JOHNSON RANCH MUNICIPAL UTILITY DISTRICT
OF COMAL COUNTY, TEXAS
MINUTES OF MEETING OF THE BOARD OF DIRECTORS

April 15, 2025

The Board of Directors (the "**Board**") of the Johnson Ranch Municipal Utility District of Comal County, Texas (the "**District**") met in **regular** session, open to the public at 12:00 p.m. on April 15, 2025, at the Johnson Ranch Amenity Center located at 31020 Clover Pass, Bulverde, Texas 78163, pursuant to notice duly given in accordance with the law. The roll was called of the following members of the Board to wit:

Sheryl Short	President
Duane Wilson	Vice President
Peggy Braaten	Secretary
Arthur Seago	Treasurer
Kathy Phillips	Asst. Sec./Treasurer

and all Directors were present, thus constituting a quorum.

Also present or joining during the meeting were Chris Espinoza of DHJB Development, LLC ("**DHJB**"), a developer in the District; Buck Nunley and Kathy Muniz of Lennar Homes of Texas Land and Construction, Ltd. ("**Lennar**"), a developer in the District; Kenny Watkins of Bleyl Engineering ("**Bleyl**"), the District's Engineer; and Patrick Lindner of Davidson Troilo Ream and Garza PC ("**DTRG**"), the District's Attorney. Approximately 44 members of the public were also in attendance; a copy of the signup sheet listing those in attendance is attached as an exhibit to these minutes.

Upon calling the meeting to order, Director Short noted that several residents wished to address the Board. One resident expressed his dissatisfaction regarding the handling of drainage issues on Cardamon Court. The remaining residents objected to the proposed 279-unit Build-to-Rent project on the original Johnson Ranch homestead (the "**Ranch**") located within the District (the "**BTR Project**"). Residents' specific objections about the BTR Project included current water shortages throughout the county and beyond necessitating the implementation of Stage 4 drought protocols, the increasing potential of fire threat resulting in the cancelation of homeowner's insurance, the violation of the development agreement (the "**Development Agreement**") between the City of Bulverde (the "**City**"), DH/JB Partnership LTD, Clyde Johnson and Sons Hereford Ranch LTD, and the District regarding green space requirements within the District, lack of beneficial reuse, significant traffic issues on Johnson Way with roads so congested at times emergency vehicles are unable to drive down the road, an original Traffic Impact Analysis that required a two lane exit and entrance from 1863 to Johnson Way that was not built and has resulted in traffic unable to exit the neighborhood at certain times of the day, existing overcrowding of the elementary school within the District and its impact on

water and sewer, and the likelihood of a negative impact on property values. One resident then presented a petition opposing the BTR project with 1,288 signatures.

Following the citizen communications, Mr. Lindner informed those present that the Ranch property owner recently filed a lawsuit against the District and the individual Directors. He continued that due to the pending litigation, the Board would be limited in responding to questions. Director Short then provided a brief history of the Development Agreement and the Board's position regarding upholding the agreement. She also directed residents to the District's website for additional information.

The Board next considered the minutes of the March 11, 2025, regular and March 28, 2025, special Board of Directors meetings. Upon a motion duly made by Director Seago and seconded by Director Wilson, the Board voted unanimously to approve both sets of minutes as written.

Next, the Board reviewed the report provided by the Guadalupe-Blanco River Authority ("**GBRA**"), the District's Operator. A copy of the report is included in the Board Packet, which is attached to these minutes as an exhibit.

Mr. Nunley then presented the development report for Johnson Ranch North. He reported that all houses remaining in Unit 9 have been sold, and most have closed. He continued that Cumin Court was successfully hydro mulched; however, off-site traffic by unknown persons entering the District through a location near the New Braunfels Utilities substation has damaged everything in this area of the subdivision. He indicated that he has ordered temporary wire fencing in the area to prevent additional damage.

Next, Mr. Espinoza presented the development report for Johnson Ranch South. He stated that the contractor has completed the final punch list items in Sections 3, Units 7, 8, and 9, and Star Gazer Road, and that a final inspection by the City has been requested. He further commented that written approval on Unit 8 has been received from the GBRA, but that approval on Unit 7 was still pending repairs to the fire hydrant, and Unit 9 was still pending receipt of documents. Mr. Watkins commented that the walking trail through Units 7 and 8 was severely damaged and that he would not recommend those sections for acceptance by the District until the trail has been completely repaired. Mr. Espinoza responded that he was working on resolving the drainage outfall the contractor had destroyed and filled incorrectly. He further stated that he has received the quote on the surety bond for the revegetation along Star Gazer Road and would forward it to the District's Engineer. Director Short commented that she has observed substantial trash in the drainage easement along Mustang Vista, and that there does not appear to be any builder trash receptacles in the new sections where construction was ongoing. She said she planned to inspect the area twice weekly and report any violations to the Texas Commission on Environmental Quality (the "**TCEQ**").

Continuing his report, Mr. Espinoza stated that DHJB continues to work with the contractor to obtain spare parts for the wastewater treatment plant (the **'WWTP"**). He added that the inlet drain has been remediated and requested that the District's Engineer inspect the area.

Mr. Espinoza then reported on the status of Johnson Way. He stated that DHJB and Comal County (the "**County**") have agreed that the County will perform the repaving of Johnson Way between Horseshoe Path and Fox Trot Trail at DHJB's expense. Director Seago questioned the continued lack of a warning sign at the "dip" in Johnson Way near the split in the road, and Mr. Espinoza agreed to have a sign installed.

Mr. Espinoza next reported that the contractor is working on submittals and scheduling for the remediation of the Trail Manhole.

Agenda Items 7b and 7c were deferred to the executive session.

The Board next addressed the Permanent Wastewater Easement Agreement between DHJB and the District and the District's assignment of the easement to the GBRA. Upon a motion duly made by Director Braaten and seconded by Director Phillips, the Board voted unanimously to approve both the easement and assignment as presented.

No action was taken on the agenda item concerning a new bond issuance.

Director Short then updated the Board regarding a drainage channel along Johnson Way near Brahman Road. One side had been channeled out and lined with rock; however, the other channel was too high and was preventing water from escaping under the rock wall. Mr. Espinoza said he would arrange for On Point Landscaping to dig the channel and replace the rock in those channels leading to the grate.

Next, Mr. Watkins reviewed the Engineer's Report in detail with the Board, a copy of which is included in the Board Packet. Based on Mr. Watkins' recommendation, upon a motion duly made by Director Seago and seconded by Director Wilson, the Board voted unanimously to approve Pay Application No.16 for Units 7, 8, 9, and Star Gazer Road.

Next, Director Seago reported that the contractor had installed a new lock on the gate at the water quality pond.

The next item before the Board was the Bookkeeper's Report, prepared by Municipal Accounts & Consulting, L.P. ("**MAC**"), the District's Bookkeeper. The Board reviewed the reports, including the activity in each District account. Director Seago then motioned, and Director Braaten seconded, to (1) approve the Cash Activity Report and (2) authorize payment of the District's bills as presented. The motion passed unanimously. A copy of the Bookkeeper's Report is included in the Board Packet.

At this point, Allison Miller from Cokinos Young P.C., the law firm retained by the Board to manage the lawsuit against the District, joined the meeting to consult with the Board during an executive session. Mr. Lindner was not present for the executive session.

The Board then entered into executive session at 1:30 p.m., pursuant to V.T.C.A. Government Code, Chapter 551.071, to receive Ms. Miller's advice on Items 7b and 7c as listed on the agenda. The Board reconvened in open session at 2:17 p.m. Director Short reported that no decisions were made, and no votes were taken on the items discussed in executive session.

Finally, the Board confirmed that their next regular meeting would be held on May 13, 2025, and the meeting was adjourned.

(SEAL)

Peggy Braaten
Peggy Braaten (May 15, 2025 15:55 CDT)

Peggy Braaten
Secretary, Board of Directors
Johnson Ranch Municipal Utility District

2025_04-15 Johnson Ranch Minutes1

Final Audit Report 2025-05-15

Created:	2025-05-15
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Email viewed by peggy.braaten@jrmud.org
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Signer peggy.braaten@jrmud.org entered name at signing as Peggy Braaten
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Document e-signed by Peggy Braaten (peggy.braaten@jrmud.org)
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