

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

January 12, 2010

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 January 12, 2010 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, except Director Weems, thus constituting a quorum. Also present at the meeting Nathan Krupke and Robert Bell of Belt Harris & Associates; Margret Wingrove of Crossroads Utility Services LLC; Bruce Grant, and Mr. and Mrs. David Nelson of 8108 Chainfire Cove, all residents of the District; Mark Maxwell of MaxWebs Co.; Camila Joseph of Milajo Consulting; Ben Whaley of Emerald Security; Richard Fadal of TexaScapes, Inc.; Autumn Phillips and Michel Luft 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 citizens' communications and consider taking necessary action related thereto. Bruce Grant, a resident of the District, addressed the Board regarding his restrictive covenant violation regarding an outdoor storage shed. Mr. Grant stated that he was requesting a one month extension to bring his violation into compliance. The Board informed Mr. Grant that they would take his request into consideration and would get back to him.

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 and directed the Boards attention to her Restrictive Covenant Enforcement Report behind Tab 7 of the Board's packet. The Board discussed the report and discussed a tractor trailer violation in the District. The Board also discussed a violation at 12502 B Tree Line. Ms. Joseph stated that Lisa Rickman of Armbrust & Brown, L.L.P. had found an updated address for the Owner of this property in San Antonio and that notice was being sent to that address.

Director Buchanan stated the Board would next consider approving the meeting minutes of the December 8, 2009 Board meeting. After discussion, Director Hargrave moved that the Board approve the minutes, Director Campbell seconded the motion, which passed unanimously.

Director Buchanan stated the Board would next receive a report from Belt Harris & Associates in connection with the audit of the District's financial statements for the fiscal year ending September 30, 2009 and consider taking any related action, including authorizing filing the audit report with the Texas Commission on Environmental Quality ("TCEQ") and the City of Austin. Nathan Krupke of Belt Harris & Associates addressed the Board. Mr. Krupke informed the Board that he was presenting the Board with a good audit of the District with no adverse matters to report. Mr. Krupke reviewed financial reports and the audit on pages 14 & 15 with the Board and noted that the ending fund balance for the District indicated a very healthy District. Mr. Krupke next directed the Board's attention to the management letter that should accompany the audit and noted no substantial comments. Mr. Krupke introduced Robert Bell, a principal at Belt Harris to the Board. The Board discussed some language changes in the management letter, which were accepted by Mr. Krupke. After further discussion, Director Campbell moved that the Board approve the audit and authorize filing the audit with the TCEQ and the City of Austin. 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 relating thereto. Richard Fadal of TexaScapes, Inc. addressed the Board and first directed the Board's attention to his report behind Tab 4 of the Board's packet. Mr. Fadal stated that other than the items in the report, there was not much else to report to the Board. The Board and Mr. Fadal discussed the soccer court proposed to be painted onto one of the extra tennis courts at the District pool. Mr. Fadal stated that the Board should consider allowing Sport Court to perform the work. Mr. Fadal stated that he would secure a bid from Sport Court. Director Buchanan stated that he had a question about the mowing work that was occurring in the park recently since there appeared to be a lack of turf grass growth and no need to mow. The Board and Mr. Fadal discussed the pros and cons of partial mowing and skipping mowing in the future. Mr. Fadal agreed to look into that.

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 noted that Michel Luft was in attendance and that he would be sitting in on Board meetings and eventually taking over presentations for her. Ms. Phillips stated that the biggest news is that tax money was coming in quickly. Ms. Phillips reviewed the budget comparison, trend report, pledge security report, balance sheet, wire transfer request and investment suggestions with the Board. Ms. Phillips also noted that the District had received an invoice from Wells Fargo for its services as escrow agent of escrow bond funds being used to pay off bonds of the District that were defeased by the District. After discussion Director Campbell moved that the Board approve the bills, transfers and investment suggestions from Municipal Accounts as set forth in **Exhibit "B"**, except that check no. 10215 is to be held by Mr. Krumme until he verifies to Cheryl Allen that this is in fact due and owed by the District. Director Hargrave 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. 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 2 of her report, behind tab 6 of the Board's packet. Ms. Wingrove also noted that public hearing notification signs had been placed out in the District. Ms. Wingrove next reviewed security reports for the Board and discussed with the Board some issues in the park, including a man walking his dog repeatedly off his leash and after park hours. Ms. Wingrove agreed to call Mr. Gleeson to talk about enforcement. Ms. Wingrove also discussed a pipe that broke at the pump house at the pool. Director Buchanan stated it was discovered by Ben Whaley and questioned what could have been done to avoid the break. After discussion, Director Sagnes asked Mr. Maxwell to ask Mr. Burke for a better explanation of what happened. Ms. Wingrove discussed some of the freezing problems with the bathrooms in the park. Next Ms. Wingrove addressed a complaint of skateboarding in a District drainage channel. Ms. Wingrove stated that Mr. Gleeson tracked down the trespassers and talked to their father about the problem. She said that Mr. Gleeson suggested posting "No Trespassing" signs in the channel. The Board discussed various options and directed Ms. Wingrove to post signage.

Director Buchanan stated the Board would go back and again receive citizens communications and take any necessary action relating thereto. David Nelson, a resident of the District, addressed the Board. Mr. Nelson stated that he was concerned there would be any sort of compromise between the Architectural Control Committee with Bruce Grant regarding the storage shed in his yard and urged that the Board pursue full compliance. The Board thanked Mr. Nelson for his comments and agreed to get back with him.

Director Buchanan stated that the Board would next receive a report from MaxWebs Co. regarding the District website, newsletter and other District communications, and discuss and consider taking necessary action related thereto. Mark Maxwell addressed the Board. Director Hargrave reviewed newsletter dates and times. The Board discussed timing of newsletters and content. Mr. Maxwell offered Springwoods the use of Anderson Mill's trailer sign to advertise their public hearing. The Board discussed location and thanked Mr. Maxwell for providing their trailer sign.

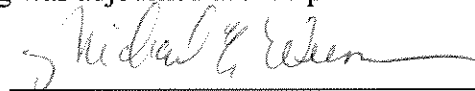
Director Buchanan stated that the Board would next discuss and consider taking necessary action regarding the District pool and maintenance, repairs, and improvements to the District pool facilities, including pool operation and maintenance agreement with Clearwater Management. Mr. Krumme stated that the pool management agreement was expiring and in the past the Board had approved one year extensions to the agreement in January of each year. After discussion the Board directed Mr. Krumme to post this item for February. Mr. Krumme agreed to do so.

Director Buchanan stated the Board would next discuss and consider taking necessary action regarding the maintenance, repairs and improvements to the District park, including considering proposals for painting and replacing of District office roof and proposal for soccer fields and tennis courts at Springwoods pool. The Board first discussed the painting proposals that had been received under the request for proposal. The Board discussed the different bids and options. Director Buchanan noted that the low bid was Austin Jones Enterprises. After discussion, Director Sagnes moved that the Board accept the low bid with Austin Jones

Enterprises, but specifying that works starts when weather permits as approved by the Board's committee. Director Campbell seconded the motion, which passed unanimously. Ms. Wingrove provided the Board with a draft of the Request for Proposals ("RFP") for roof replacement. The Board discussed the draft RFP. Mr. Krumme suggested that Ms. Wingrove include an alternative for a composite shingle roof that matches the roof that is currently up there in case the Board decided to pursue additional insurance proceeds from the Texas Municipal League's Intergovernmental Risk Pool. The Board agreed. The Board directed Ms. Wingrove to send out the RFP, as revised. Ms. Wingrove agreed to do so.

Director Buchanan stated that the Board would next discuss and consider taking necessary action relating 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 and public hearings and open house schedule with District residents. Mr. Krumme provided the Board with an initial rough draft of presentation materials for the public hearing. Mr. Krumme and the Board reviewed the materials and the Board offered various comments for changes, which Mr. Krumme agreed to implement. The Board discussed the conduct for the public hearing and various materials that might be provided to the attendees.

There being no further action to come before the Board, upon motion by Director Sagnes and seconded by Director Campbell, the meeting was adjourned at 9:10 p.m.



Michael Weems, Secretary
Board of Directors