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

November 13, 2018

THE STATE OF TEXAS
WILLIAMSON COUNTY

The Board of Directors (the "**Board**") of the Fern Bluff Municipal Utility District (the "**District**") convened in a **regular** meeting open to the public at 6:00 p.m. on November 13, 2018, 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:

George Sabatino	President
Joseph Teiber	Vice President
Jessica Stempko	Secretary
Kevin Barnes	Treasurer
Marc Smith	Assistant Secretary/Treasurer

and all Directors were present, thus constituting a quorum.

Also in attendance, were Janey Miller, the District's General Manager; Hector Alanis, the District's Operations Manager; Christen Eschberger, Whit Friend, and Terin Everetson of the Williamson County Road and Bridge Department (the "**County**"); Michael Snyder, a resident of the District; and Morgan Johnson and Suzanne McCalla of McGinnis Lochridge, the District's Attorney ("**McGinnis**"). Numerous members of the public were also present at the meeting. A copy of the sign-in sheet for those in attendance at the meeting is attached to these minutes as an exhibit.

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

Director Sabatino noted that Mr. Snyder wished to address the Board.

Mr. Snyder stated that he resided at 8307 Priest River Drive within the District. He continued that he had been working on the renovation of his home and was trying to complete the project as soon as possible. He stated that he had been delayed due to recent rain falls. He emphasized he was willing to work with the Board, and questioned the procedure the Board would take moving forward. Director Sabatino thanked Mr. Snyder for his comments.

The Board then considered approval of the monthly consent agenda containing the minutes of the October 9, 2018, regular Board of Directors meeting; payment of bills and invoices; payment of transfers for operation expenses; pay requests; change orders; and customer charge write-offs. After a brief discussion, upon a motion duly made by Director

Teiber and seconded by Director Smith, the Board voted unanimously to approve the Consent Agenda, including the minutes of the October 9, 2018, regular Board of Directors meeting.

Next, personnel with the County presented a PowerPoint presentation on the improvements and/or the widening of Brushy Creek Road and Hairy Man Road and the improvements to the Great Oaks Drive/Brushy Creek Road intersections and bridge replacements (collectively the "**Project**"). A copy of the presentation is included as an attachment to these minutes. Ms. Eschberger reviewed the PowerPoint slides with the Board and detailed the proposed impacts to the District by the Project. She stated that the County is aware of the impact to the District's water line located in the area and has agreed to move the line as requested as well as to enter into discussions regarding the possible installation of an emergency water interconnect between the District and Brushy Creek Municipal Utility District.

At this point Director Stempko entered the meeting.

The Directors next questioned the County on possible issues regarding the Project. Ms. Eschberger pointed out that an interlocal agreement between the County and the District would be drafted that would address most of the issues discussed. After a question from the Board, Mr. Everetson stated that the improvements to Hairy Man Road and Brushy Creek Road would likely begin in the summer of 2019 and the improvements to the Great Oaks Bridge in late 2019. Members of the public were then permitted to address the County with questions. No action was taken on this item.

Next, Ms. Miller presented the General Manager's Report in its entirety, a copy of which is included in the Board Packet and attached hereto as an exhibit to these minutes. She stated that new tables had been installed in the Fern Bluff and Brightwater Parks. She added that her office continues to deal with issues related to unleashed dogs within the District's parks and nature trails and that there had been some resulting conflicts between residents.

Continuing her report, Ms. Miller reported that her office had received reports of fires being set in the District's greenbelts and wooded areas. She stated that she had notified the Sheriff's Office regarding the issue.

Director Smith questioned the status of installing dog waste receptacles within the District. Ms. Miller responded that she had researched the issue but was having a difficult time finding a company willing to provide "turnkey" service. Director Smith responded that the Williamson County Oak Brook Owners Association, Inc., had hired a company to provide this service for the neighborhood and that the company may be able to assist the District. Ms. Miller agreed that this would be a good solution.

Mr. Alanis next reviewed the Operations Reports included in the Board Packet with the Board. He noted that the District's water accountability for the month of October was 96%. He stated that six of ten test smart meters were installed as part of the pilot program to test a new metering system in the District and that the remaining four should be installed by the end of the week. He reported that he had picked challenging sites for the test meters to ensure that the meters work in all types of situations. He also noted that the District was in the process of winterizing its facilities.

The Board then entered into executive session at 7:01 p.m., pursuant to V.T.C.A. Government Code, Chapter 551.071, to receive the attorney's advice on Items 10(g)(i) as listed on the agenda. The Board reconvened in open session at 7:22 p.m. Director Sabatino reported that no decisions were made and no votes taken on the items discussed in executive session.

The Board then discussed the deed violations at 8307 Priest River Drive. The Board considered several options presented by the District's Attorney regarding enforcement of the District's restrictive covenants. After discussion, upon a motion duly made by Director Sabatino and seconded by Director Teiber the Board voted unanimously to: (1) grant the homeowners of 8307 Priest River Drive until December 31, 2018, to complete the renovations on the exterior of the home, including closing off the walls, windows, doors, and roof to the outside and removing all other "attractive nuisances" on the property; (2) authorize the District's Attorney to prepare legal work for a declaratory judgment action to be considered at the District's January meeting if the homeowners have not come into compliance by December 31, 2018; and (3) direct the District's Attorney to send a letter to the homeowners memorializing the Board's decision.

Director Teiber then reported on the patrols of the District by off-duty officers pursuant to the Independent Contractor Agreement for Off-Duty Security and Patrol Services between the District and the Williamson County Sheriff's (the "**Sheriff's Office**"). He noted that the patrols had been routine during the past month with no major incidents reported within the District.

Ms. Johnson then updated the Board on the status of the following lawsuit: Fern Bluff Municipal Utility District v Demetria Castillo-Woolf, Gregory Esquivel, and Samantha Castillo. She stated that an attorney ad litem was hired and that her office planned to move forward with the lawsuit.

The Board then discussed the date of the District's next regular Board of Directors meeting. After discussion, the Board decided that the District's next regular meeting would be held at 6:00 p.m. on December 11, 2018.

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
November 13, 2018, Board of Directors Meeting

1. PowerPoint presentation by the County; and

2. District Packet.