MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE FERN BLUFF MUNICIPAL UTILITY DISTRICT
January 12, 2010

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 12, 2010 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
Jeff Bradley	Vice President
Joseph Teiber	Secretary
Farrell Walker	Treasurer
Dave Quillman	Assistant Secretary/Treasurer

All Directors were present, 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 Manger, Cindy Alvarado; Mark Burns of ECO Systems, and several District residents.

1. Upon calling the meeting to order, Director Teiber led the Pledge of Allegiance. Immediately thereafter, President Savarese acknowledged Mr. Steven W. Zerrien who wished to address the Board regarding a letter he received from Treasure of the Hills, whereby he was informed of the proper location of his trash can. After asking for clarification as to where the proper location to place his trash can, Mr. Zerrien thanked the Board for their time.

2. The first item of business was the consent agenda. Upon a motion by Director Teiber and seconded by President Savarese; the Board unanimously approved the items on the consent agenda, including the meeting minutes from the December regular meeting, payment of and transfers for operation expenses; requests and change orders; payment of legal services to Arnold & Placek PC in the amount of $1,771.00; a bill from the City of Round Rock for wastewater services, and per diems for Director Bradley.

3. Next, the Board discussed the widening of Wyoming Springs Drive. President Savarese distributed the latest communication from Fern Bluff Elementary, noting that safety is a common ground between the MUD and school. He said that the new crosswalk has been established and that the MUD will add that the community center parking lot is not for parking or drop-offs. Director Quillman

suggested Director Bradley be added to the roads committee, and Director Bradley accepted.

4. an internal recycling policy at the community center, specifically for paper, plastic and aluminum items. Ms. Miller said that there was no way to police a recycling practice, but that she would apply recycling decals on cans throughout the community center, as to encourage recycling. President Savarese and Ms. Miller agreed to further discuss the policy.

5. The next item was a discussion regarding water collection systems and possible alternatives for harvesting. President Savarese proposed that the Board form an ad hoc committee with he and Director Bradley as members, to discuss and propose ideas for water harvesting for the District.

6. Next, the Board discussed District street sweeping. After determining the best time to perform sweeping, Ms. Miller agreed to schedule it for March 2010.

7. Next, the Board received reports from the District consultants and committees.

Landscape Contractor – Mr. Burns presented his report in its entirety and as contained in the Board packet. Additionally, he presented a proposal to renovate a bed at Brightwater Park Phase I. Upon a motion by Director Walker and seconded by Director Teiber; the Board unanimously approved the proposal as presented. Additionally, Mr. Burns presented a proposal to remove grapevine along a fence line between houses, and to remove dead cedar trees. The proposal also included services to thin remaining cedars and shape for form and health. Upon a motion by Director Walker and seconded by Director Teiber; the Board unanimously approved the proposal as presented.

General Manager – Ms. Miller presented her General Manager's Report in its entirety, and as contained in the Board packet. Ms. Miller then discussed recent information regarding the District's option to pay its principal payment to the City of Round Rock. Upon a motion by Director Teiber and seconded by Director Bradley; the Board unanimously approved to accept a flat principal payment option. Additionally, President Savarese moved that the District pay the City of Round Rock the payment. Director Teiber seconded the motion, and upon being placed to a vote, all Directors voted, "aye."

Operations Manager – Mr. Alanis presented his report on operations in the District, noting the reduced fees for the month of December since prior billing errors occurred earlier in the year. He said that the recent freezing weather was an issue for Severn Trent, but there were no interruptions in service for their customers. Mr. Alanis added that he attended backflow prevention training as well. He reported that the water fountains in Olsen Meadows and the Fern Bluff Parks were in disprepair, as were the tennis courts – all issues he and Ms. Miller are working on.

Parks & Recreation – There was no report in addition to the matters above

Security – Mr. Alanis reported that someone vandalized the pavilion with a paintball gun, and Director Bradley said that they vandalized Senderra Springs too.

Newsletter – Items for the January newsletter include street sweeping, update on road construction, election information, freeze warnings and reminders about deed restriction enforcement. The web site committee reported that they've received a proposal to revamp the design and user friendliness. Director Bradley remarked that he is proud of the transparency of the MUD website. The Directors agreed that they would research the legal obligations for web sites belonging to governmental entities.

At 8:00 p.m., President Savarese announced that the Board would convene in Executive Session pursuant to Texas Open Meetings Act, Section 551 to discuss Agenda Item Nos. 12 Employee Compensation and13(f) – Deed Restrictions.

At 9:00 p.m. President Savarese announced that the Board would convene in regular session and that no action was taken during Executive Session.

There being no further business to come before the Board, Director Quillman moved to adjourn the meeting at 9:00 p.m. Director Teiber seconded the motion, and upon being placed to a vote, the meeting adjourned.

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Secretary
Fern Bluff MUD Board of Directors