

**MINUTES OF REGULAR MEETING
HURST CREEK MUNICIPAL UTILITY DISTRICT
JANUARY 19, 2009**

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

The Board of Directors of Hurst Creek Municipal Utility District (the “District”) met this date in regular session, open to the public, in the District’s offices at 102 Trophy Drive, The Hills, Texas 78738, and the roll was called of the duly constituted officers and members of the Board to wit:

Haskell Wotkyns, Jr.	President
J.L. Hall	Vice-President
Bob G. Agnew	Secretary
Wilson Smith	Treasurer
James M. Wingard	Assistant Secretary/Treasurer

and all of said persons were present, thus constituting a quorum.

Also present were Dan Roark, Earl Wood, and Chris Redd, representing general management for the District.

1. The first act of business was to consider accepting conveyance of the Hills Property Owner’s Association’s (the “Hills POA”) Common Areas to the District.

Director Wingard reported that he and Mr. Roark had met with committee members from both the Hills POA and the Village Board of Aldermen (the “Village”) and at its last meeting, the Village has passed a Resolution accepting any or all of the common areas, which would be maintained by raising the Village’s tax rate or by implementing a sales tax. It is the opinion of Director Wingard that the taxpayers of the District would be better served if the common areas were conveyed to Hurst Creek Municipal Utility District for the following reasons:

- a) All common areas are dedicated drainage easements, which should be owned by the District.
- b) The tax impact is much less for the District.
- c) The District has personnel to maintain the properties and a budget for drainage maintenance.

Director Smith moved to accept any or all of the Hills POA Common Areas and Director Wingard seconded the motion, which carried unanimously.

2. The next item for consideration was replacement of the clear-well baffles.

Mr. Roark and Mr. Wood reported on the clear-well baffle replacement program, which will cost approximately \$26,000. Mr. Roark stated Matous Construction has been hired to do the work and would start this Wednesday and should be done within a week.

3. The Board next considered approval of the minutes of the December 15, 2008 Board meeting.

Following a review of the draft minutes, Director Smith moved approval as presented and Director Agnew seconded the motion, which carried unanimously.

4. Ms. Redd reviewed the Bookkeeper's Report with the Board along with the current month and year-to-date Budget. Following a review of the Bookkeeper's Report and the list of invoices paid and to be paid, Director Hall, after noting a correction, moved approval of the Bookkeeper's Report as presented and Director Smith seconded the motion, which carried unanimously. A copy of said report is attached as an exhibit to these minutes.

5. Mr. Roark presented the Manager's Operating Report to the Board for its review, a copy of which is attached as an exhibit to these minutes.

6. Under other business, Director Agnew informed the Board he had moved from the District. Although he still owns his home in the District, he would be tendering his resignation at this time. Director Wotkyns and the Board thanked Mr. Agnew for years of service and dedication to the citizens of this community, and accepted his resignation by acclamation.

There being no further business, the meeting was adjourned.

Signed and sealed this _____ day of _____, 2009.

(Seal)

James M. Wingard, Assistant Secretary
Board of Directors