

**MINUTES OF REGULAR MEETING  
HURST CREEK MUNICIPAL UTILITY DISTRICT  
MARCH 16, 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, except Director Wingard, thus constituting a quorum.

Also present were Dan Roark, Earl Wood, K. C. Belote, Beth Walters and Linda Lunney, representing general management for the District; and Hilda Potsavich, representing the Village Board of Aldermen.

1. Consider, discuss and take any necessary action on backwash recovery.

Earl Wood reported on recent investigations with GAC vendors. Four different vendors claim their product will remove chloramines but each require a “priming”, complicating intermittent runs. Also, Mr. Wood is investigating an ammonia air stripper. Updates will be provided at the next meeting.

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

Kasey Belote reported on the bid opening on March 12<sup>th</sup> for the Cottondale drainage improvement project. Bids received were:

• Austin Engineering	\$196,000
• DCI Contracting	269,040
• Pendleton Excavation	77,821

*Director Arvay moved to accept Pendleton Excavation's bid of \$77,821; Director Warmuth seconded the motion which carried unanimously.*

3. Consider, discuss and take any necessary action on AMR, Automatic Read Meters.

Earl Wood reported that he received two out of the three bids solicited for the lease-purchase of the AMRs.

For 7 years:

• First Source Bank	4.75%
• Southstar Bank	3.75%

*Director Warmuth moved to authorize the president to sign a lease-purchase agreement with Southstar Bank for 3.75% for 7 years; Director Arvay seconded the motion which carried with 3 ayes and Director Maroney recused.*

4. Consider approving the minutes of the February 16, 2015 regular Board meeting.

*Director Arvay moved approval of the minutes of the February 16, 2015 regular Board meeting; Director Maroney seconded the motion which carried unanimously.*

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

Beth Walters reviewed her report showing \$980,000 in the General Fund. The April 1<sup>st</sup> bond payment has been made. February revenues were \$13,000 over budget and expenditures were \$16,000 over budget.

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

6. Consider, discuss and take any necessary action to approve the Managers Operating Report.

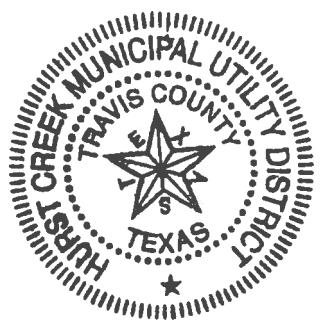
Earl Wood briefed the Board on the most recent LCRA Firm Water Customer meeting. The LCRA has recalculated the "firm yield" based on inflows for the past 7 years.

Mr. Wood pointed out a permit exceedance for total suspended solids by .75mg/L. This was due to plant malfunction. Mr. Wood described the on-going measures to deal with the problem.

*Director Arvay moved approval of the Managers Operating Report; Director Warmuth seconded the motion which carried unanimously.*

Signed and sealed this 20<sup>th</sup> day of April, 2015.

(Seal)



Raymond Arvay /s/

Raymond Arvay, Secretary Board of Directors