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

October 12, 2011

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 October 12, 2011 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	Asst. Sec./Treasurer/Parliamentarian

All Directors were present, thus constituting a quorum. Also present, were District General Manager, Janey Miller; Hector Alanis of Severn Trent, Phil Haag and Jennifer Waits of McGinnis, Lochridge & Kilgore LLP; Ralph Rocco of Round Rock Refuse; Mark Burns of ECOSystems Landscape Services; and several District residents.

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

2. The Board then recognized Mr. Bill Kindla, who addressed the Board to discuss someone driving a truck in the greenbelt areas, causing mud tracks, a proposed community clean up and a fire assessment in the parks and greenbelt areas of the district.

   Ms. Alma Gonzales then addressed the Board to discuss recent water restrictions.

3. The first item of business was consideration of the consent agenda. Upon a motion by Director Teiber and seconded by Director Stempko; the Board unanimously approved the consent agenda including, minutes of the September meeting, payment of and transfers for operation expenses, pay requests and change orders and customer charge write offs.

4. The Board then recognized Ralph Rocco of Round Rock Refuse who presented the Board with a check for $910.00 as payment for the recycling in the month of September. The Board discussed the success of the single stream recycling program, noting the District produces an average of 45 tons of recyclable material each month.

5. Next, the Board received a report from Ms. Miller regarding the Stage 3 water restrictions and the Williamson County water shortage.

6. The next item of business was the District's Rate Order. The Board reviewed the changes in the water and sewer service rates as recommended by Ms. Miller who explained that the increases are simply reflective of the increased rates charged to the District by its wholesale provider, the City of Round Rock. Additionally, the Board discussed and agreed upon a new water restriction penalty schedule. Upon a motion by Director Teiber and seconded by Director Quillman, the Board unanimously approved the new rates and to keep the Commodity rate language as contained in the District's Rate Order.

7. Next, the Board received reports from consultants and committees.

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

   General Manager – Ms. Miller presented the General Manager's Report as contained in the Board packet, reviewing the financial, parks and District report. She noted that the Community Center generated $71,974K in revenue for fiscal year ending September 30, 2010.

   Operations Manager – Mr. Alanis presented his report in its entirety and as contained in the Board packet. He presented the Board with a proposal to till and level all mulched playscape areas; inspect and record mulch depths for each playscape, and report findings and recommendations to the Landscape Committee. Upon a motion by Director Teiber and seconded by Director Quillman, the Board unanimously approved the proposal as presented. The Board also asked Mr. Burns to address fire ants at the ball fields.

   Budget – At 7:34 p.m. President Savarese announced that the Board would convene in Executive Session pursuant to the Texas Open Meetings Act to discuss Agenda Item No. 10(d).

   At 8:07 p.m., the Board resumed the regular meeting and President Savarese announced that no action was taken in executive session.

   Parks & Recreation – Director Teiber reported on the status of Cheatum and Friendly Oaks parks.

Deed Restriction – Director Quillman reported on the status of enforcement throughout the District and presented the Board with a water usage chart for addresses throughout the District.

Roads – The Board discussed the resurfacing project, and discussed actions taken to address the manhole covers that were sealed in the process of the project, and that Williamson County has recognized the errors.

Community Center – Aside from the earlier discussion regarding the revenue generated from events at the Community Center, Director Quillman announced that the committee would be meeting to discuss the purchase of a television.

There being no further business, the Board adjourned at 9:25 p.m.

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Secretary, Board of Directors
Fern Bluff Municipal Utility