

**MINUTES OF SPECIAL MEETING
HURST CREEK MUNICIPAL UTILITY DISTRICT
JUNE 21, 2010**

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

The Board of Directors of Hurst Creek Municipal Utility District (the “District”) met this date in special 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:

Wilson Smith	President
J.L. Hall	Vice-President
William L. Warmuth	Treasurer
James M. Wingard	Secretary
Raymond Arvay	Asst. Secretary

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; Lauren Kalisek and Stephanie Albright of Lloyd Gosselink, attorney for the District; Barker Keith, representing the Hills Property Owner’s Association (the “Hills POA”); Bruce Warmuth representing the Village Board of Aldermen; Terry Browder, Emergency Management Coordinator for the Village; and, Ben Kuenemann and Douglas McBride, residents of the District.

1. The first act of business was a presentation by Ms. Kalisek and Ms. Albright regarding open meetings, management, ethics, and conflicts of interest.

Following the presentation the Board thanked Ms. Kalisek and Ms. Albright, who then departed the meeting.

2. Next Mr. Kuenemann and Mr. Douglas appeared before the Board to discuss the drainage between their homes at 53 and 55 Stillmeadow.

Mr. Kuenemann explained that there is substantial erosion occurring in the channel of the easement and presented pictures to the Board for its review. Mr. Wood stated that he and the District’s drainage engineer examined the easement on two occasions and in the engineer’s opinion the current channel will accommodate the 25 year rainfall event.

Following some discussion, Director Wingard moved for an engineering study be made of this easement at a cost not to exceed \$5,000. Director Arvay

seconded the motion, which carried unanimously. Additionally, Director Smith appointed Director Arvay to a committee to study this situation further.

At this point, Mr. Kuenemann and Mr. McBride departed the meeting.

3. Mr. Browder appeared to update the Board on the reverse 911 program.

Mr. Browder reviewed some material he distributed, which detailed the results of a successful practice drill. Mr. Browder also reviewed the procedures for enrolling cell phones into this program and presented the instructions to accomplish this.

4. The Board's next matter for consideration was the maintenance of the Sanitary Sewer System and the SSO initiative.

Mr. Roark and Mr. Wood presented a number of options to the Board regarding maintenance of the sanitary sewer collection system, which included various cameras and jet machines, along with the cost of outsourcing the maintenance of the system.

Following some discussion, the Board requested Mr. Roark and Mr. Wood to schedule a demonstration of the sewer jet machines and cameras following the next Board meeting.

5. The Board next considered adopting a Resolution amending the participants of the Board in TexPool.

Ms. Redd presented the amended Resolution, which deleted Mr. Wotkyns and added Director Warmuth. Following a review of the Resolution, Director Arvay moved approval and Director Hall seconded the motion, which carried unanimously.

6. The next item for consideration was to approve the draft minutes of the March 16, 2010, and the May 19, 2010 Board meetings.

Following a review of the draft minutes of the March 16, 2010 meeting, Director Arvay moved approval as presented. Director Wingard seconded the motion, which carried unanimously.

Following a review of the draft minutes of the May 19, 2010 meeting, Director Warmuth moved approval as presented and Director Arvay seconded the motion, which carried unanimously.

7. 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 moved approval of the Bookkeeper's Report as presented and Director Wingard seconded the motion, which carried unanimously. A copy of said report is attached as an exhibit to these minutes.

8. 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.

Mr. Roark and Mr. Wood presented pictures of the sludge removal from the backwash lagoon to the Board. Also, Mr. Roark and Mr. Wood informed the Board of the repairs clarifier gear drive, stating a crane was required to remove it from the plant. Mr. Wood informed the Board that the District's employees overhauled this gear drive and showed pictures of the damage and the repairs.

There being no further business, the meeting was adjourned.

Signed and sealed this _____ day of _____, 2010.

(Seal)

James M. Wingard, Secretary
Board of Directors