

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

November 10, 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 November 10, 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 Margret Wingrove of Crossroads Utility Services LLC; Darin Siefkes of the Hunters Chase Home Owner's Association; Mark Maxwell of MaxWebs Co.; David Nelson of 8108 Chainfire Cove, a resident of the District; Camila Joseph of Milajo Consulting; Bill Whaley of Emerald Security; Richard Fadal of TexaScapes, Inc.; Autumn Phillips of Municipal Accounts & Consulting, L.P.; 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 receive citizen's communications and consider taking necessary action related thereto. David Nelson of 8108 Chainfire Cove said that he was concerned about a storage shed violation directly behind his home in Hunter's Chase Section V and directed the Board's attention to Sections 4, 13 and 23 of the applicable Restrictive Covenants. Mr. Nelson stated that the restriction violations included a height violation, since the structure was ten feet high, and failure to get architectural control committee approval of the plans and specifications for the structure before it was constructed. Mr. Nelson stated that the violations adversely impacted property values and created resale issues when it came time to sell his home. The Board thanked Mr. Nelson for his input.

Director Buchanan stated the Board would next consider approving the meeting minutes of the October 13 and October 27, 2009 Board meetings. After discussion, Director Weems moved that the Board approve both sets of minutes provided that the list of those in attendance in the special meeting minutes be corrected. Director Campbell seconded the motion, which passed unanimously.

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.

Ms. Phillips directed the Board's attention to her report located behind tab 5 of the Board's packet and reviewed the financial report of the District, including the fund balance report, the budget comparison, the pledge security report, and the balance sheet. Ms. Phillips then provided the Board with an unclaimed property report that was being filed with the State, a copy of which is attached hereto as **Exhibit "B"**. Director Campbell moved that the Board approve the bills and invoices of the District, as well as the wire transfers on pages 15 and 16 of the report, all of which is attached hereto as **Exhibit "C"**. Director Hargrave seconded the motion, which passed unanimously. The Board thanked Ms. Phillips for her report.

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 relating thereto. Richard Fadal of TexaScapes, Inc. addressed the Board. Mr. Fadal reported that they were spot treating fire ants as needed and that it was ongoing due to the rain. He reported the rye overseeding was generally doing pretty well also due to the rain. Mr. Fadal reported that there was no annual color planting this year since they had switched to perennial plantings, and that they had completed the trail repairs authorized by the Board. Mr. Fadal also discussed two different indoor-type soccer spaces that can be installed at the tennis courts by the pool with the Board. After discussion Director Sagnes directed that this matter be tabled until the January meeting so that the parks committee could meet at the site and work up proposals for the Board's consideration. Finally, the Board discussed the rate study being conducted by Wells Branch Municipal Utility District that had to be completed before Wells Branch would be in a position to discuss options for extending the composting agreement between Springwoods and Wells Branch.

Director Buchanan stated the Board would next receive a report from the District's restrictive covenant enforcement officer. Camila Joseph of Milajo Consulting addressed the Board. Ms. Joseph provided the Board with a revised restrictive covenant report, a copy of which is attached hereto as **Exhibit "D"**. Ms. Joseph stated that the resident who had erected the oversized storage shed behind Mr. Nelson had provided her with photographs of other storage sheds around the District. Ms. Joseph stated that she was following up on those to determine if they were in violation of the covenants. The Board and Ms. Joseph discussed other restrictive covenant violations and potential violations, including unusually large gatherings at 13008 Tilman Trail and excessive renters at 7722 Oak Horn Mountain which potentially violated the single-family residential covenant.

Director Buchanan stated the Board would next discuss security patrols, including receiving a report from the District's security patrol contractor. Mr. Whaley with Emerald Security addressed the Board and stated that he had nothing new to report. Ms. Wingrove reported that Mr. Whaley had been doing a good job with the lost and found at the park and had returned an item to one very concerned young man.

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. Margret Wingrove of Crossroads Utility Services LLC addressed the Board. Ms. Wingrove first directed the Board's attention to her directive list, set forth on page 3 of her report. Ms. Wingrove noted that the Stingrays swim team had not yet paid their portion of the gas bill for the pool and that she was following up with Bill Burke on that item. Ms. Wingrove next directed the Board's attention to the painting specifications beginning on page 13 of her report. The Board discussed

the specifications and the form Request For Proposals to Bidders. After discussion, Director Campbell directed that the specifications include the paint research by Director Buchanan to ensure better quality. Director Sagnes asked that the Request for Proposal also ask for references and, if available, pictures of other projects. Ms. Wingrove agreed to follow up on those items.

Director Buchanan stated that the Board would next receive a report from 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 and provided the Board with a draft of the November newsletter. The Board reviewed and offered comments about the newsletter and asked that any other comments from directors or consultants be sent to Mr. Maxwell by email. Director Hargrave moved that the Board approve the publication of this newsletter in two color print, provided that the total cost does not exceed an additional \$350. Director Weems seconded the motion, which passed unanimously.

Director Buchanan stated that the Board would next discuss and consider taking necessary action to declare a surplus and sell the Hunter's Chase lift station site, including authorization of advertisement for bid. Mr. Krumme reported that he had contacted the manager for the Hunter's Chase Home Owner's Association who informed him that he would check with their Board to see if they had any interest on bidding on that property. Mr. Krumme also reported he had contacted Mr. Chin, the resident living next door to the site, regarding the property. Mr. Krumme stated that Mr. Chin was skeptical about whether he could bid on the property in the current economic environment. Mr. Krumme advised the Board to consider waiting until the economy improved before offering this property for sale.

Director Buchanan stated that the Board would next discuss and consider taking necessary action related to the District's MS4 permit, including annual report implementation items. Director Buchanan reported that he and Mr. Krumme met with the coalition and finalized the annual report and change in program, both of which had been filed with the Texas Commission on Environmental Quality. Mr. Krumme provided the Board with a copy of the proposed budget for permit year 3, a copy of which is attached hereto as Exhibit "E". Mr. Krumme reported that he was following up with Ivy Arce on some questions he had regarding items included in the budget.

Director Buchanan stated that the Board would next discuss and consider taking necessary action related to the Strategic Partnership Agreement with the City of Austin regarding annexation of the District and continuance of the District as a limited district, including planning for additional special meetings, public hearings, and scheduling an Open House for District residents. The Board discussed the schedule and opportunities to hold public hearings in 2010. Mr. Krumme provided the Board with a preliminary schedule being contemplated by the City of Austin for conducting hearings and contemplating the annexation. The Board directed that the special meetings be preliminarily scheduled for January 27, 2010 at Deer Park Middle School and April 27, 2010 at Deer Park Middle School. The Board directed Mr. Krumme to establish meeting places for the Board at Deer Park Middle School, Live Oak Elementary School and at the church located at the old Furrow hardware store at Anderson Mill and Pond Springs Road. Mr. Krumme agreed to do so.

At 8:05 pm Director Buchanan stated that the Board would adjourn into executive session for purposes of receiving legal advice from the District's attorney, pursuant to Section 55.1.071

of the local government code. The Board adjourned from executive session at 8:19 pm and reconvened the regular meeting, noting that no official action had taken place in executive session.

There being no further action to come before the Board, upon motion by Director Weems and seconded by Director Sagnes, the meeting was adjourned at 8:20 p.m.



Michael Weems, Secretary
Board of Directors