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

March 18, 2014

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 6:05 p.m. on March 18, 2014 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, thus constituting a quorum. Also present were District General Manager, Janey Miller; Hector Alanis; Phil Haag and Jennifer Waits of McGinnis Lochridge; Community Center Manager, Cindi Alvarado; Williamson County Sergeant Storey Sherouse; Charles Evans of ECO Systems Landscaping and members of Boy Scout Troupe No. 562.

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

2. There were no citizen communications presented.

3. The first item of business was approval of the monthly consent agenda. Ms. Miller directed the Board's attention to check no. 8262 payable to Severn Trent, noting that the payment was for maintenance invoices and work orders that were later revised and that she would be issuing a hand written check for these charges for approximately $4,200.00. Upon a motion by Director Teiber and seconded by Director Sabatino, the Board unanimously approved the consent agenda containing the minutes of the February regular meeting; payment of bills and invoices, including payment not to exceed $5K to Severn Trent, transfers for operation expenses, pay requests, change orders and customer charge write offs.

4. The Board then discussed cancellation of the 2014 Directors Election. Mr. Haag reported there were no candidates other than the incumbent candidates running for a place on the Board, and that the District is lawfully authorized to cancel its election. Upon a motion by Director Savarese and seconded by Director Quillman, the Board unanimously approved cancellation of the May 2014 Directors election.

5. The Board then received reports from district consultants and committees.

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

General Manager – Ms. Miller presented her General Manager's Report in its entirety and as contained in the Board packet. She presented the board with a proposed Interlocal agreement with the City of Round Rock for participation in the City's hazardous waste program. Upon a motion by Director Sabatino and seconded by Director Teiber, the Board unanimously approved the Interlocal agreement and for the first three (3) months of the program, the District will purchase vouchers to give to residents, provided the vouchers are on a first come first serve basis and there is a limit of one per household. Additionally, the Board referred the item to the environmental committee that will devise a District policy for the program once the initial three (3) month period expires.

Operations - Mr. Alanis presented his report on District operations, noting freezes, the SCADA installation and maintenance at the lift station could have affected water accountability, which was 94% for the month of February.

Parks & Recreation – Director Teiber reported that the committee will meet to look at Brightwater Park and Fern Bluff Park; someone removed the "no fishing" signage and that families continue to enjoy the parks.

Community Center - No report.

At 7:02 p.m., President Savarese announced that the Board would convene in Executive Session pursuant to Section 551.071 of the Texas Open Meetings Act as to receive legal advice from the District's attorney and to discuss Agenda Item No. 8 (h) and that no action would be taken.

The Board convened in regular session at 7:25 p.m. and President Savarese announced that no action was taken during Executive Session.

Deed Restrictions - Director Stempko recommended that the Board terminate its contract with PCMI for deed restriction enforcement noting that there has been inconsistent and unprofessional reporting by PCMI when working in the District. Upon a motion by Director Stempko and then seconded by Director Savarese, the Board voted to approve and authorize a 30-day notification to terminate the District's contract with PCMI. Directors Savarese, Stempko, Sabatino and Teiber voted "aye" and Director Quillman voted "nay" therefore the motion carried.

Security – Director Teiber reported on doorbell ringing and running in Oak Brook.

Environmental - Director Stempko distributed information from a rainwater harvesting system company that she and Director Savarese have been researching and agreed to bring a formal proposal including information related to the return of investment to the April meeting.

Communications – No report.

There being no further business to come before the Board, the meeting adjourned at 7:55 p.m.