

**MINUTES OF REGULAR MEETING  
HURST CREEK MUNICIPAL UTILITY DISTRICT  
FEBRUARY 17, 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, Linda Lunney and Ryan Ellsworth, representing general management for the District; Ron Dodd, representing the Village Board of Aldermen; Jim Bailey, representing the Hills Property Owners’ Association and Jim Jansen, representing Jansen & Gregorczyk, CPA’S.

1. Consider, discuss and take any action necessary approving the Audit for Fiscal Year 2012- 2013.

The Audit was presented by Jim Jansen. Overall, revenues exceeded expenses by \$382,000 and all funds are in good shape.

*Director Warmuth moved acceptance of the Audit for Fiscal Year 2012- 2013; Director Maroney seconded the motion which carried unanimously.*

Mr. Jansen departed at this time.

2. Discuss, consider and take any action necessary regarding backwash recovery/well drilling.

Action was taken under Item 3.

3. Consider, discuss and take any necessary action to authorize execution of an Easement for wells in the Village Park.

*Director Maroney moved to authorize Director Smith to execute the agreement with the Village once it is amended; Director Warmuth seconded the motion, which carried unanimously.*

4. Consider, discuss and take any necessary action on granting a plumbing code variance for 18 Club Estates Parkway..

*Director Wingard moved to authorize Dan Roark to execute a variance for 18 Club Estates Parkway; Director Arvay seconded the motion which carried unanimously.*

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

K.C. Belote and Director Arvay briefed the Board on recent drainage activities. Baker-Aicklen is working on some minor clarifications in the Drainage Rules. We will be meeting with the owner of 1 Lost Meadow Trail regarding encroachment of a drainage easement.

6. Consider approving minutes of the January 20, 2014 Board meeting.

There was a minor correction: 32% of shared costs on page 2, not one third.

*Director Arvay moved approval of the corrected Minutes of January 20, 2014; Director Wingard seconded the motion which carried unanimously.*

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

Earl Wood reviewed the Bookkeepers' Report, showing a balance of \$1,019,000 in the General Fund and \$825,000 in Debt Service.

Mr. Wood also discussed amending the process for drainage plan review and approval.

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

8. Consider, discuss and take any necessary action to amend the Managers Operating Report.

Dan Roark reviewed his report, showing 1124 connections.

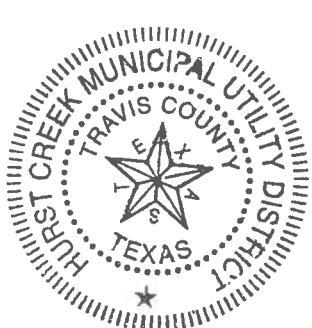
*Director Arvay moved approval of the Managers Operating Report; Director Wingard seconded the motion which carried unanimously.*

9. Consider, discuss and take any necessary action to amend the Interlocal Agreement between Hurst Creek MUD and the Village of The Hills.

*Director Arvay moved approval to amend the Interlocal Agreement between Hurst Creek MUD and the Village of The Hills to increase the monthly payment to \$9,448 due to the promotion of the Village Secretary; Director Wingard seconded the motion which carried unanimously.*

**Signed and sealed this 10<sup>th</sup> day of March, 2014.**

(Seal)



 /s/  
Raymond Arvay, Secretary Board of Directors