MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE FERN BLUFF MUNICIPAL UTILITY DISTRICT
January 10, 2012

THE STATE OF TEXAS
WILLIAMSON COUNTY

The Board of Directors of the Fern Bluff Municipal Utility District convened in a regular meeting open to the public at 6:00 p.m. on January 10, 2012 at the Fern Bluff Municipal Utility District Community Center, 7320 Wyoming Springs Drive, Round Rock, Texas, pursuant to notice duly given in accordance with the law.

The roll was called of the following members of the Board of Directors:

Patrick Savarese	President
Joseph Teiber	Vice President
Dave Quillman	Secretary
Farrell Walker	Treasurer
Jessica Stempko	Assistant Secretary/Treasurer

All Directors were present with the exception of Director Sabatino, thus constituting a quorum. Also present were District General Manager, Janey Miller; Operations Manager, Hector Alanis; Phil Haag and Jennifer Waits of McGinnis Lochridge & Kilgore LLP; Community Center Manager, Cindy Alvarado; Brian Schmidt of Ecosystems, and several District residents.

1. Immediately upon calling the meeting to order, Director Teiber led the Pledge of Allegiance.

2. The first item of business was consideration of the consent agenda. Director Teiber moved that the Board approve the Consent Agenda containing the December meeting minutes, payment of and transfers for operation expenses, requests and change orders and customer charge offs. Director Savarese seconded the motion, and upon being placed to a vote, the motion carried unanimously.

3. Next, the Board discussed the 2012 Directors Election. Ms. Waits provided an update on the redistricting issues throughout the state and explained what, if any, impacts there would be to the District's election. Upon a motion by Director Stempko and seconded by Director Quillman, the Board unanimously approved calling the 2012 Directors Election.

4. The Board then discussed the District's Document Retention Policy. Ms. Waits and Ms. Miller agreed to work together to draft an updated policy and attend training on the new laws related to policies for document retention for governmental entities.

5. Next, the Board discussed water conservation and the District's Drought Contingency Plan. Ms. Miller provided the status of the District's water usage in response to the City of Round Rock's mandatory watering restrictions. It is likely that the District will remain in Stage 2B water restrictions through the Spring. She reported on 15 customers that have consistently high readings, and said that she is reaching out to find out if their meters are in disrepair.

6. The Board then received reports from consultants and committees:

   Landscape Contractor – Mr. Schmidt presented his report in its entirety and as contained in the Board packet.

   General Manager – Ms. Miller presented her General Manager's Report as contained in the Board packet, reviewing the financial, parks and District report.

   Operations Manager – Mr. Alanis presented his report in its entirety and as contained in the Board packet. He presented the directors with the charge off accounts for the month, noting they would be subject to collection. Upon a motion by Director Savarese and seconded by Director Teiber, the Board unanimously approved the monthly charge offs.

   Parks & Recreation – Director Teiber and Director Quillman are working together to draft information regarding the tree crisis as a result of the drought. Director Quillman received an email from a resident requesting that soccer goals be installed at the Olsen Meadows Park. Director Teiber noted that there are restrictive covenants for Olsen Meadows that prohibit soccer goals.

There being no further business to come before the Board, the meeting adjourned at 6:49 p.m.

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Secretary
Fern Bluff MUD Board of Directors