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

April 18, 2017

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 18, 2017, 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, to -wit:

Patrick Savarese	President
Joseph Teiber	Vice President
VACANT	Secretary
George Sabatino	Treasurer
Jessica Stempko	Assistant Secretary/Treasurer

and all Directors were present, thus constituting a quorum. Also in attendance were Kevin A. Barnes, Meg Walsh, Marc I. Smith, and Richard Berthelsen, residents of the District; and Suzanne McCalla of McGinnis Lochridge, the District's Attorney ("McGinnis Lochridge").

Director Teiber called the meeting to order, after which he led those present in the Pledge of Allegiance.

Director Teiber noted four residents were present at the meeting who wished to address the Board regarding the vacancy on the Board of Directors.

Director Teiber explained that the next item of business before the Board was to interview the applicants for the vacant Board of Directors position, Place 4, formally held by Dave Quillman. He stated that the Board would like to address each applicant individually. The Board then proceeded to interview each candidate in the following order: Mr. Smith, Ms. Walsh, Mr. Berthelsen, and Mr. Barnes. The Board thanked each of the applicants for submitting an application and for providing their time to complete the interview process. All applicants departed the meeting.

Next, the Board entered into executive session at 8:16 p.m., pursuant to V.T.C.A. Governmental Code, 551.074 in order to discuss District personnel matters. At 8:40 p.m., Director Teiber announced that the Board would reconvene and that no decisions or actions were taken during the executive session. After a brief discussion, upon a motion duly made by Director Sabatino and seconded by Director Savarese, the Board voted

unanimously to appoint Mr. Barnes to the fill the vacancy on the Board. The Board then directed Ms. Miller to notify all the applicants of the Board's decision. Director Teiber noted that Mr. Barnes would be sworn in at the District's next Board of Directors meeting.

At this point Director Savarese left the meeting.

The next item of business was approval of the monthly consent agenda. Upon motions duly made by Director Sabatino and seconded by Director Stempko, the Board voted unanimously to approve the Consent Agenda, containing the minutes of the March 14, 2017, regular Board of Directors meeting; payment of bills and invoices; payment of transfers for operation expenses; pay requests, including Pay Application No. 4 from Fazzone Construction Co., Inc. in the total amount of $299,159.19; change orders; and customer charge write-offs. A copy of Pay Application No. 4 is included in the Board Packet, which packet is attached to these minutes as an exhibit.

Ms. Miller next reported on the widening by Williamson County (the "County") of Brushy Creek Road and Hairy Man Road (the "Project"). She stated that the Roads Committee had met with Cobb Fendley, utility engineer with the County, to discuss the Project. Ms. Miller told the Board that the current design of the Project involved relocating the District's main water line located in the area. She continued that she planned to work with the County as well as the District's Attorney regarding the issue.

Next, Ms. McCalla updated the Board on the status of the Lower Colorado River Authority's (the "LCRA") application to amend its certificate of convenience and necessity for the Round Rock-Leander 138-kV Transmission Line. She stated that Morgan Johnson of McGinnis Lochridge, the Attorney handling the District's participation in the case, had reported that the Administrative Law Judges' Proposal for Decision concluded that the proposed route that would impact Olson Meadows [N3] should not be used as a potential route option. Ms. McCalla added that the State Office of Administrative Hearings [SOAH] would rule on the proposed decision on May 4, 2017.

Ms. Miller then presented the General Manager's Report in its entirety, a copy of which is included in the Board Packet. She reported that construction and renovation on the District's office building addition (the "Building Project") continued to be progressing. She stated that the parking lot had been completed, and that after the sidewalks were installed, the landscaping of the Community Center would be scheduled. She estimated that the Building Project should be completed by the end of April.

Ms. Miller next reported on the payment of bills and invoices to the District as detailed on the District's Payment and Transfers Report. She detailed the bills to the District and the checks in payment thereof. She then reviewed with the Board the status of the District's profit and loss budget performance for the fiscal year to date.

Continuing her report, Ms. Miller informed the Board that vandalism was increasing in the District's parks and greenbelts. She stated that irrigation systems had been

damaged as well as fires set in the wooded areas of the District. She told the Board that she had requested additional security patrols of these areas.

Ms. Miller also noted that the District continued to have issues with unleashed as well as leashed dogs in the District's parks and greenbelts. After discussion, the Board requested that an item addressing this issue be added to the District's May agenda.

Next, Director Teiber gave the Security Committee Report. He stated that deputies with the Williamson County Sheriff's Office continued to enforce the speed limit laws throughout the District.

There being no further business to come before the Board, the meeting was adjourned.

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Secretary, Board of Directors
Fern Bluff Municipal Utility District

(SEAL)

Attachments to the Minutes of the
Fern Bluff Municipal Utility District
April 18, 2017, Board of Directors Meeting

1. District Packet.