

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

**November 11, 2008**

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 November 11, 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 were present, thus constituting a quorum. Also in attendance was the District's General Manager Mike Morin, of Southwest Water Co.; Phil Haag and Jennifer Waits of Winstead PC; Hector Alanis of MUD Management Co.; FBMUD Community Center Manager, Cindy Alvarado; Mark Burns of ECO Systems Landscaping; and several District residents.

2. Upon calling the meeting to order, President Miller asked Director Teiber to lead the Pledge of Allegiance. Immediately thereafter, President Miller invited citizens, to participate in citizen communications on non-agenda and agenda items.

3. Mr. Trey Caldwell addressed the Board to request that one month, specifically the highest reading month be dropped when considering the Winter averaging for water usage. He also requested that the District consider instituting a time limit in which signage may be posted in front of the Community Center. Next, Ms. Kim Oakley informed the Board that she would volunteer to submit two articles of holiday events in the District and suggested that the Board consider adding an article about winter averaging. The Board thanked both Ms. Oakley and Mr. Caldwell for their suggestions and comments.

4. The next item of business was a discussion of the corrections made to the rate order. Mr. Haag explained that the rate order was revised to have language for returned check fees. Upon a motion by Director Savarese and seconded by Teiber, the Board unanimously approved the additional language.

5. Next, the was Board reviewed items on the Consent Agenda which were subject to approval. Items included the October meeting minutes, bills and invoices, write-offs,

pay requests and change orders. Upon a motion by Director Savarese; seconded by Director Teiber, the Board unanimously approved the October minutes with revisions and all other items on the Consent Agenda.

6. The next item of business was review of the monthly activity report on inspections for Restrictive Covenant violations throughout the District. Ms. Oakley asked the Directors if any progress had been made in contacting the person responsible for parking an Oncor truck on Columbia Falls. Director Bradley volunteered to write a letter to the homeowner and to Oncor, noting the safety hazard the truck poses, as it blocks the view of any children playing in the area.

7. The Board moved item no. 10; ECO Resources assignment to Southwest Water Co. to the December Agenda.

8. Next, the Board received reports from District Consultants and Committees.

General Manager's Report – Mr. Morin presented the General Manager's Report in its entirety as contained in the Board packet. He reviewed the District's collection report, as requested by Director Bradley at the October regular meeting. Upon a motion by Director Savarese; seconded by Director Walker, the Board unanimously approved Mr. Morin's requested transfers from the district tax account to the district operating account and from the district tax account to the district debt service account.

Landscape Consultant – Mr. Mark Burns of ECO Systems, addressed the Board to present the monthly landscaping report in its entirety, as seen in the Board packet. He remarked that the deer continue to eat new plantings, including those that deer typically are not attracted to. He discussed levels of kiddie mulch in the parks, and agreed to contact Director Teiber when the mulch has reached a depth of 9 inches. He also stated that ECO Systems plans on instituting a Spring initiative to create a map of the entire district, which identifies the irrigation system control boxes and parks.

Parks & Recreation Committee – President Miller noted that she will contact Mr. Alanis of MUD Management and Robbi Callegari of CMA Engineering to facilitate the culvert installation during the fall and winter months. She also informed the Directors that the Board needed to address a portion of the trail in Oak Brook that heaved and is extreme disrepair. Director Savarese recommended that Mr. Callegari inspect the damage. Director Teiber stated that he would like to meet with Mr. Alanis to determine an immediate remedy to repair the trail. Additionally, the Directors discussed parking issues at Olsen Meadows. President Miller noted that parking is not adequate to accommodate a large group of residents wishing to use the park facilities, and asked if the Board could consider expanding the parking lot. Director Teiber added that he felt the current size of the parking lot abated large groups of people that are not affiliated with the District from conducting gatherings at the park. After further discussion, the Board authorized Director Savarese to observe the current parking options and determine if it would be feasible to install a horse-shoe drive.

Attorney's Report – Mr. Haag reported that he as requested the City of Round Rock to submit an analysis of the Creekbend extension, noting that it is due next week. Upon receipt of the analysis, Mr. Haag will submit it to the District's road consultants for review. He noted that he and the road consultants have options they would like to present to the City, as he feels they are viable and warrant consideration.

FBCCC Committee – The Board discussed the need for a new copy/fax/scanning machine for the Community Center, and determined it would be necessary to explore the options of purchasing vs. leasing the equipment. At that time, President Miller addressed the current rental fees of the community center, and asked the Directors to consider a discussion about lowering non-resident rental fees. After a brief discussion among the Board, it was determined that the Directors would need to meet for a work session to analyze all of the financial aspects and the community center, as well as a more in depth discussion of resident responses to the survey with respect to the community center.

Security Committee – The Board addressed a complaint by Mr. Shaw from the October meeting, that detailed problems he is experiencing with neighborhood youth destroying portions of his fence while using the drainage area to skate board and the noise level the skating and congregating creates. Mr. Shah emphasized that he works from home, and has become increasingly annoyed and burdened with the current situation. The Directors discussed options of scoring the concrete to inhibit skateboarding, installing a waist high bar between the culvert and Mr. Shah's fence and signage that reads, "No skateboarding." President Miller stated that while she respected Mr. Shah's frustrations, she didn't feel good about restricting District residents from District property. She added that if the Board was going to authorize prohibition of skating in drainage areas and parking lots then it may be a good idea to create an area where this could be done, noting that such place would not be any more burdensome or create any additional liability to the MUD than the current structures being used. Mr. Shah said that he is supportive of this idea.

Budget Committee – There was no Budget Committee report.

Engineer's Report – The district's engineer, Robert Callegari was not present and had no report in addition to the matters above.

14. Next, the Board identified articles for the District's monthly newsletter. Topics include, the Creekbend extension, the Ms. Oakley's article on HOA activities and winter water averaging.

15. 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 8:45 p.m.

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Secretary  
Fern Bluff Municipal Utility District