

**MINUTES OF MEETING  
HURST CREEK MUNICIPAL UTILITY DISTRICT  
AUGUST 18, 2025**

THE STATE OF TEXAS §

COUNTY OF TRAVIS §

The Board of Directors of Hurst Creek Municipal Utility District (the "District") met this date at 9:00 A.M. in Regular session, open to the public 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:

<b>Present:</b>	William A. Coskey	President
	James M. Wingard	Vice President
	Mike Maroney	Secretary
	Tom Stiles	Treasurer
	John Almond	Assistant Secretary

**thus, constituting a quorum.**

Also present were Earl Wood, Kurt Pendleton, Stacey Johnson, Alma Wood, Beth Caccamisi, and Sonja De La Fuente of Hurst Creek MUD; Lee Crawford and Angie Massey of the Village of The Hills; and Sara Jenkins of The Hills POA.

**1. Consider, discuss, and take any necessary action regarding Hurst Creek MUD's Employee Safety Program.**

Stacey Johnson provided the report for this item. A Safety Meeting was held on August 14<sup>th</sup> and Blake led the meeting regarding fire safety and discussed the different types of fires and the appropriate classes of extinguishers for each. He also reminded all about the proper technique and steps when utilizing a fire extinguisher.

**2. Consider, discuss, and take any necessary action regarding the format of Hurst Creek MUD customer utility bills.**

Earl provided the report for this item. He explained what is included in the basic service fee, which is comprised of water, wastewater, sewer and trash services.

Director Wingard recommended an explanation of the basic fee somewhere on the bill and Director Coskey agreed. Earl advised that once the District is transitioned over to the cloud version of Tyler there will be more options for changing the format of the bills, so he was waiting until then to include the breakdown.

**3. Consider, discuss, and take any necessary action regarding Hurst Creek MUD employee benefits package.**

Earl provided the report for this item. He explained the history and details regarding employee benefits including the benefits offered and the cost breakdown illustrating the rate increases over time.

A request was made by Director Coskey for a percentage breakdown of the total labor burden to be presented at the next meeting. This breakdown should include the cost of benefits such as medical coverage, vacation time, retirement contributions, and other related expenses.

**4. Consider, discuss, and take any necessary action regarding Hurst Creek MUD customer utility rates.**

Earl provided the report for this item. He reminded the Board that at the July Board meeting the Board voted to freeze the Stage 2 Drought rates until this meeting. He shared a comparison chart showing how Hurst Creek MUD compares to other districts with regard to rates and taxes.

Director Almond pointed out that drainage is not included.

Earl recommended the Board move back to the "No Drought Stage" rates since the District is no longer in a drought and noted that the proposed budget is based on those rates as well. He reminded the Board why the "Stage One Drought" and "No Drought Stage" rates are identical.

*Director Almond moved to revert to the "No Drought Stage" rate beginning with the next bill scheduled to go out in October; Director Wingard seconded the motion, which carried 5-0.*

**5. Consider, discuss, and take any necessary action regarding the proposed Budget for Fiscal Year 2025-2026.**

Earl provided the report for this item. He provided a yearly comparison of the budget with a positive reception by the Board. He reviewed the budget summary page, which clearly outlined current figures, proposed changes, and the differences between them. He reported that expenses are projected to increase by 1.87% while revenue is expected to rise by 5.52%, reflecting the inclusion of new water rates not accounted for in the previous fiscal year. He reminded the Board that all figures are estimates and may improve in the event of a dry year. He also reviewed the capital expenditure list with the Board along with project status updates.

*Director Wingard moved to approve the proposed budget and capital project list to be presented for adoption at the next Board meeting.; Director Almond seconded the motion, which carried 5-0.*

**6. Consider, discuss, and take any necessary action to approve the 2025 Tax Rate, set a date for the Public Hearing, and authorize publication of the Notice of Public Hearing on the Tax Rate.**

Earl provided the report for this item. He explained the calculations for a \$25,000 reduction to the Debt rate and \$35,000 increase to the O & M rate. He proposed a 1.47% increase based on the average taxable value of a homestead.

*Director Almond moved to approve the proposed 2025 Tax Rate, set a Public Hearing for September 15, 2025, at 9:00 A.M., and authorize publication of the Notice of Public Hearing on the Tax Rate; Director Maroney seconded the motion, which carried 5-0.*

**7. Consider, discuss, and take any necessary action on drainage and MS4.**

Kurt provided the report for this item. A drainage issue at 56 Stillmeadow Drive is scheduled to be repaired this week.

In regard to MS4, the next Household Hazardous Waste collection event is scheduled for October 15, 2025, from 9:30 A.M. until 12:30 P.M. Signups are required to participate. The committee is considering increasing the number of events in 2026.

**8. Consider, discuss, and take any necessary action to approve the Minutes of the July 21, 2025, Regular Board Meeting.**

Director Coskey recommended amending the paragraph under Item 4 to read “one of the two bonds will be paid off in 2027.” Also, he recommended confirming that the TexPool percentages listed under Item 7 are 4% not 3%. Beth confirmed that 4% is correct.

Director Almond recommended amending the last paragraph under Item 1 to read “...should the SCADA go down.”

*Director Stiles moved to approve the Minutes of the July 21, 2025, Regular Board Meeting with the recommended adjustments; Director Almond seconded the motion, which carried 5-0.*

**9. Consider, discuss, and take any necessary action to approve the July 2025 Bookkeeper’s Report and paid invoices.**

Beth Caccamisi reviewed the written report with the Board. The General Fund closed the month with a balance of just over \$1.6 million and the Debt Service Fund closed the month with a balance of just over \$137,000. 4.32% interest was earned in TexPool for the month of July, and it was at 4.30% this morning. 98.82% of the property taxes were collected in July. The Cash Reserves Comparison shows a \$300,000 increase in the cash reserve balance over last year at this time. Expenditures from the Reserve fund were related to the perimeter fence for the Water Plant, survey for the generator placement, and drainage work at 37 and 39 Cottondale Road. Revenues were \$300 over budget for the month and

\$146,000 over for the year, mainly due to water sales. Expenses were \$3,900 under budget for the month and \$94,000 under for the year.

Earl explained there is a surplus on the repairs and maintenance line of \$69,000 and \$8,000 on the materials line, as the bigger projects were paid from cash reserves instead of these accounts.

Beth also noted that Incode was paid in July instead of August so that line will be balanced by the next meeting. She provided clarification on some of the other line items as well.

*Director Almond moved to approve the July 2025 Bookkeeper's Report and paid invoices; Director Maroney seconded the motion, which carried 5-0.*

**10. Consider, discuss, and take any necessary action to approve the July 2025 Manager's Operating Report.**

Earl reviewed the written report with the Board highlighting the following:

- Debt Service Fund – A new line has been added to the Debt Service Fund page of the Manager's Operating Report showing the previous tax year collected so as not to convolute the current year taxes collected. The balance at the end of July in the Debt Service Fund was \$137,000, which is sufficient to make the next bond payment due on October 1<sup>st</sup> in the amount of \$28,000 and will be paid in September.
- Connections Summary – There is one home under construction by C&A Builders at 12 Glenway Drive.
- Water Restriction Violations and Notifications – There were 343 water restriction violations in the month of July and 47 of those were notified by staff. 24 received a courtesy notice, 17 received their 1<sup>st</sup> violation, 5 received their 2<sup>nd</sup> violation and one received their 3<sup>rd</sup> violation.
- Operations – 25 million gallons of water were pumped from the lake in July. The Wastewater Treatment Plant continues to treat well. There were six inches of rain in July.

*Director Stiles moved to approve the July Manager's Operating Report; Director Maroney seconded the motion, which carried 5-0.*

Councilmember Lee Crawford, the Village of the Hills Liaison, shared that the Village City Council met on August 12<sup>th</sup> and discussed the following:

- The City of Lakeway has postponed the intersection improvements at Lohman's Crossing and Wingreen Loop until the end of the second quarter of 2026.
- There are three City Council seats on the ballot for the November 4<sup>th</sup> election and the deadline for filing paperwork to run is August 18<sup>th</sup> at 5:00 P.M.
- The City Council meetings will be livestreamed on YouTube.

The Board recessed the Regular Meeting at 10:50 A.M.

The Board convened the Executive Session at 10:55 A.M.

**11. The Board may go into Executive Session pursuant to Texas Government Code Sections §551.071 – Consultation with Attorney; §551.072 – Deliberation Regarding Real Property; §551.073 – Deliberation Regarding Prospective Gift; §551.074 – Personnel Matters; and/or §551.076 - Deliberation Regarding Security Devices or Security Audits.**

The Board reconvened the Regular Meeting at 11:25 A.M.

**12. Consider, discuss, and take any necessary action regarding The Hills Property Owners Association office lease.**

*Director Stiles moved to appoint Director Coskey to work with Earl to draft a Lease Agreement with the Property Owners Association. Director Almond seconded the motion, which carried 5-0.*

*Director Stiles moved to adjourn the meeting; Director Almond seconded the motion, which carried 5-0.*

Board President Coskey adjourned the meeting at 11:27 A.M.

Signed this 15<sup>th</sup> day of September 2025.

(seal)



Mike Maroney, Secretary