

**MINUTES OF MEETING OF BOARD OF DIRECTORS OF  
SPRINGWOODS MUNICIPAL UTILITY DISTRICT**

June 9, 2009

THE STATE OF TEXAS           §  
  §  
COUNTY OF WILLIAMSON       §

The Board of Directors of Springwoods Municipal Utility District met in a regular meeting at a regular meeting place of the District open to the public on June 9, 2009 at 9117 Anderson Mill Road, Austin, Texas, pursuant to notice duly given in accordance with law. A copy of the Certificate of Posting of said Notice is attached hereto as Exhibit "A".

The roll was called of the members of the Board, to-wit:

James Buchanan	-	President
Jim Sagnes	-	Vice President
Kelly K. Campbell	-	Treasurer
Michael Weems	-	Secretary
Rodney Hargrave	-	Assistant Secretary and Treasurer

and all of the Directors were present, thus constituting a quorum. Also present at the meeting were Mark Maxwell of MaxWebs Co.; Richard Fadal of TexaScapes, Inc.; Ben Whaley of Emerald Security; Andrew Hunt of SWWC Services, Inc.; Bill Burke of Clearwater Management, Inc.; Autumn Phillips of Municipal Accounts & Consulting, L.P.; Brian Jorgensen, a resident of the District; David Owens, a resident of the District; and Gregg Krumme of Armbrust & Brown, L.L.P.

Director Buchanan called the meeting to order at 6:00 p.m. and stated that the Board would first discuss and consider taking necessary action regarding the District pool and maintenance, repairs and improvements to the District pool facilities, including Resolution Supplementing Exhibit "A" to Order Establishing Rules and Regulations Governing Recreational Facilities and Fees and Charges for the Use Thereof and extension of sidewalk along swimming pool frontage. Bill Burke of Clearwater Management addressed the Board and reported to the Board that the opening of the pool went well, that nothing at the pool had to be repaired this year and that the shade cover was done and up. Director Campbell stated that she received an email from a resident concerned about the failure of the guards to check pool tags upon entrance to the pool. After discussion, Mr. Burke stated that he would remind the guards of their responsibilities. Director Buchanan stated that the cement pour for the sidewalk was scheduled for tomorrow and that it would be done before the swim meet the next weekend. Director Sagnes stated that he would notify the swim team. Mr. Krumme explained the Resolution Supplementing Exhibit "A" to the Order Establishing Rules and Regulations Governing Recreational Facilities and Fees and Charges for Use Thereof to the Board. Director Campbell moved that the Board approve the resolution. Director Hargrave seconded the motion, which passed unanimously.

Director Buchanan stated that the Board would next receive a report from the District's drainage channel, park maintenance and composting contractor and discuss and consider taking necessary action thereto. Richard Fadal of TexaScapes, Inc. addressed the Board and reviewed his monthly report with the Board. Mr. Fadal reported that a new planting area had a problem in the park because someone had turned off the valve for the irrigation for that area. Mr. Fadal said that they would monitor it and the tree that was planted there and replace it if it died, under warranty. Mr. Fadal also reported that the composting participation is down some due to the dry conditions. Director Sagnes asked Mr. Fadal to look at the floodwall area and whether it required maintenance. Mr. Fadal agreed to do so. After discussion, Director Sagnes moved that the Board approve a maintenance of the floodwater area if needed. Director Campbell seconded the motion, which passed unanimously. The Board directed Mr. Krumme to include an agenda item on the next agenda to consider adding maintenance to the flood wall area to TexasScapes contract.

Director Buchanan stated the Board would next consider approving the meeting minutes of the May 12 and May 26, 2009 Board meetings. After discussion, Director Campbell moved that the Board approve both sets of minutes. Director Weems seconded the motion, which passed unanimously.

Director Buchanan stated the Board would next receive a report from the District's general manager, and discuss and consider taking necessary action related thereto. Andrew Hunt of SWWC Services, Inc., addressed the Board and first reviewed his directives list with the Board. Mr. Hunt next reviewed Restrictive Covenant Enforcement items as set forth in his report. The Board discussed status of various restrictive covenant enforcement items. Finally Mr. Hunt stated that he had talked to ProClean about scheduling a meeting to go over open items and issues with janitorial service for the District. Director Campbell stated that she discussed some of the issues with ProClean and reported that ProClean has an issue about opening the bathrooms before 9 a.m. on the weekends. The Board discussed the time of service and bathroom opening and closing in the park. Director Campbell stated that she would talk to Proclean about the bathroom situation. Director Buchanan suggested that they schedule office cleanings for the second Wednesday of every month and the last weekend of the month as a general rule. Mr. Hunt stated that he would follow up on shelf liners for the District kitchen. Mr. Hunt next reported that Mark McKlain has left SWWC Services, Inc. and is working part time for another company effective July 15, 2009. Mr. Hunt stated that Chris will continue to keep up the District park. Director Hargrave asked about the Hunters Chase culvert clean out and whether that would be an additional costs under the management contract. Mr. Hunt stated that it was additional services under the contract and would be an additional cost. Director Hargrave stated that he would like to discuss policy to get additional services pre-approved before performance.

Director Buchanan stated the Board would next receive citizens' communications. Brian Jorgensen and David Owens introduced themselves to the Board and explained that they were new residents of the District and were attending a meeting to understand more about what the Board does. They asked about restrictive covenants. Mr. Krumme agreed to provide them with a copy that was applicable to their new home.

Director Buchanan stated the Board would next receive a report from the District's bookkeeper, and discuss and consider taking any necessary action relating thereto, including

payment of the bills and invoices. Autumn Phillips of Municipal Accounts addressed the Board and first provided the Board with an audit proposal from McCall Gibson and Company, P.L.L.C. The Board indicated that it would consider audit proposals at a future meeting. Ms. Phillips and the Board discussed setting up the District account at Ironstone bank and signed required forms to set up that account. Director Buchanan stated that he had asked for a check to final pay the sidewalk project when it passes inspection, but that there had been some initial costs for drainage pipe and permitting and he expected an additional check would be required. Ms. Phillips provided the Board with a supplemental sheet of bills and invoices of the District, which together with the sheet included in the packet are attached hereto as Exhibit "B". Ms. Phillips reviewed the bookkeeping report with the Board and asked that the Board add check no. 14233 to Holbrook for \$4,750 to the building invoices report. Director Campbell move that the Board approve payment of the bills and invoices, request of transfer and the liquidation of a \$50,000 CD. Director Hargrave seconded the motion, which passed unanimously. Ms. Phillips next reviewed the District's budget with the Board, as well as the District balance sheet.

Director Buchanan stated the Board would next receive a report from Mark Maxwell of MaxWebs Co. regarding the District's website, newsletter and other District communications and discuss and consider taking necessary action related thereto. Mark Maxwell addressed the Board. Director Sagnes asked whether Anderson Mill MUD had a limited district flyer that they used to provide information to their residents. Mr. Maxwell stated that they did and that he would get some samples for the Board's review. Director Hargrave stated that the Board should consider highlighting services that the District provides so that the residents will understand what they will get as a limited district. Director Sagnes said that they should reference recent Austin American Statesman articles discussing various City cutbacks. The Board agreed that the next newsletter would go out soon and include the July 4<sup>th</sup> party at the pool.

Director Buchanan stated that the Board would next discuss and consider taking necessary action regarding District management services, including request for proposal. Andrew Hunt raised the issue of the time frame for the transition of services and suggested the Board consider a thirty day transition period. The Board discussed the transition and Director Sagnes suggested that it could be done in 15 days. After discussion, the Board directed Mr. Krumme to provide an Amendment to the SWWC Services, Inc. contract to provide for that 15 day transition.

Director Buchanan stated that the Board would next discuss and consider taking necessary action regarding the revised Order Establishing Rules and Regulations Governing Recreational Facilities and Fees and Charges for Use Thereof, including pavilion rules and regulations. The Board discussed the use and reservation system for the ball fields. After discussion, the Board directed that ball field reservations be taken no more than two weeks in advance and that they be limited to 4.5 hours per week per team. Director Weems moved that the Board approve the Order Establish Rules and Regulations Governing Recreational Facilities and Fees and Charges for the Use Thereof as revised with the ball field reservation rules. Director Campbell seconded the motion, which passed unanimously.

Director Buchanan stated that the Board would next discuss and consider taking necessary action regarding revised resolution adopting code of ethics, investment officer, investment policies, investment strategies and related matters, including revised qualified brokers list. Mr. Krumme explained that the Code of Ethics was being updated to include the qualified

broker's list recommended by Autumn Phillips. Director Weems moved that the Board approve the order. Director Hargrave seconded the motion, which passed unanimously.

Director Buchanan stated that the Board would next discuss and consider taking necessary action regarding maintenance, repairs and improvements to the District park. The Board discussed emergency repairs to the park and discussed a policy to provide for repairs within a certain dollar amount, which had been approved by the Park Committee.

There being no further action to come before the Board, upon motion by Director Weems and second by Director Hargrave, the meeting was adjourned at 8:20 pm.

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Michael Weems, Secretary  
Board of Directors