MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE FERN BLUFF MUNICIPAL UTILITY DISTRICT
April 20, 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 April 20, 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; Scott Arnold of Arnold & Placek P.C., and several District residents.

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

2. Present for Citizen Communications, was resident, Jessica Stempko who thanked the Board for their efforts regarding the Creek Bend Extension, Julia Baldwin, thanked the Board for the District wide clean up and beautification days, and President Savarese asked that anyone running for the Board, but not elected to stay involved with subcommittees.

3. The Board then considered the first item of business; the Consent Agenda. Upon a motion by Director Walker and seconded by Director Quillman; the Board unanimously approved the items on the consent agenda, including the meeting minutes from the March regular meeting, payment of and transfers for operation expenses; requests and change orders.

4. Next, the Board reviewed information regarding the Ivie Tract/KLIP Investments proposed service and the contract for utility termination series. Ms. Miller presented the Board with the draft documents and the Board discussed each.

Upon a motion by Director Teiber and seconded by Director Walker; the Board unanimously approved the contracts to form.

5. The next item of business was discussion regarding the District's Rate Order. Ms. Miller asked the Board if they wanted to consider a "red tag" policy regarding past due amounts. The Rate Order's current language requires that delinquent account customers pay not only the past due amount, but also the current amount due as well. President Savarese recommended the Board act in a more lenient manner and Director Quillman agreed. Director Teiber noted the language in the current order that stated past due amounts may be paid in installments, and he suggested Ms. Miller and Mr. Haag work on the language so that it is consistent and to allow residents to pay past due amounts before they are required to pay current amounts due when attempting to prevent termination of service.

   At 6:23 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. 9: District Emergency Preparedness and 11: Creekbend Extension and disputes related thereto.

   At 7:2 p.m. President Savarese announced that the Board would convene in regular session and that no action was taken during Executive Session.

6. The next item of business was the Creekbend Extension and disputes related thereto. Upon a motion by director Walker and seconded by Director Bradley; the Board unanimously approved to accept the full and final release of Defendant, Jean Cochran.

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

   Landscape Contractor – Mr. Burns presented his report in its entirety and as contained in the Board packet. Mr. Burns had no proposals for Board review. He reported that the field turf is struggling, as it is in all of Central Texas due to the severe drought conditions over the past year. He reported on volunteer work performed by ECO systems at the Fern Bluff Elementary, and discussed future projects in Olsen Meadows.

   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 proposal to rehabilitate the tennis courts, noting she was not aware of the last time the tennis courts received any repair. Upon a motion by Director Walker and seconded by Director Teiber; the Board unanimously approved to accept the proposal as presented.

Operations Manager – Mr. Alanis presented his report on operations in the District in its entirety and as contained in the Board packet. He reported on the status of the meter change outs, noting the facilities are in good condition this month.

Community Center – Ms. Miller reported that the Center hosted a home and garden show with a good turnout. She added that she is generating reports on the community center events that include the following information:
2009 – 84 resident events; 200 non-profit events
1st 6 months of 2009 – 7,000 people attended an event at the community center

Deed Restriction – The Board reviewed settlement documents related to the alleged deed restrictions at 17603 Columbia Falls Cove. Upon a motion by President Savarese and seconded by Director Quillman, the Board unanimously approved to accept the settlement as presented in the documents.

Security – Director Quillman requested a speed study be conducted on Park Valley, as he has noticed a dramatic increase in speeding. He suggested a stop sign be erected at Park Valley and Sun Burst as well. Ms. Miller reported that the pavilion was vandalized again, and that she would like Board guidance and a recommendation for a security camera to be installed at the Pavilion. She asked the Board to request additional patrols on weekend nights as well.

Newsletter – Items for the April newsletter include an article on the end of Director Bradley's term. At that time, Director Bradley addressed the Board and those residents that were present. He thanked the residents for being involved and present at the meeting. He thanked the Directors and consultants, noting his experience has been fun, interesting and educational. Director Bradley asked that the Board continue to work for the Fern Bluff Elementary to get a parking lot and safer street conditions as a result of the Wyoming Springs project. He said that the position as Director is a community position and has been an honor to serve. He thanked Ms. Miller and said that she has had a huge impact on the success of the District. Director Bradley thanked everyone again, and said that he looks forward to working with the Board as a resident.

There being no further business to come before the Board, Director Teiber moved to adjourn the meeting at 8:12 p.m. Director Bradley seconded the motion, and upon being placed to a vote, the meeting adjourned.

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Secretary
Fern Bluff MUD Board of Directors