

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

**May 27, 2008**

THE STATE OF TEXAS

WILLIAMSON COUNTY

The Board of Directors of the Fern Bluff Municipal Utility District convened in a special meeting, open to the public, at 6:10 p.m. on May 27, 2008, 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.

1. The roll was called of the following members of the Board of Directors:

Janey Miller	President
Jeff Bradley	Vice President
Joseph Teiber	Secretary
Patrick Savarese	Assistant Secretary/Treasurer
Farrell Walker	Treasurer

All Directors except for Director Bradley were present, thus constituting a quorum. Also in attendance was Phil Haag and Jennifer Waits of Winstead PC, Hector Alanis of MUD Management Co., Rich Caldwell of Eco Systems, and FBMUD Community Center Manager, Cindy Alvarado.

2. Upon calling the meeting to order, President Miller asked that Director Teiber lead the Pledge of Allegiance. Next, President Miller noted that there were no citizens present to comment on non-agenda items.

3. The first item of business on the Agenda, was the swearing in of the newly elected directors. Phil Haag administered each Director's Oath of Office.

4. Next, the Board reviewed the contract submitted by ECO Systems, to provide landscaping services to the District. Each of the Board members introduced themselves to Mr. Caldwell and individually discussed aspects of the contract with Mr. Caldwell. Mr. Haag informed Mr. Caldwell that he would like to add indemnification language and a 30-day cure clause to the contract, prior to the Board's signature. Upon a motion by director Savarese and seconded by Director Walker, the Board approved to accept the contract with additional indemnification language to be added by Mr. Haag. At that time, Mr. Caldwell introduced Mark Burns, the Maintenance Operations Manager that would be responsible for the District.

At 6:45 p.m., President Miller announced that the Board would convene in executive session pursuant to the Texas Open Meetings Act, Section 551.073 to receive legal advice from the District's attorney regarding Agenda item no. 6 to discuss payment for legal services to Arnold & Placek P.C..

At 7:32 p.m. President Miller announced that the Board would reconvene in regular session and that no action was taken by the Board on any Agenda items.

5. The next item of business was the Board's review and approval of payment for legal services to Arnold & Placek. The Directors reviewed the invoices and upon a motion by Director Teiber and seconded by Director Savarese, the Board unanimously approved payment to Arnold & Placek P.C..

6. Next, the Board discussed the need for an Operations & Maintenance Committee to address instances on an "as they occur" basis. Director Walker asked what authority the committee would have, and the directors discussed and decided that a committee of this nature would oversee the operations and maintenance throughout the District within the guidelines for the Board and the general management company. Upon a motion by President Miller and seconded by Director Savarese, the Board unanimously approved creation of an Operations & Maintenance Committee comprised of Directors Miller and Bradley.

7. There being no further business to come before the Board, and upon a motion by Director Teiber, seconded by Director Savarese, the meeting adjourned at 7:33 p.m.

---

Secretary, Board of Directors  
Fern Bluff Municipal Utility District

---

Date