MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE FERN BLUFF MUNICIPAL UTILITY DISTRICT

February 16, 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 February 16, 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
George Sabatino	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; the District's Auditor, Don Allman; 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 January meeting minutes with additions, 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, Mr. Allman presented the District Audit for fiscal year ending September 30, 2011. Upon a motion by Director Teiber and seconded by Director Quillman, the Board unanimously approved the audit as presented.

4. Next, the Board discussed donating space at the Community Center for a Williamson County Commissioner candidate forum. Director Teiber expressed that he is open to the idea of allowing the community center to be used for the event, but in no way supports the MUD taking any position for or against any particular candidate. The Board agreed that it should remain bipartisan and upon a motion by Director Quillman and seconded by Director Savarese; the Board

unanimously approved donating the Community Center space for the candidate forum.

5. 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.

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. He presented the Board with 7 proposals including:

   Friendly Oaks Renovation;
   Fern Bluff Park Renovation;
   Olsen Meadows Park Renovation;
   Brightwater Park Renovation;
   Trail Improvements;
   Veterans Park Renovation; and
   Cheatum Park Renovation

   Upon a motion by Director Teiber and seconded by Director Quillman, the Board unanimously approved all proposals totaling $14,815.00 for the improvements and renovations.

   General Manager – Ms. Miller presented her General Manager's Report in its entirety and as contained in the Board packet on page 159. She reviewed the financial, parks and District report.

   Operations Manager – Mr. Alanis presented his report in its entirety and as contained in the Board packet.

   Deed Restriction – Director Quillman reported on the status of ongoing issues within the district and distributed the monthly action reports to the Board, noting which violations were being pursued legally.

   Security – Director Teiber noted that he continues to work with Lt. David as to keep patrols during the midnight to after midnight time period.

   Environmental – Director Stempko is conducting water conservation research.

   Engineer – Ms. Miller is meeting with the district Engineer as to discuss depressions throughout Olsen Meadows.

   Communications & Newsletter – Director Quillman is meeting with the web designer to discuss the front page of the web site.

There being no further business to come before the Board, the meeting adjourned at 7:41 p.m.

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Secretary
Fern Bluff MUD Board of Directors