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

March 13, 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 6:02 p.m. on March 13, 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
Joe Teiber	Vice President
Dave Quillman	Secretary
George Sabatino	Treasurer
Jessica Stempko	Assistant Secretary/Treasurer

All directors were present with the exception of Director Savarese, thus constituting a quorum. Also present, were District General Manager, Janey Miller; Operations Manager, Hector Alanis; Mel Leal and Jennifer Waits of McGinnis Lochridge & Kilgore LLP; Community Center Manager, Cindy Alavarado; Brian Schmidt of ECOSystems, and several district residents.

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

2. Director Teiber then recognized district resident, Deborah Zimbelman, who asked the Board to consider something other than mulch at Friendly Oaks Park. She explained that her daughter has stepped on a piece of the mulch that went through her flip flop and punctured her foot on two separate occasions. She noted that the second time her daughter injured her foot, she developed an infection. Ms. Zimbelman also asked that the Board consider installing a back board for basketball at Friendly Oaks Park, as it is currently designed for younger children. Finally, Ms. Zimbelman noted that the new road surfacing project has resulted in problems and damage to the undercarriage of her vehicles and the floors in her home.

3. Director Teiber thanked Ms. Zimbelman for her comments and asked that the Parks Committee look into the issues at Friendly Oaks Park and add an item to the Agenda at a later date.

4. Next, the Board considered items on the consent agenda, determining no items were subject to removal. Upon a motion by Director Stempko and seconded by Director Sabatino, the Board unanimously approved the consent agenda which included the approval of the February meeting minutes; payment of and transfers for operation expenses; pay requests and change orders, and customer charge write offs.

5. The next item of consideration was the District Theft Prevention policy. Ms. Waits presented the policy, and upon a motion by Director Quillman and seconded by Director Sabatino, the Board unanimously approved the policy as presented.

6. Next, the Board received reports from District Consultants and Committees.

Landscape Contractor – Mr. Schmidt presented his report in its entirety and as contained in the board packet. He provided a status on renovations throughout the District, and reported on the seasonal plantings.

General Manager – Ms. Miller presented her report in its entirety and as contained in the Board packet. She reported that the City of Round Rock is expanding the Tier System of is Water Conservation and Drought Contingency Plan, however it is of no immediate effect on Fern Bluff.

Operations Manager – Mr. Alanis presented his report in its entirety and as contained in the Board Packet. He reported that Severn Trent is implementing the annual calibrations of the master meters.

Roads Committee – Director Stempko reported that they continue to monitor the county's punch list on repairs to the road project in various locations throughout the district. She added that Commissioner Birkman and Mr. Daigh will be at the Cat Hollow HOA meeting on March 21, 2012 in the Brushy Creek Community Center as to complaints the chip seal project performed in Brushy Creek.

Parks & Recreation Committee – Ms. Miller asked the Board to consider replacement of the key card access system, as the current system is faulty at the Brightwater Park restrooms and quickly becoming out dated. After a brief discussion, the board reviewed a proposal with a cost ranging from $7K to $12K for installation of a replacement system and key fobs. Ms. Miller asked that the Board allow her more time to look into a solution. The directors agreed, and asked that the committee work with Ms. Miller. There was no action taken on this item.

Community Center Committee – Ms. Miller presented the board with a proposal from Integrity Asphalt & Seal Coating to repair and restripe the community center parking lot. Upon a motion by Director Sabatino and seconded by Director Quillman; the Board unanimously approved the proposal.

Deed Restriction Committee – Director Quillman reported that McGinnis Lochridge & Kilgore LLP issued letters requesting compliance from various homeowners in violation of deed restrictions, and that each address is now in compliance.

Security Committee – Director Teiber reported on patrol activity throughout the district and noted the committee will work with Ms. Miller to find a solution to the key card access system as previously discussed.

Environmental Committee – Director Stempko reported that the City of Round Rock purchased many rain barrels as part of the City's promotion of water conservation measures. She has received calls from residents that are interested in purchasing the rain barrels and are asking what, if any, restrictions the MUD has on placement of the barrels. Ms. Miller agreed to work with the committee to develop a policy.

Attorney – Ms. Waits reported on the status of the election and presented the order of candidates on the May 12, 2012 ballot.

The Board agreed to set its next meeting dates on the 15th and the 22nd of May, as to conduct a regular monthly meeting and to canvass election results at the meeting on the 22nd.

With no further business to come before the Board, the meeting adjourned at 7:53 p.m.

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Secretary
Fern Bluff MUD Board of Directors