

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

April 10, 2024

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

A meeting of the Board of Directors of Sonterra Municipal Utility District was held on April 10, 2024 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:

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

and all of the Directors were present except Director Dunbar, thus constituting a quorum. Also present at the meeting were Keith Collins of Jones-Heroy & Associates, Inc.; Carter Dean of Armbrust & Brown, PLLC; Allen Douthitt of Bott & Douthitt, PLLC; Eddie Castro of Landscape Designs and Lawn Care LLC; Blake Reynolds, the District’s Parks and Recreation Director; David Forbes, the District’s Maintenance Supervisor; Trent Rush of Hitchcock Design Group; Janet Hage of the Jarrell Community Library and Resource Center; and Mason Robinson of Cintas.

After the Pledges of Allegiance to the United States and Texas flags, Director Cosimeno stated that the Board would receive any Board member remarks and citizens communications. There being none, Director Cosimeno next stated that the Board would consider the Consent Items on the agenda, including the minutes of the March 18, 2024 Board meeting and the Order Adopting Revised Water Conservation and Drought Contingency Plan. Mr. Dean stated that the Order Adopting Revised Water Conservation and Drought Contingency Plan needed to be tabled, since Lone Star Regional Water Authority, which provided wholesale water to the District, had not yet updated its water conservation and drought contingency plan. Upon motion by Director Faske and second by Director Cosimeno, the Board voted 4-0 to approve the minutes, as presented. The Order Adopting Revised Water Conservation and Drought Contingency Plan was tabled until the next Board meeting.

Director Cosimeno then stated that the Board would receive the operator’s report and recognized Mr. Hendrix. Mr. Hendrix reviewed his report attached as **Exhibit “B”** with the Board. He reported that the District’s water system had experienced a water gain; that the District’s water and wastewater facilities were generally functioning well; that the AMI software integration project was near completion; and that two accounts had been written-off. Director Faske asked how the lift station no. 5 odor issue would be permanently resolved. Mr. Hendrix responded that the issue would be resolved when the lift station experienced enough flow or a “little giant” was installed to aerate it. The Board directed Mr. Hendrix to install a little giant to attempt to resolve the odor issue. Mr. Hendrix then presented the First Amendment to Operations Services Agreement attached as **Exhibit “C”** to the Board. He explained that the amendment approved at the last Board meeting had included the incorrect compensation

amount, which was discovered before execution by Crossroads. Upon motion by Director Roark and second by Director Faske, the Board voted 4-0 to approve the revised First Amendment to Operations Services Agreement.

Director Cosimeno then stated that the Board would receive a report from the District's bookkeeper. Mr. Douthitt reviewed the bookkeeper's report attached as **Exhibit "D"** and recommended approval of the transfers and the Director and vendor payments, as listed in his report, noting that Director Dunbar's director fee check would be voided. Upon motion by Director Roark and second by Director Payne, the Board voted 4-0 to approve the transfers and the Director and vendor payments, with the void noted, and the stipulation that payment to Vecindario be withheld until Vecindario provided all of the requested documents and information required in the event of termination of its agreement with the District. Discussion ensued regarding the payment method to use for the purchase of equipment and materials required to operate the District pool and the Cool Water Amenity Center pool that summer. The Board directed Mr. Douthitt to either set up a debit card for use or have the District's credit card limits increased to accommodate the purchases authorized by the Board. Director Cosimeno then asked Messrs. Douthitt and Dean to push to have the employee retirement plan finalized as soon as possible.

Director Cosimeno next stated that the Board would next receive a report from the District's Director of Parks and Recreation. Mr. Reynolds addressed the Board and provided his report. He reported that the around 30 staff had been hired for the upcoming pool season, and that around ten to 12 were still needed; that they should receive the recently purchased trucks by the end of May; that the spring bulk waste pickup was scheduled to occur soon; that an open house to provide interested residents with details regarding the new Parks Master Plan was scheduled to occur soon; that the clubhouse would be used as a Williamson County voting location in the upcoming election; that the renovation of the clubhouse was nearing completion; and that the District had failed the fire inspection report by the emergency services district, but that most of the violations had already been addressed since the inspection. He presented a proposal to the Board from Allied Electric to raise the electrical wire behind the District office building, in order to address the final outstanding fire code violation. Mr. Dean stated that the electric utility may be responsible to perform the work. The Board tabled the item until this had been determined. Mr. Robinson presented a proposal to lease various safety equipment to the District, including an eye wash station, first aid kits, and AEDs. He then presented a proposal to provide employee uniform and mat rental and cleaning services to the District. Discussion ensued regarding how many AEDs, uniforms, and mats were needed. After discussion, upon motion by Director Cosimeno and second by Director Roark, the Board voted 4-0 to authorize Director Faske to approve one or more agreements with Cintas for the lease of mats, uniforms, PPE, an eye wash station, and first aid kits as he saw fit, subject to Mr. Dean's review. Then, upon motion by Director Roark and second by Director Payne, the Board voted 4-0 to approve lease of three AEDs from Cintas, subject to Mr. Dean's review. Mr. Reynolds then presented the proposal from Jorge Ortega to epoxy the clubhouse floor attached as **Exhibit "E"**. Director Faske asked if Mr. Ortega did a good job on his recent painting job. Mr. Reynolds responded that he did a good job. Director Faske stated that he would like to see references and pictures of past jobs before approving the work. Upon motion by Director Roark and second by Director Payne, the Board voted 4-0 to approve the proposal, subject to Director Faske's approval. Mr. Reynolds next presented a proposal from Killeen Marble to install new granite countertops at the clubhouse attached as **Exhibit "F"**. Upon motion by Director Faske and second by Director Roark, the Board voted 4-0 to approve the proposal from Killeen Marble. Mr. Reynolds then presented a proposal from McD's Pest Services attached as **Exhibit "G"** for extermination services at the District office and clubhouse. Upon motion by Director Roark and second by Director Payne, the Board voted 4-0 to authorize Mr. Reynolds to negotiate an engagement with McD's Pest Services, on the condition that it be on an "as needed" basis. The Board then discussed what type of utility vehicles, mowers, and trailers the District needed. After

discussion, upon motion by Director Faske and second by Director Roark, the Board voted 4-0 to authorize the purchase of two Kubota UTVs with canopies and windshields. Next, upon motion by Director Faske and second by Director Payne, the Board voted 4-0 to approve the quotation from Longhorn Outdoor Power Equipment attached as **Exhibit "H"** for two Skag mowers and tires. Then, upon motion by Director Roark and second by Director Faske, the Board voted 4-0 to approve the purchase of two BigTex trailers from Magnum Trailers. Director Faske directed Mr. Forbes to create a file that included all relevant information and paperwork on the District's vehicles and mobile equipment, including warranty and maintenance information. Mr. Rush then reviewed the proposed new Parks Master Plan with the Board. Mr. Dean then reviewed the Resolution Accepting Park Plan, Adopting Standards for Recreational Facilities, and Making Certain Findings Related Thereto attached as Exhibit "I" with the Board, which he stated was necessary to approve in connection with the upcoming park bond election. After discussion, upon motion by Director Payne and second by Director Roark, the Board voted 4-0 to approve the Resolution Accepting Park Plan, Adopting Standards for Recreational Facilities, and Making Certain Findings Related Thereto. The Board discussed access to the District's basketball pavilion and park by Jarrell Elementary School. Mr. Dean stated that there was no written easement agreement between the District and Jarrell ISD for access. Instead, Jarrell ISD had informally permitted District use of its road and parking lots by the pavilion over the years. The Board directed Mr. Dean to negotiate a written easement agreement with Jarrell ISD. Mr. Reynolds then reviewed the draft revised Employee Handbook with the Board. Director Roark asked that the cell phone use policy and paid time off policy be reviewed. Director Cosimeno directed the District's recently hired HR Generalist to review the revised Employee Handbook before the Board considered approval. The Board then considered the purchase of various equipment and materials for the District pool and the Cool Water Amenity Center pool, which was expected to be completed by late May. After discussion, upon motion by Director Faske and second by Director Payne, the Board voted 4-0 to authorize Mr. Reynolds to make the necessary purchases for the two pool facilities as outlined on the attached **Exhibit "I"**, with the stipulation that Cool Water MUD agree to reimburse the District for its portion prior to the purchases being made. Mr. Reynolds then stated that dog waste and trash stations were needed at various locations. Upon motion by Director Faske and second by Director Cosimeno, the Board voted 4-0 to authorize purchase of ten dog waste and trash stations with the specifications provided by Mr. Rush. The Board then considered the appointment of a subcommittee for the planning of the Eastwood Amenity Center. Upon motion by Director Roark and second by Director Cosimeno, the Board voted 4-0 to authorize Directors Faske and Payne to plan the design of the Eastwood Amenity Center and make related recommendations to the Board. Director Reynolds next recommended that the District apply for a grant through the Texas Parks and Wildlife Grant Program, noting that he would like to apply by August 1st. The Board agreed to authorize Directors Payne and Dunbar to prepare and submit an application. Mr. Reynolds concluded his report by stating that since CSG Forte would not be ready for use in time for pool season, he recommended purchase of an additional year-long subscription from CommunityPass. Upon motion by Director Roark and second by Director Payne, the Board voted 4-0 to approve the invoice from CommunityPass attached as **Exhibit "J"**.

Director Cosimeno next reviewed the security patrol report with the Board.

Director Cosimeno then stated that the Board would consider the Landscape Irrigation Report from Landscape Designs & Lawn Care. Mr. Castro reviewed his report attached as **Exhibit "K"** with the Board. He presented Estimate Nos. 135, 136, and 137 to the Board for various landscaping work. Upon motion by Director Roark and second by Director Payne, the Board voted 4-0 to approve Estimate No. 136 for certain landscaping improvements. Upon motion by Director Faske and second by Director Roark, the Board voted 4-0 to approve the Estimate No. 135 for mulch installation. Director Roark asked Mr. Castro to obtain pricing for the removal of the swings at the Azurite Drive park, instead of installing new "Kiddie Kushion Mulch".

Director Cosimeno then recognized Mr. Collins for the purpose of receiving the engineer's report. Mr. Collins reviewed his report with the Board, attached as **Exhibit "L"**. Mr. Collins reported that his office had completed its review of the District's property needed to update the property insurance schedule with the Texas Municipal League Intergovernmental Risk Pool. The Board directed Mr. Dean to have the District's property insurance schedule updated according to Jones-Heroy's review, and to add the District's new vehicles to the District's insurance coverage. Mr. Collins next reported that Lone Star Regional Water Authority had voted against proceeding with an agreement with New Horizon to begin providing retail service to certain developments. He then presented the 2025 water projection that Jones-Heroy had submitted to Lone Star Regional Water Authority attached as **Exhibit "M"** to the Board. He reminded the Board that the "take or pay" arrangement with Lone Star meant that the District would pay for the entirety of the water projection that it submitted, regardless of whether it was used, but would pay an increased rate for any water used above the project. Upon motion by Director Faske and second by Director Payne, the Board voted 4-0 to ratify the 2025 water projection of 294,198,000 gallons. Mr. Collins then presented an invoice from S.D. Kallman, LP for the for design in connection with the CR 332 Relocation Project. He advised that, under the District's agreement with Williamson County, the District would pay the invoice, then be reimbursed by the County for its portion. Upon motion by Director Payne and second by Director Faske, the Board voted 4-0 to approve payment of the invoice. Mr. Collins presented Change Order No. 1 to the CR 332 Relocation Project for repair of the District's water line caused by Fiber First. Upon motion by Director Faske and second by Director Payne, the Board voted 4-0 to approve Change Order No. 1. Mr. Collins recommended that the District pursue reimbursement for Change Order No. 1 and Crossroads' costs attributable to Fiber First's drilling through the District's water line. Upon motion by Director Faske and second by Director Payne, the Board voted 4-0 to authorize Mr. Dean to pursue reimbursement from Fiber First. Mr. Collins then recommended payment of Pay Application No. 4 from Caldwell Tanks, Inc. for the Elevated Storage Tank at WTP No. 2 project attached as **Exhibit "N"**. Upon motion by Director Faske and second by Director Roark, the Board voted 4-0 to approve Pay Application No. 4. The Board then considered which logo rendering it would like to be painted on the elevated storage tank. After discussion, upon motion by Director Faske and second by Director Payne, the Board voted 4-0 to approve Option No. 4 on the list of options from Lake Area Sign Co. attached as **Exhibit "O"**.

Director Cosimeno stated that the Board would receive a report from the District's attorney. Mr. Dean asked if the Board would like to consider the District's Solid Waste and Recycling Contract with Al Clawson Disposal, which he noted would renew for an additional year automatically. The Board agreed to let the contract renew. Mr. Dean then presented the Amended and Restated Interlocal Agreement [Park Facilities Use, Operation, and Maintenance] with Cool Water MUD. He explained that the amended agreement would replace the original version of the agreement, and that it would, among other things, allow the District to retain 100% of the park fees that it collected on behalf of Cool Water MUD for funding of joint park facilities and related matters. Upon motion by Director Faske and second by Director Cosimeno, the Board voted 4-0 to approve the Amended and Restated Interlocal Agreement [Park Facilities Use, Operation, and Maintenance] attached as **Exhibit "P"**.

Director Cosimeno announced that the Board would convene in executive session at 9:27 p.m. to consider personnel matters pursuant to Section 551.074 of the Texas Open Meetings Act. Director Cosimeno announced that the Board would reconvene in open session at 9:44 p.m., noting that no action had been taken during executive session. Upon motion by Director Payne and second by Director Faske, the Board appointed Mr. Reynolds to provide general management services for the District on an interim basis until the June Board meeting, at which time the Board would consider filling the general manager position permanently.

There being no further business to come before the Board, the meeting was adjourned at 9:45 p.m.

(SEAL)



A handwritten signature in blue ink, appearing to read "Raven Dunbar", is written over a horizontal line.

Raven Dunbar
Secretary, Board of Directors

Date: May 13, 2024