

**MINUTES OF MEETING
HURST CREEK MUNICIPAL UTILITY DISTRICT
SEPTEMBER 21, 2015**

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:

Wilson Smith	President
James M. Wingard	Vice-President
William L. Warmuth	Treasurer
Raymond Arvay	Secretary
Mike Maroney	Assistant Secretary

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

Also present were Earl Wood, Dan Roark, K.C. Belote, Beth Caccamisi and Linda Lunney, representing general management for the District; Hal Lanham representing the POA; and Jim Nelson, representing the Village of The Hills.

Guests attending included James Dwyer and Joe Jenkins from CH2MHill and Financial Advisor Dan Wegmiller.

1. ASR well presentation by James Dwyer from CH2MHill

James Dwyer gave a presentation on aquifer storage recovery wells. The feasibility of this system was discussed and further study will be undertaken.

2. Debt service recommendations by Financial Advisor Dan Wegmiller

Dan Wegmiller reviewed the proposed debt service tax rate and recommended not making any bond changes for this budget cycle.

3. Consider, discuss and take action regarding the 2015 Tax Rate, set date for public hearing on the tax rate and authorize publication of notice of public hearing on the tax rate.

Director Maroney moved to set the 2015 tax rate of 0.3632 and authorize publication of the public hearing on the tax rate; Director Wingard seconded the motion which carried unanimously.

4. Update on backwash recovery project.

Earl Wood updated the board on the backwash recovery project which is in the final design phase.

5. Consider approving the minutes of the August 17, 2015 regular Board Meeting.

Director Maroney moved approval of the minutes of the August 17, 2015 regular Board meeting; Director Arvay seconded the motion which carried unanimously.

6. Consider, discuss and take any necessary action to renew MUD insurance policies.

Director Maroney moved to renew the MUD insurance policies; Director Arvay seconded the motion which carried unanimously.

7. Consider and take action approving the Bookkeepers Report and approval of paid invoices.

Beth Caccamisi reviewed her written report showing \$683,541 in the General Fund and \$269,381 in the Debt Service Fund.

Director Warmuth moved approval of the Bookkeepers Report; Director Arvay seconded the motion which carried unanimously.

8. Consider and take necessary action to approve the Manager's Operating Report.

Earl Wood reviewed his written report.

He reported that the AMR meter installation is almost finished at which time the meters will be checked for accuracy and then the customer portal will be opened to residents.

Mr. Wood described a meeting with LCRA about conforming the MUD's existing Drought Contingency Plan to the surrounding areas. Hal Lanham then presented a letter from the POA requesting to remain at voluntary Stage I in order for homeowners to maintain the required landscaping.

Dan Roark recommended having a presentation by the LCRA and the MUD showing water saving irrigation practices at the POA annual meeting, then reassess the Drought Contingency Plan before next summer.

Kasey Belote presented the Board with a checks totaling \$15,000 from the sale of the old meters, an old blower and generator. He asked the Board to consider putting this money towards a hydro excavator which would facilitate repairs of water/sewer lines. Director Smith proposed researching manufacturers and financing of this equipment. He also suggested approaching Lakeway MUD and WISD 17 to possibly set up a equipment loan agreement.

9. Consider, discuss and take any necessary action regarding Fiscal Year 2015-2016 Budget. The Board will meet in executive session to consider personnel matters related to this budget in accordance with Texas Government Code Section 551.074.

The Board went into executive session at 11:45 am to discuss personnel matters.

The Board came back out of executive session at 12:20 p.m.

Director Warmuth moved approval of a 3% increase with 2-weeks performance pay for Earl Wood and 1-week performance pay for Dan Roark; Director Maroney seconded the motion which carried unanimously.

Director Arvay moved approval of the Fiscal Year 2015-2016 Budget as proposed; Director Wingard seconded the motion which carried unanimously.

The meeting adjourned at 12:30 p.m.

Signed and sealed this 19th day of October, 2015

(Seal)




Raymond Arvay, Secretary Board of Directors