs and a per diem. Then, upon motion by Director Faske and second by Director Dunbar, the Board voted unanimously to authorize Mr. Reynolds to become certified for playground inspections. Mr. Reynolds then stated that he would like the Board to consider using Progressive Commercial Swim for pool maintenance going forward, since the current provider did not do a good job. He then presented a series of potential logos for Sonterra MUD Parks and Recreation. The Board generally agreed that Director Dunbar and Director Roark would choose the logo that the District would use. The Board then discussed what an appropriate monthly expense authorization would be for Mr. Reynolds' use for parks and recreation-related items. Upon motion by Director Cosimeno and second by Director Roark, the Board voted unanimously to authorize Mr. Reynolds to spend up to \$2,500 per month for park and recreation-related items and to authorize additional emergency spending upon authorization by Director Cosimeno. The Board additionally directed Mr. Douthitt to obtain a District credit card for use by Mr. Reynolds. The Board directed Mr. Goldman to arrange a meeting between the

District's and Cool Water MUD's Parks and Recreation Committee, which would also include Mr. Douthitt and Mr. Dean.

Director Faske then stated that the Board would consider items related to District security. Mr. Dean reviewed the Standard Agreement with Interlocal Governmental Entity Regarding Off-Duty Contracting of County Sheriff Deputies with Williamson County Sheriff's Office attached as **Exhibit "P"** (the "*Standard Agreement*") with the Board, which he explained increased the hourly patrol vehicle usage rate from \$8/hr. to \$13/hr. Upon motion by Director Cosimeno and second by Director Dunbar, the Board voted unanimously to approve the Standard Agreement. Director Faske then recognized Mr. Small, who gave a presentation regarding Flock Safety's license plate reading security systems. After discussion, the Board generally agreed that it was not interested in pursuing use of the technology.

Director Faske then stated that the Board would receive a report from Landscape Designs & Lawn Care. Mr. Castro reviewed his report with the Board and explained a typical week of District landscaping.

Director Faske then stated that the Board would not receive a report from the District's operator due to the absence of a Crossroads' representative to provide the report.

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 "Q"**. He then presented Pay Application No. 21 from TTE, LLC for work on the Water Treatment Plant No. 1 High Service Pump Station attached as **Exhibit "R"** and recommended approval. Upon motion by Director Faske and second by Director Cosimeno, the Board voted unanimously to approve Pay Application No. 21 from TTE, LLC. Mr. Jones then stated that the Bartlett Electric Cooperative needed to relocate an electric line and transformers at the District's Elevated Storage Tank at Water Treatment Plant No. 2 and, therefore, recommended approval of the Electric Utility Easement and Covenant of Access attached as **Exhibit "S"** and payment of the approximately \$22,674.40 fee to Bartlett for the relocation as shown in the invoice attached as **Exhibit "T"**. Mr. Jones then reviewed the bid tabulation for the Water Treatment Plant No. 2 400,000 Gallon Elevated Storage Tank attached as **Exhibit "U"** with the Board and recommended award of the contract, including Alternate A, to the lowest responsible bidder, Caldwell Tanks. Upon motion by Director Faske and second by Director Cosimeno, the Board voted unanimously to approve award of the contract, including Alternate A, to Caldwell Tanks.

Director Faske stated that the Board would receive a report from the District's attorney. Mr. Dean first presented the Resolution Approving Out-of-District Service attached as **Exhibit "V"**, which he explained would authorize fire flow service to the Cornhill Business Park upon the execution of an agreement between the District and the developer and the satisfaction of other, related conditions by the developer. Upon motion by Director Dunbar and second by Director Cosimeno, the Board voted unanimously to approve the Resolution Approving Out-of-District Service. Mr. Dean then presented the License Agreement with Williamson County for use of the District's clubhouse as a polling place in the November election. He stated that he asked the County's election department whether the dates of use specified in the agreement could be narrowed, but was told that they could not. Upon motion by Director Faske and second by Director Cosimeno, the Board voted unanimously to approve the License Agreement. Mr. Dean next stated that he believed that the Board should create a Parks and Recreation Subcommittee and a Drought Contingency Plan Subcommittee. After discussion, upon motion by Director Faske and second by Director Cosimeno, the Board appointed Director Dunbar and Director Roark as the Drought Contingency Plan Subcommittee and Director Cosimeno and Director Faske as the Parks and Recreation Subcommittee. Ms. Gregurek then addressed the Board and stated that she would like the ability for the Jarrell Community Library to have booths, at its upcoming holiday festival, that are allowed to serve alcohol. Upon motion by

Director Faske and second by Director Cosimeno, the Board voted unanimously to authorize negotiation and execution of an amendment to the District's lease agreement with the Library for this purpose. Mr. Dean next explained that the City of Jarrell sought from the District names of three rate study professionals who could conduct a wholesale wastewater rate study for the City of Jarrell, which he noted was part of the District's wholesale wastewater contract with the City. Upon motion by Director Cosimeno and second by Director Dunbar, the Board authorized Mr. Dean to provide the City with three rate study consultants from which the City would be required to choose to conduct its study. Mr. Dean then presented the proposal from Granicus attached as **Exhibit "W"** to redesign the District's website and provide ongoing website maintenance services thereafter. Upon motion by Director Cosimeno and second by Director Dunbar, the Board voted unanimously to approve the proposal from Granicus. Mr. Dean concluded his report by presenting the amended Order Establishing Rates, Charges, and Tap Fees and Adopting Rules and Policies with Respect to the District's Water, Wastewater, and Drainage Systems attached as **Exhibit "X"** (the "*Amended Rate Order*") to the Board, which he explained would increase the District's park fees by \$5 and, if approved, would become effective on October 1st. Upon motion by Director Cosimeno and second by Director Dunbar, the Board voted unanimously to approve the Amended Rate Order.

Director Faske stated that the Board would consider its future meeting schedule and agenda items. The Board generally agreed that, in addition to its regular meeting on October 16th, the Board would hold a special meeting on October 9th to consider various parks and recreation-related matters.

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





Raven Dunbar
Secretary, Board of Directors

Date: October 16, 2023