Jonah Water Special Utility District
Board of Directors Minutes

September 4, 2025

The Jonah Water Special Utility District Board of Directors met at 4050 FM 1660, Hutto, Texas, on Thursday, September 4, 2025, for its monthly meeting. Directors in attendance were Derek Shires, Betty Zimmerhanzel, William "Black" Wehling, Efrain Lopez, Jeff Maurice, Jim Stuewe, Carol Fox, Douglas Gattis, and Pete Correa. Staff members Bill Brown, Scott Pike, Erica Guerrero, Adam Konarek, Ryan Koenig, Sarah Kitchen, and Remi Alonso were in attendance. The District's Attorney, John Carlton, and the District's Engineer, Miles Whitney, as well as Jed Whitney, were also in attendance. Guest, Jay Joyce, was in attendance.

Item 1- Call to Order • Pledge of Allegiance – President Derek Shires called the meeting to order at Noon.

Item 2- Public Comments – None.

Item 3- Public Comments on Agenda Items –

At this time, General Manager Bill Brown took the opportunity to introduce new employees of Jonah to the Board of Directors: Grant Campbell and Noah Crabtree, members of the Construction crew, and Cristen Crane, Customer Service.

Item 4- **Consent Agenda -**

a) Approval of August 7, 2025, Minutes
b) Approval of August 2025 Financial Reports
c) Resolution 09042025-01 Authorizing the General Manager to negotiate and enter into a Non-Standard Service Agreement with Taylor Meadows 712, LP (Taylor Meadows)
d) Resolution 09042025-02 Authorizing the General Manager to negotiate and enter into Consent to Assignment Agreement with Stone Brother Properties, LLC (Scofield Farms) and Savannah Prominent Scofield Development, LLC
e) Resolution 09042025-03 Authorizing the General Manager to negotiate and enter into Consent to Assignment Agreement with Savannah Prominent Scofield Development, LLC and GOJEB Development, LLC.
f) Resolution 09042025-04 Authorizing the General Manager to negotiate and enter into Consent to Partial Assignment of Non-Standard Service Agreement between Swift Uni Pro, LLC and Round Rock CBOC Joint Venture Holdings LLC.

After discussion, Pete Correa moved to approve the consent agenda, which included the minutes from August 7, 2025, regular meeting; the August 2025 Financial Reports; Resolution 09042025-01, Authorizing the General Manager to negotiate and enter into a Non-Standard Service Agreement with Taylor Meadows 712, LP (Taylor Meadows); Resolution 09042025-02 Authorizing the General Manager to negotiate and enter into Consent to Assignment Agreement with Stone Brother Properties, LLC (Scofield Farms) and Savannah Prominent Scofield Development, LLC; Resolution 09042025-03 Authorizing the General Manager to negotiate and enter into Consent to Assignment Agreement with Savannah Prominent Scofield Development, LLC and GOJEB Development, LLC; and Resolution 09042025-04 Authorizing the General Manager to negotiate and enter into Consent to Partial Assignment of Non-Standard Service Agreement with Swift Uni Pro, LLC and Round Rock CBOC Joint Venture Holdings LLC. Black Wehling seconded the motion, which was passed unanimously.

Regular Agenda

Item 5- Presentation and approval of the 2025 Connection and Rate Study by Jay Joyce.

Jay Joyce presented the 2025 Connection and Rate Study and discussion followed. No action taken.

Item 6- Authorize the General Manager to install five additional fire hydrants for the Flora project.

After the discussion, Black Wehling moved to authorize the General Manager to install five additional fire hydrants for the Flora project. Pete Correa seconded the motion, which was passed unanimously.

Item 7- Authorize the General Manager to make improvements to Plant No. 3.

After the discussion, Pete Correa moved to authorize the General Manager to make improvements to Plant No. 3, for an amount not to exceed $70,000. Black Wehling seconded the motion, which was passed unanimously.

Item 8- Discuss and approve the Healthcare Reimbursement Arrangement (HRA) for Blue Cross Blue Shield.

After the discussion, Jeff Maurice moved to approve the Healthcare Reimbursement Arrangement (HRA) for Blue Cross Blue Shield. Doug Gattis seconded the motion, which was passed unanimously.

At this time, President Shires changed the order of the agenda, as follows:

Item 11- Receive monthly reports from the District's Engineer regarding the status of the district's construction projects and utility system design and planning issues, and take any necessary action, including the following pending projects:

The District's Engineer, Miles Whitney, provided a written report to the Board for review.

<u>Transportation Related Projects:</u>

HWY 29 Corridor "C" – Jonah's portions of construction are complete.

FM 3349 / Southeast Loop Seg. 3 – Final walkthrough occurred; punch list items prepared.

CR118 – No new update.

CR 132 – Discussions are occurring regarding potential conflicts.

CR 199 (CoH) – No new update.

2023 – SE Loop Phase 2: Utility Relocation – Revisions were made to pipe alignments due to discrepancies between the ROW acquired and the ROW provided to us.

CR 110 North – The contractor is lowering portions of the line development to perform other relocations within their development's construction.

Chandler Rd. Segment 1 – Initial schematics.

Chandler Rd. Segment 2 – Initial schematics.

E. Wilco Hwy Segment 5 – Updated ROW information to be provided to Jonah for revised investigations of utilities in conflict.

E. Wilco Hwy Segment 6 – Initial schematics.

Chandler Rd. Overpass – Still awaiting response from Williamson County on the discussion of the 30" relocation and proposed 24".

<u>Jonah Projects:</u>

CR 100/CR 118 Utility Improvements (CIP No. 3) – Jonah's crew is continuing to conduct this work.

Chandler Road Pump Station – Work has begun, and he is working to address some permitting items now required by Williamson County. Permit applications have been submitted to the ESD and to Williamson County. Hutto acknowledged that no permit was needed from them.

WWTP Designs and Discussions – Design work continues for the Rancho San Gabriel project.

Feasibility Studies completed during the prior month – Discussion of recently submitted studies and their impact on the system.

Weir Offices – Performing a punch list walk-through on the project this afternoon.

Plant No. 8 Improvements (CIP 12-22) – Project planning progresses.

Plant No. 5 – Well design continues and is scheduled to be submitted to TCEQ later this month, and plant design continues, as well.

Trinity Water Well – Working through contract executions.

Highway 29, 24" Extension – Permits from TxDOT have been received, and work will begin in the coming months.

Item 13 - Receive monthly reports from the General Manager regarding financial matters, service area issues, utility operations, system maintenance, service requests, customer issues, water supply status, management activities, and personnel.

The General Manager, Bill Brown, updated the Board on financial matters, service area issues, utility operations, system maintenance, service requests, customer concerns, water supply status, management activities, and personnel.

Bill stated that he met with a developer regarding a potential Wastewater NSSA.

Bill also stated he taught at the Regional School in Longview.

Bill stated that the Annual School is next week.

Bill then stated that he met Nason Hengst regarding the Hengst Family Trust.

Bill stated that he met with Jay Joyce regarding the Rate Study.

Bill stated that he had a SCADA meeting with Miles, Ryan, Scott, and Matt regarding the Wastewater Treatment Plant for Rancho San Gabriel.

Bill then mentioned that Erica will reach out to the board regarding the System Tour.

Bill also stated that President Shires needs to set up a budget committee. The budget committee consists of Efrain Lopez, Pete Correa, Black Wehling, and Derek Shires.

Bill stated that he will research different banks to ensure Jonah is maximizing the service it receives.

Finally, Bill mentioned moving the November 6, 2025, board meeting to November 12, 2025. The Board did not oppose.

At this time, the Board went into Executive Session to receive legal advice, pursuant to Texas Government Code Section 551.071. Executive Session convened at 1:13 p.m. and ended at 2:23 p.m., at which point the regular meeting was reconvened. No action was taken during the Executive Session.

Item 9- Discuss and consider service issues related to the Hengst tract, including:

a) Resolution 09042025-05 Authorizing the General Manager to negotiate and enter into a Non-Standard Service Agreement with the Hengst Family Trust;
b) Resolution 09042025-06 Authorizing the General Manager to negotiate and enter into an Amendment to Amended and Restated Utility Service Area Agreement with the City of Hutto; and
c) Service Area Agreement with the City of Hutto for property owned by the Hengst Family Trust.

After the discussion, Jeff Maurice moved to adopt Item 9(a), Resolution 09042025-05 Authorizing the General Manager to negotiate and enter into a Non-Standard Service Agreement with the Hengst Family Trust. Doug Gattis seconded the motion, which was passed unanimously.

After further discussion, Black Wehling moved to adopt Item 9(b), Resolution 09042025-06 Authorizing the General Manager to negotiate and enter into an Amendment to Amended and Restated Utility Service Area Agreement with the City of Hutto. Jeff Maurice seconded the motion, which was passed unanimously.

No action was taken on Item 9c.

Item 10- Discuss and consider amendment to District's Certificate of Convenience Necessity to include the Taylor Meadows tract.

After the discussion, Jeff Maurice moved to authorize the amendment to the District's Certificate of Convenience Necessity to include the Taylor Meadows tract. Carol Fox seconded the motion, which was passed unanimously.

Item 12- Receive monthly reports from the District's Attorney regarding contract negotiations, pending litigation, Legislative issues, and TCEQ regulatory issues, including the following ongoing matters:

a) Permits pending with TCEQ and the status of protests.
b) Litigation Update, Cause No. 15-24-00132-CV; *AIRW 2017-7, L.P., 600 Westinghouse Investments, LLC, and 800 Westinghouse Investments, LLC v. City of Georgetown, Texas and Texas Commission on Environmental Quality*; In the Fifteenth Court of Appeals.
c) Litigation Update, Cause No. 25-0109-C26; *Houston-Taylor Capital Investment, LLC, v. Jonah Water Special Utility District*; In the 26th Judicial District Court of Williamson County, Texas.
d) Litigation Update, Fair Housing Administrative Complaint filed on behalf of Zach Ipour on or about May 16, 2025, with the U.S. Department of Housing and Urban Development.
e) Litigation Update, PUC Docket No. 58139; *Petition of Hengst Family Trust to Amend Jonah Water Special Utility District's Certificate of Convenience and Necessity in*

Williamson County by Streamlined Expedited Release; Before the Public Utility Commission of Texas.

f) Litigation Update, Case No. 25-1471-C425; *Fiji Laguna Azure, LLC and Fiji Laguna Azure II, LLC v. Jonah Water Special Utility District;* In the 425th Judicial District Court of Williamson County, Texas.

g) Litigation Update, PUC Docket No. 58369; *Petition of Fiji Laguna Azure, LLC to Amend Jonah Water Special Utility District's Certificate of Convenience and Necessity in Williamson County by Streamlined Expedited Release;* Before the Public Utility Commission of Texas.

h) Litigation Update, PUC Docket No. 58371; *Petition of Fiji Laguna Azure, LLC to Amend Jonah Water Special Utility District's Certificate of Convenience and Necessity in Williamson County by Streamlined Expedited Release;* Before the Public Utility Commission of Texas.

The District's Attorney, John Carlton, updated the Board regarding contract negotiations, pending litigation, Legislative issues, and TCEQ regulatory issues.

John stated that he does not have anything additional to discuss regarding his report.

Finally, John stated that the District's Engineer is facing potential costs that he may incur due to the District's litigation matters. It is up to the District's Board of Directors to decide how to handle the costs.

After the discussion, Jeff Maurice moved to authorize the District to cover its Engineer's federal and state court litigation costs that are necessitated in connection with the Fiji litigation. Pete Correa seconded the motion, which was passed unanimously.

There being no further business, President Derek Shires adjourned the meeting at 2:29 p.m.

Respectfully Submitted,

Jeff Maurice, Secretary-Treasurer