

**MINUTES OF REGULAR MEETING
HURST CREEK MUNICIPAL UTILITY DISTRICT
SEPTEMBER 21, 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
Wilson Smith	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, Chris Redd, Earl Wood and KC Belote, representing general management for the District; and, Village of The Hills Alderman, Jim Lennon.

1. The first act of business was to hold a public hearing on the proposed Ad Valorem Tax Rate.

The proposed tax rate for 2009 was \$0.42, with a debt service rate of \$0.24 per \$100 of assessed valuation and an operations and maintenance rate of \$0.18.

2. The next item for consideration and action was to adopt the Order levying Taxes.

Director Wingard moved to adopt the Order Levying Taxes for 2009 as outlined in Item No. 1 and Director Hall seconded the motion, which carried unanimously. A copy of said Order is attached as an exhibit to these minutes.

3. Under such other matters, Mr. KC Belote appeared before the Board regarding the Lower Colorado River Authority (the “LCRA”).

Mr. Belote, Mr. Roark and Director Wotkyns informed the Board about the necessary extension of electrical and flex-hose needed for the pumping barge due to the lake level dropping at such a fast pace. The LCRA gave three options: Option 1 involves extending the power cable to allow the barge to operate at lower

lake levels. This must be done immediately to avoid breaking the power cable; Option 2 involves adding 400 feet of flex hose ; and, Option 3 involves adding 500 feet of flex hose.

Director Smith moved approval of immediately extending the power cable and to approve option #3; also, to declare a state of urgency of the situation and to authorize Mr. Roark to inform the LCRA. Director Wingard seconded the motion, which carried unanimously.

4. The Board next considered approving the draft minutes of the August 17, 2009, and August 31, 2009 Board meetings.

Following a review of the draft minutes of the August 17, 2009 meeting, Director Arvay moved approval as written. Director Hall seconded the motion, which carried unanimously.

Following a review of the draft minutes of the August 31, 2009 meeting, Director Smith moved approval as written. Director Arvay seconded the motion, which carried unanimously.

5. The Manager's Operating Report was the next item for discussion.

Ms. Redd summarized the Debt Service Fund page and Mr. Roark reviewed the remaining portions of the report.

Mr. Roark also summarized the recent events regarding the paving program.

6. 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 Arvay seconded the motion, which carried unanimously. A copy of said report is attached as an exhibit to these minutes.

There being no further business, the meeting was adjourned.

Signed and sealed this _____ day of _____, 2009.

(Seal)

James M. Wingard, Secretary
Board of Directors