

**MINUTES OF MEETING
HURST CREEK MUNICIPAL UTILITY DISTRICT
SEPTEMBER 20, 2021**

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, remotely and 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
Mike Maroney	Secretary
Larry Kener	Assistant Secretary
William Coskey	Treasurer

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

Also present were Earl Wood, Stacey Johnson, Kurt Pendleton, Beth Caccamisi, Alma Wood and Linda Lunney, Hurst Creek MUD; Rodney Thompson and Wendy Smith, Village of The Hills.

1. Swear in new Director.

William Coskey was sworn in as the new Director.

2. Consider, discuss and take any necessary action regarding the appointment of officers.

Director Coskey was appointed to the position of Treasurer. The remaining officers will retain their positions.

3. Consider and take action regarding 2021 Tax Rate, including holding a Public Hearing on the tax rate.

There were no public comments and the Public Hearing was closed.

Earl Wood reviewed the proposed 2021 Tax Rate: 0.218 O&M
0.0842 Debt Service
0.3022 Total Tax Rate

There will be an increase in taxes collected of \$83,000 due to increased property valuations.

4. Consider, discuss, and take necessary action adopting the 2021 Tax Rate and executing the Order Levying Taxes 2021.

Director Maroney moved to adopt the Tax Rate of 0.3022 and to execute the Order Levying Taxes 2021; Director Wingard seconded the motion which carried unanimously.

5. Consider, discuss, and take any necessary action regarding Fiscal Year 2021-2022 Budget.

Mr. Wood reviewed the Projected Year-End Report for 2020-2021. It shows \$1,236,188 in cash reserves. He then reviewed the proposed 2021-2022 Budget. Increases in the budget are due to several items such as the new LCRA raw water contract, increases in chemical and fuel costs. Projected revenues are also projected to increase. The 2021-2022 proposed budget is expenses \$2,659,257.19 and revenues \$2,768,379.88.

Director Wingard moved approval of the 2021-2022 budget; Director Coskey seconded the motion which carried unanimously.

6. Consider, discuss, and take any necessary action on Amendment 36, District Information Form.

This is a required form supplied to new property purchasers detailing the tax rate, total amount of bonds of which have been approved by voters which may be issued by the District; the functions of the MUD, and the debt the MUD currently holds. This form is updated yearly.

Director Wingard moved approval of Amendment 36, District Information Form; Director Maroney seconded the motion which carried unanimously.

7. Consider, discuss, and take any necessary action for the approval of the District's yearly insurance provided by Gallagher W.I.N. Waterworks.

Earl Wood reviewed the insurance proposal with the Board. Director Coskey requested Mr. Wood pursue the possibility of increasing the coverage under the umbrella policy.

Director Coskey moved approval of the District's yearly insurance proposal; Director Kener seconded the motion which carried unanimously.

8. Consider, discuss, and take any necessary action regarding Senate Bill 3 Emergency Preparedness Plan.

Mr. Wood reported that as a result of the winter storm in February, Senate Bill 3 became a law that all public water systems must have some form of emergency preparedness to be able to supply water at 20 PSI for 24 hours. This will require either a generator or a dual-feed system. An emergency preparedness plan must be submitted by March 1, 2022 and be implemented by July 1, 2022.

Mr. Wood believes a generator bought on a Lease Purchase would be the most beneficial route and other than electric and engineering costs, can be installed using in-house labor. This new law is expected to put a high demand on generator purchases.

Director Wingard moved to authorize The General Manager to explore a lease purchase and to reserve a generator; Director Coskey seconded the motion which carried unanimously.

9. Consider, discuss, and take any necessary action on drainage.

Kurt Pendleton reported the engineers are still in the planning stages of the Dewdrop project. The operators are starting general maintenance in The Hills.

10. Consider approving the minutes of the August 16, 2021 Regular and August 20, 2021 Special Board meetings.

Director Maroney moved approval of the August 16, 2021, Regular and August 20, 2021, Special Board meetings; Director Wingard seconded the motion, Director Coskey abstained, the motion carried.

11. Consider, discuss, and take any necessary action to approve the District's Investment Policy

A review of the District's Investment Policy has to be reviewed yearly if investing. The District is currently investing in a CD.

Director Maroney moved approval of the Investment Policy; Director Wingard seconded the motion which carried unanimously.

12. Consider, discuss, and take any necessary action approving the August Bookkeeper's Report and approval of paid invoices.

Beth Caccamisi reviewed the written report showing: \$1,311,501.84 in the General Fund and \$135,291.48 in the Debt Service Fund.

Director Wingard moved approval of the August Bookkeeper's Report; Director Coskey seconded the motion which carried unanimously.

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

Earl Wood reviewed the written report. He also reported:

- The water level in the pond is down far enough to determine if repairs are holding,
- While the golf course is being renovated, the pipes under the ground have been converted to a 10-inch line.
- The maintenance work required on the water tower is being re-evaluated to determine what needs to be done immediately and what can be completed at a later date.
- The Backwash Recovery system has a 75% recovery rate over the last 4 years. A plan has been implemented to upgrade the unit with LCRA approval and should increase the recovery rate 90-95%.

A tour of the improvements recently made including, WTP1 (Grandpa), the Chlorine project, and the Backwash Recovery Unit will be taken at the next meeting.

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

14. The Board may go into Executive Session to receive advice from its Attorney pursuant to Section 551.071 of the Texas Government Code and/or to discuss personnel matters under Section 551.074 of the Texas Government Code.

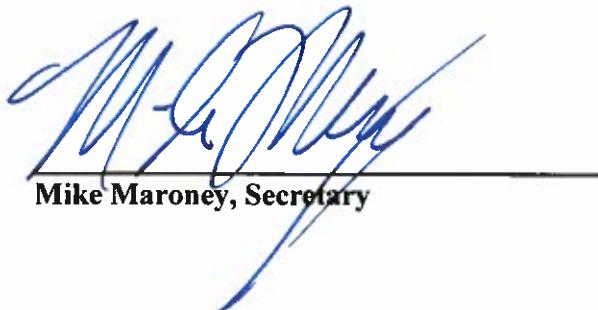
The Board went into Executive Session at 11:20 a.m.

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

The Board came out of the session at 12:10 p.m.

There being no further business, the meeting was adjourned at 12:11 p.m.

Signed this 18th day of October 2021.



Mike Maroney, Secretary