MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE FERN BLUFF MUNICIPAL UTILITY DISTRICT
December 14, 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 December 14, 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
Joseph Teiber	Vice President
Dave Quillman	Secretary
Farrell Walker	Treasurer
Jessica Stempko	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 Ecosystems, and several District residents.

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

2. The Board then recognized Mr. Bob Tagton who addressed the Board to speak about winter wastewater averaging. Mr. Rich Berthelsen also addressed the Board to thank them for hosting breakfast with Santa.

3. The first item of business was a review of the items within the consent agenda. Board reviewed the Consent Agenda. Director Teiber moved that the Board approve the Consent Agenda containing the September meeting minutes, payment of and transfers for operation expenses, and requests and change orders. Director Stempko seconded the motion, and upon being placed to a vote, the motion carried unanimously.

3. The next item of business was a discussion regarding the District Park trail system and a possible Clean-up Program. the Directors discussed various aspects of a program to clean up and maintain the trails. Comments included whether or not the HOAs would be included in the program, what the county's involvement would be and whether or not it would be a one time deal or an ongoing program. President Savarese moved that the Board appoint a

committee to investigate the options and come back to the Board with a formal proposal. Director Teiber seconded the motion and upon being placed to a vote, the motion carried.

Ms. Miller then reported on a proposed bypass for the Fern Bluff Elementary school. As a result of the Wyoming Springs widening project, the school will need to remove the existing trail within the school's property, as to accommodate the new driveway needed to ease traffic flow. The Directors discussed the logistics of the project, including replenishing the vegetation in that location once the driveway is laid. Director Walker moved that the Board cooperate with the school's effort to re-route the trail and that the Board relinquish the lease rights to the existing trail property. Director Teiber seconded the motion; and upon being placed to a vote, the motion carried unanimously.

4. Next, the Board discussed the Board Committee appointment. The Directors again revisited policy previously presented and discussed at earlier meetings. Director Quillman moved that the board adopt the policy as written. Director Stempko seconded the motion. Upon being placed to a vote, Directors Quillman, Stempko and Savarese voted, "aye" while Directors Walker and Teiber voted "nay." The motion carried.

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

   Landscape Contractor – Mr. Burns presented his report as contained in the Board packet, and discussed the status of the field improvement project. He presented the Board with 3 proposals for field irrigation at Olsen Meadows Park and irrigation and wall repairs at the community center. After extensive discussion, the Board approved installation of rye and Bermuda at the community center for $1,750. Mr. Burns guaranteed that his team would replace any sod that didn't grow for one reason or another.

   General Manager – Ms. Miller presented her General Manager's Report as contained in the Board packet, reviewing the financial, parks and District report. She reported that the parks are in good shape, and that the flood wash out repairs to the Brightwater Park Trail are complete and that the District's TML Insurance company issued a equity check to the District in the amount of $1,000.00 as a result of low claims.

   Operations Manager – Mr. Alanis presented his report on operations in the District as contained in the Board packet. He reported on the water line and sewer line breaks. He said root intrusion was the reason for the sewer line breaks and that weather extremes are to blame as well. Additionally, Mr. Alanis reported that he replaced 2 air release valves at the pump station, and that 2 fire hydrants were hit by vehicles last month.

Deed Restriction – Director Quillman reported on the status of enforcement noting that McGinnis Lochridge and Kilgore contacted the homeowners in violation, and that all violations should be completely resolved by the end of March.

FBMUD Community Center – Ms. Miller reported on the status of repairs made to the community center including the new carpet, a commercial sink and faucet along with the new copy machine. Director Quillman complimented the center.

Newsletter – Items for the January newsletter include, traffic patrols, road dedication and the bypass driveway.

There being no further business to come before the Board, the meeting adjourned at 9:14 p.m.

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Secretary
Fern Bluff MUD Board of Directors