

**MINUTES OF MEETING
HURST CREEK MUNICIPAL UTILITY DISTRICT
SEPTEMBER 19, 2016**

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
Mike Maroney	Secretary
Larry Kener	Assistant Secretary

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

Also present were Earl Wood, Beth Caccamisi, Linda Lunney, and Kasey Belote representing general management for the District; Lee Nelson representing the POA; Hilda Potsavich, representing Village of The Hills,

1. Discuss and act on adoption of Order Declaring the Result of Uncontested Directors Election

Director Maroney moved to adopt the Order Declaring the Result of Uncontested Directors Election; Director Warmuth seconded the motion which carried unanimously.

2. Consider, discuss and take any necessary action regarding Fiscal Year 2016-2017 Budget

Earl Wood reviewed the proposed budget.

Director Warmuth moved to adopt the 2016-2017 Budget, Director Wingard seconded the motion which carried unanimously.

3. Consider, discuss and take any necessary action regarding the 2016 Tax Rate, including holding a public hearing on the tax rate

No residents attended the public hearing.

Director Wingard moved to approve the proposed 2016 Tax Rate of \$.03421; Director Maroney seconded the motion which carried unanimously.

4. Consider, discuss and take necessary action adopting the 2016 Tax Rate and executing the Order Levying 2016 Taxes

Director Maroney moved to adopt the 2016 Tax Rate and execute the Order Levying 2016 Taxes; Director Warmuth seconded the motion which carried unanimously.

5. Consider, discuss and take any necessary action regarding drainage.

Kasey Belote reported on an issue with a failing culvert on Tournament Way, running under the driving range to Club Estates. He is waiting on a quote for the repair.

Director Smith mentioned a drain on the 17th hole of the golf course that seems to be clogged. This will be brought to the Club's attention.

6. Consider, discuss and take any necessary action on the Backwash Recovery Project

Earl Wood updated the Board on the project's progress. Stage 1 is operating well and the project is near completion. Automation programming will continue for the next three – four months.

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

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

8. Consider approving the minutes of the August 15, 2016, regular Board Meeting.

Director Warmuth moved approval of the minutes of August 15, 2016 regular Board Meeting; Director Wingard seconded the motion which carried unanimously.

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

Beth Caccamisi reviewed the written report showing \$556,550.60 in the General Fund and \$262,791.47 in Debt Service Fund.

Director Warmuth moved approval of the Bookkeeper's report; Director Maroney seconded the motion which carried unanimously.

10. Consider, discuss and take any necessary action to approve 2015-2016 write-offs

Linda Lunney reviewed the accounts to be written off for 2015-2016 totaling \$2,781.55.

Director Wingard moved approval of 2015-2016 write-offs; Director Maroney seconded the motion which carried unanimously.

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

Earl Wood reviewed the written report.

Kasey Belote made a presentation of the 319 aging manholes in The Hills and a maintenance plan, starting with the ones needing the most attention. The manholes would be the first step of a maintenance program of the infrastructure in The Hills.

Director Maroney moved approval of the Manager's Operating Report; Director Warmuth seconded the motion which carried unanimously.

12. Consider, discuss and take any necessary action regarding the Village management structure and Interlocal agreement

No action was taken at this time.

13. The Board may meet in executive session to consult with its attorney regarding the Interlocal Agreement between Village of The Hills and Hurst Creek Municipal Utility District and any proposed amendments thereto in accordance with Texas Government Code Section 551.071 and/or to discuss personnel matters regarding the District General Manager/Village Administrator and/or proposed Village "Assistant to the Mayor and BOA" position in accordance with Texas Government Code Section 551.074

The Board met in executive session at 10:50 a.m.

The Board did not take a vote, order, decision or other action in the executive session

The session adjourned at 12:20 p.m.

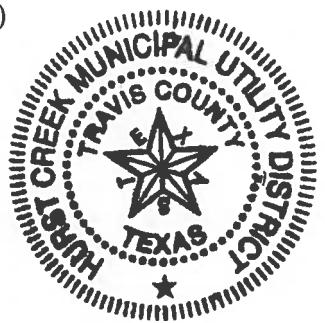
14. Consider, discuss and take any necessary action regarding the office renovation

This item has been tabled contingent on further discussion with Mayor Ovlen on the Interlocal agreement.

There being no further business, the meeting adjourned at 12:25 a.m.

Signed this 17th day of October, 2016.

(Seal)



Mike Maroney

Mike Maroney, Secretary