

**MINUTES OF REGULAR MEETING
HURST CREEK MUNICIPAL UTILITY DISTRICT
JANUARY 20, 2014**

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 member 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 Dan Roark, Earl Wood, K.C. Belote, and Ryan Ellsworth, representing general management for the District; Jim Nelson, representing the Village Board of Aldermen; Jim Bailey, representing the Hills Property Owners’ Association.

1. The first item for discussion and possible action was the January 10th boil water notice and repairs to 12-inch water main.

Earl Wood briefed the Board on the HDPE water main break and alternatives to repair it. Matous Construction provided a cost estimate of \$101,000 to replace the line with 12" HDPE.

Director Warmuth moved to have Directors Smith and Wingard review a proposed contract for the quoted repair, and to authorize Director Smith to execute the same. Director Maroney seconded the motion which carried unanimously.

2. The next item for discussion and possible action was regarding the Raw Water Barge.

Earl Wood briefed the Board regarding the most recent Barge Committee meeting. Three more flex hoses have been ordered of which we will pay 32 percent. This will allow pumping to 590' elevation.

3. The next item for discussion and possible action was drainage.

K.C. Belote reported no new drainage developments since the last meeting. He also described repairs to the leak site just inside the Serene Hills gate.

4. The next item for action was approval of the minutes of the December 16, 2013 meeting.

Director Arvay moved approval of the December 16, 2013 minutes; Director Maroney seconded the motion which carried unanimously.

5. The next item for discussion and possible action was the Bookkeeper's Report

Director Maroney briefed the Board on a proposed depository agreement with PlainsCapital Bank. He will work with staff in negotiating a new depository agreement.

Earl Wood reviewed the November and December 2013 Bookkeeper's Reports, which are attached to these minutes.

Director Wingard moved approval of the November and December 2013 Bookkeeper's Reports; Director Arvay seconded the motion which carried unanimously.

6. The next item for possible action was the updating of bank signature cards.

New Plains Bank signature cards were distributed to Directors for signatures.

7. The next item for discussion and possible action was the Manager's Operating Report.

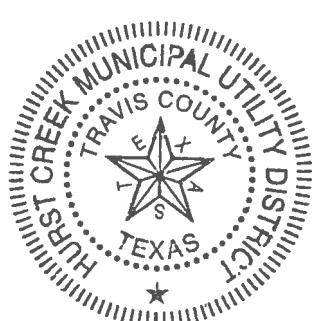
Dan Roark reviewed his written report and K.C. Belote presented a year-end summary of water accountability.

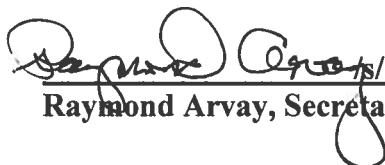
Mr. Roark reported that the Village has promoted Linda Lunney to City Secretary and wishes to give her a \$1 per hour increase in salary, subject to approval of the MUD Board.

Director Maroney moved approval of a \$1 per hour increase in salary for Linda Lunney and approval of the Manager's Operating Report; Director Arvay seconded the motion which carried unanimously.

Signed and sealed this 17th day of February, 2014.

(Seal)




Raymond Arvay, Secretary Board of Directors