

**MINUTES OF MEETING
HURST CREEK MUNICIPAL UTILITY DISTRICT
JULY 18, 2022**

THE STATE OF TEXAS

COUNTY OF TRAVIS

The Board of Directors of Hurst Creek Municipal Utility District (the "District") met this date at 9:00 a.m. 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:

Present:

Wilson Smith	President
James M. Wingard	Vice-President
Mike Maroney	Secretary
William Coskey	Treasurer

Absent:

Tom Stiles **Assistant Secretary**

thus constituting a quorum.

Also present were Earl Wood, Beth Caccamisi, and Sonja De La Fuente, Hurst Creek MUD; Mayor Pro Tem Hilda Potsavich, The Hills City Council; and Brian Peters, The Hills of Lakeway POA.

1. Consider, discuss, and take any necessary action regarding the approval of an order authorizing redemption of certain of the District's outstanding bonds.

Earl Wood provided the report for this item. He explained this would pay down \$105,000 of the remaining principal amount of \$520,000.

Director Coskey moved approval of an order authorizing redemption of certain of the District's outstanding bonds; Director Wingard seconded the motion which carried 4-0. Director Stiles was absent.

2. Consider, discuss, and take any necessary action regarding the Homeowners United for Rate Fairness

Dave Risser, Vice President of the WCID 19 Board of Directors and President of Barton Creek POA, presented the report for this item. He explained that the Homeowners United for Rate Fairness (HURF) was created in 2012 in order to ensure rate fairness related to Austin Energy. He requested a contribution from Hurst Creek MUD on behalf of the residents.

Earl recommended participating in some way to protect the MUD's rate and suggested possibly partnering with the Village of The Hills. Mayor Pro Tem Hilda will Potsavich indicated she would

report to the Council at the next City Council Meeting and Brian Peterson advised it is on the next POA Agenda for consideration as well.

There was a consensus of the Board to authorize Earl to contribute approximately \$1,500 on behalf of Hurst Creek MUD.

3. **Discussion and consideration of adopting an Order Calling Directors Election and authorization to publish Notice of Election to be held on November 8, 2022, for the purpose of electing three Directors for terms of four years each.**

Discusión y consideración de la adopción de una Orden de Convocatoria a la Elección de Directores y autorización para publicar el Aviso de Elección que se llevará a cabo el 8 de noviembre de 2022, con el fin de elegir tres Directores por períodos de cuatro años cada uno.

Earl Wood provided the report for this item. Bill Coskey pointed out that on page two sections two and three should read three Directors to be elected instead of two.

Jim Wingard moved to adopt an Order Calling Directors Election with corrections and authorize publishing Notice of Election to be held on November 8, 2022, for the purpose of electing three Directors for terms of four years each; Director Maroney seconded the motion which carried 4-0. Director Stiles was absent.

4. **Consider, discuss, and take any necessary action regarding the District's Investment Policy.**

Earl Wood provided the report for this item. There was discussion held regarding investment with TexPool versus CD. Beth advised that interest earned in TexPool was more in one month than the CD earned in one year. There was also a discussion held regarding possibly forming an Investment Committee to provide recommendations.

Director Maroney moved to approve the existing Investment Policy; Director Coskey seconded the motion which carried 4-0. Director Stiles was absent.

5. **Consider, discuss, and take any necessary action regarding the Fiscal Year 2022-2023 Draft Budget.**

Earl Wood provided the report regarding this item. He provided the Board with a 2022 draft budget and discussion was held regarding increased costs and operating expenses and whether rates need to be raised. Earl advised that he will bring back a proposed budget for consideration.

There was a consensus of the Board that Earl should explore and bring back a proposed rate increase in August.

6. **Consider, discuss, and take any necessary action regarding The Hills Drive dam.**

Earl Wood provided the report regarding this item. He advised that the MUD met with the POA, ClubCorp, and Village of The Hills regarding the ownership of the Dam. ClubCorp agrees they own the land under the dam, but they weren't certain they own the dam. ClubCorp advised all parties that they will investigate further. Earl noted that per TCEQ statute, if there is a question

about who owns the dam, whoever owns the land under the dam owns the dam. Earl also advised that the Dam will be inspected each year going forward.

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

Earl Wood provided the report regarding this item. He advised that staff met and talked with all homeowners regarding the drainage easement behind homes on Stillmeadow Drive and Kurt is there now with the surveyor setting stakes and painting. Director Coskey recommended something permanent (i.e. rebar underground).

Earl requested direction regarding Driftwood. He reported that the estimate has increased from \$70,000 to \$85,000. He advised that if the quotes received are over \$75,000 he will have to put the project out for formal bid. He explained that there is not \$100,00 in the drainage fund. There was discussion held regarding options. He advised that the Board could institute a Drainage fee to include in the base fee for connections inside gated community (i.e. \$5 per month). Director Coskey recommended increasing the deferral into the drainage fund to \$7,500 per month.

There was a consensus of the Board to get a couple more quotes, build up the drainage fund, and delay the project for a bit.

8. Consider, discuss, and take any necessary action to approve the Minutes of the June 20, 2022, Regular Board Meeting.

Director Coskey noted that under Item 8 the vote should read 4-0 with President Wilson absent.

Director Coskey moved approval of the Minutes of the June 20, 2022, Regular Board Meeting, with noted correction; Director Wingard seconded the motion which carried 4-0. Director Stiles was absent.

9. Consider, discuss, and take any necessary action to add James T. (Tom) Stiles to PlainsCapital Bank as an authorized signer on all accounts.

Director Maroney moved to add James T. Stiles to Plains Capital Bank as an authorized signer on all accounts; Director Wingard seconded the motion which carried 4-0. Director Stiles was absent.

10. Consider, discuss, and take any necessary action to approve the June Bookkeeper's Report and approval of paid invoices.

Beth Caccamisi reviewed the written report showing \$1,501,697 in the General Fund and \$229,249 in the Debt Service Fund. TexPool interest rates were at 1.34%. Property taxes collected remain at 98% collected. Operating expenses for the year are \$60,000 to the good. Chemicals and Temporary staffing over.

Director Coskey moved approval of the June Bookkeeper's Report and paid invoices as presented; Director Maroney seconded the motion which carried 4-0. Director Stiles was absent.

11. Consider, discuss, and take necessary action to approve the June Manager's Operating Report.

Earl Wood reviewed the written report. 52 Cottondale is the only house currently under construction. There are currently 1,207 Connections. 98.28% of taxes have been received year to date. There were 1.28 inches of rain in June.

Earl shared an update on Lakes Buchanan and Travis combined storage projections. He noted that even with extremely dry conditions, it is not projected to hit 0.9 million-acre feet.

Director Maroney left at 10:53 A.M.

Director Wingard moved approval of the June Manager's Operating Report; Director Coskey seconded the motion which carried 3-0. Directors Maroney and Stiles were absent.

Director Maroney returned at 10:55 A.M.

The Board recessed the Regular Session at 11:00 A.M.

The Board convened to Executive Session at 11:20 A.M.

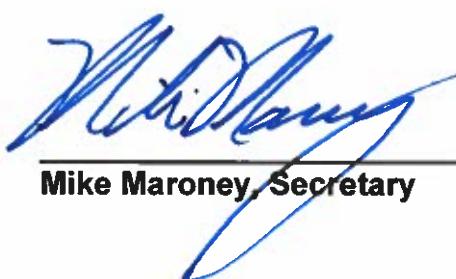
The Board reconvened Regular Session at 11:25 A.M.

There was no reportable action.

The Meeting adjourned at 11:25 A.M.

Signed this 15th day of August 2022.

(seal)



Mike Maroney

Mike Maroney, Secretary