

**MINUTES OF MEETING
HURST CREEK MUNICIPAL UTILITY DISTRICT
MARCH 27, 2023**

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 Special 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
Tom Stiles	Assistant Secretary

thus, constituting a quorum.

Also present were Earl Wood, Kurt Pendleton, Stacey Johnson, Beth Caccamisi, and Sonja De La Fuente, Hurst Creek MUD; Councilmember Rick Van Dalen and City Manager Dean Huard, Village of the Hills; and Director Sara Jenkins, The Hills POA.

1. Consider, discuss, and take any necessary action on awarding a contract for the 8" Reclaimed Water Force Main project.

Earl Wood provided report for this item. He explained that the project went out to formal bid and three bids were received. All bids were very close, with Cedar Hills Construction being the lowest responsible bidder at \$404,614. The Engineer's Estimate was \$425,000. He shared that Cedar Hills Construction was also the contractor on the Dewdrop Cove drainage project, which was just completed successfully. Director Coskey asked if the project would be open cut or bore. Earl advised he will be working with the school and would like to go with open cut, as it is more cost effective. Director Coskey asked whether or not the District would impose liquidated damages if the contract was not complete in 90 days. Director Stiles asked about insurance and Earl explained that the project is insured and bonded. Director Maroney asked if Lakeway MUD was sharing in the cost and Earl advised that they are not. Earl will look into whether or not the District will include liquidated damages in the contract as well as EMR and Builder's Risk insurance.

Director Coskey moved to award a contract to Cedar Hills Construction in the amount of \$404,614 for the construction of the 8" Reclaimed Water Force Main project; Director Wingard seconded the motion, which carried 5-0.

2. Consider, discuss, and take any necessary action on the District's Drought Contingency Plan and Water Conservation Plan to comply with LCRA's new requirements.

Earl Wood provided the report regarding this item. LCRA has implemented a mandatory two day per week watering schedule in November. He explained that the District did not receive notification from LCRA regarding this new rule, and only found out on Thursday. Earl spoke with LCRA on Friday and they confirmed that this would be a permanent two day per week watering allowance for all customers and that enforcement will be up to each agency.

Earl recommended a two-stage approach; vote to implement the two day per week watering schedule and publish that, then amend the Water Conservation Plan and Drought Contingency Plan. He will work with Kurt and Stacey to bring those forward for approval at the next Board meeting. Director Coskey asked what would happen if the Board didn't approve and Earl advised it would provide a basis for LCRA to terminate their contract. He explained that the District is part of the Firm Water Customer Coalition. Earl also advised that LCRA offers rebates to customers who wish to upgrade their irrigation system to conserve water and increase efficiency.

Earl shared that he is developing a new plan based on pervious and impervious cover to track actual water usage per square foot.

Director Wingard moved to implement a mandatory two day per week watering schedule. Director Maroney seconded the motion, which carried 5-0.

The District will have signs made up, post information on the website, and include a notice in the bills when they go out the second week of April.

3. Consider, discuss, and take any necessary action on drainage and MS4.

Kurt Pendleton provided the report regarding this item. The Dewdrop Cove Drainage project is now complete. He is working with Fencecrete to repair the fence at that site. The MS4 Committee met last week and he is currently finalizing the annual report for submission to TCEQ. It appears that TCEQ has modified their requirements, and they should be less going forward.

City Manager Dean Huard advised that he is working on a contract to address the debris from the ice storm in the common areas. Hopefully debris will be removed next week.

There was discussion held regarding various drains in The Hills.

Earl shared that the Dam safety inspection was completed by TCEQ. He explained that because ClubCorp owns the property under the dam, they owned the dam, but Hurst Creek MUD owns the water rights. Hurst Creek MUD is not responsible for inspection or maintenance going forward.

A brief discussion was held regarding extending the walking trail over the dam. Councilmember Rick Van Dalen advised that the Village would look at options.

4. Consider, discuss, and take any necessary action to approve the Minutes of the February 13, 2023, Special Board meeting.

Director Maroney moved to approve the Minutes of the February 13, 2023, Special Board Meeting; Director Maroney seconded the motion which carried 5-0.

5. Consider, discuss, and take any necessary action to approve the February 2023 Bookkeeper's Report and approval of paid invoices.

Beth Caccamisi reviewed the written report showing \$2.1 million in the General Fund and \$545,000 in the Debt Service Fund. This will decrease next month after the \$336,000 bond payment is made on April 1. 95% of the property taxes have been collected. She reported that TexPool earned \$6,500 in interest with a rate of 4.5%. As of this morning, that rate was at 4.76%. She advised that a \$151,000 payment was just made for the Elevated Storage Tank project and \$79,000 for the Dewdrop Cove drainage project. Revenues are under by \$13,000. The Golf Course didn't get their checks to the District in February so those payments will appear on the March report.

There was a brief discussion held regarding write-offs and why homeowners cannot be held responsible for renters that don't pay their final bills.

Director Coskey moved approval of the February 2023 Bookkeeper's Report and paid invoices; Director Wingard seconded the motion which carried 5-0.

6. Consider, discuss, and take any necessary action to approve the February 2023 Manager's Operating Report.

Earl Wood reviewed the written report.

- The Large Expenditure Plan for Budget Year 22-23 will bring the cash reserves from \$1.6 million to \$475,000. It will take approximately three years to build this fund back up to \$1 million.
- New Connection Summary - 2 Autumn Oaks is the only new home currently under construction.
- Legacy Development feasibility study currently underway and about halfway through. There may be a possibility that TCEQ will work with Hurst Creek MUD, which would be good for the MUD and the Village.
- The Debt Service Fund shows 95% of the property taxes collected. It was at \$545,000 in February but is currently at \$209,000.
- Operations – 98-acre feet of water pumped from the lake and 1.6" rainfall in February.
- New requirements coming through regarding lead poisoning due to a case in Flint, Michigan. By September 2024, the District will be required to do service line assessment and inventory to determine lead levels affecting homes.
- Met with the Village regarding logistics and interlocal agreement.

Director Maroney moved to approve the January 2023 Manager's Operating Report; Director Wingard seconded the motion, which carried 5-0.

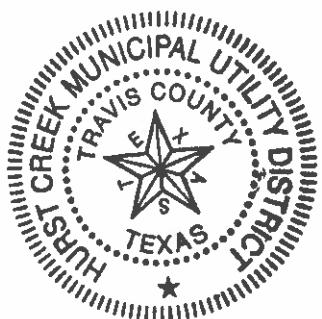
7. *The Board may go into Executive Session to receive advice from its Attorney pursuant to Section 551.071 of the Texas Government Code and/or discuss personnel matters under Section 551.074 of the Texas Government Code.*

The Board recessed the open meeting at 10:40 A.M. and convened to Executive Session at 10:41 A.M. They reconvened the open meeting at 11:20 A.M.

The Meeting adjourned at 11:20 A.M.

Signed this 17th day of April 2023.

(seal)



Mike Maroney, Secretary