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

September 11, 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 September 11, 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, thus constituting a quorum. Also present were District General Manager, Janey Miller; Hector Alanis of Severn Trent Environmental Services, Phil Haag of McGinnis Lochridge & Kilgore LLP; Community Center Manager, Cindy Alvarado; Brian Schmidt of Ecosystems, and several District residents.

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

2. The Board recognized Ms. Connie Reinlie, who wished to address the Board regarding Hairy Man Road. She asked that in consideration of public safety, the Board consider various safety improvements and an increase in police patrol, as it has proven to be a dangerous road. Her son, Jeff Reinlie was killed in an accident on Hairy Man Road, and she is hopeful that safety measures can be put in place as to possibly prevent future fatal accidents. Ms. Reinlie distributed a flyer that detailed the safety measures she and her family seek for improvement along Hairy Man Road, and thanked the Board for their consideration.

3. Next, the Board considered its first item of business, the consent agenda. Director Teiber moved that the Board approve the Consent Agenda containing payment of and transfers for operation expenses, requests and change orders and customer charge offs. Director Stempko seconded the motion, and upon being placed to a vote, the motion carried unanimously.

4. The Board then opened the public hearing at 6:18 p.m. to discuss the 2012 proposed tax rate. No citizens commented on the proposed rate and the public hearing concluded at 6:19 p.m.

5. Next, the Board considered the Operating budget for the 2012-2013 fiscal year. Director Sabatino moved for approval of the budget and Director Teiber seconded the motion. Upon being placed to a vote, all directors voted, "aye" and the motion carried.

6. The Board then considered the tax rate for calendar year 201211. Upon a motion by Director Savarese and seconded by Director Teiber, the Board unanimously approved a tax rate of $0.27 for debt service and .2395 for operation and maintenance, totaling .5095 per $100 valuation.

7. The next item of business was to engage an auditor for fiscal year ending September 30, 2012. Upon a motion by Director Savarese and seconded by President Teiber; the Board unanimously approve to hire Don Allman, CPA as the District's auditor.

8. The Board then discussed amending the District's Rate Order, as to reflect the rate increase from Round Rock Refuse for solid waste services. Upon a motion by Director Teiber and seconded by Director Savarese, the Board unanimously approved amending the District's Rate Order as to reflect the price increase from Round Rock Refuse.

9. Next, the Board discussed the approval of changes to the District's policy regarding signage on District property and parks. Upon a motion by Director Stempko and seconded by Director Savarese, the Board unanimously approved the policy as written.

10. The next item of business was appointment of members to the Fern Bluff Neighborhood Sections 1&2 Architectural Control Commitee.

11. 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.

    General Manager – Ms. Miller presented her General Manager's Report in its entirety and as contained in the Board packet.

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

    Parks & Recreation – Ms. Miller reported that Olsen Meadows needs more mulch.

Security - Director Teiber reported on security matters throughout the District, including a traffic enforcement at Morgan Hill and O'Connor, as well as a report of breaking and entering at Stone Canyon.

Community Center - The Fountain is in need of repair.

Communications - Director Quillman reported that the MUD web site was hacked, but has been repaired and is secure.

There being no further business to come before the Board, the meeting adjourned at 7:30 p.m.

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Secretary
Fern Bluff MUD Board of Directors