

**MINUTES OF MEETING  
HURST CREEK MUNICIPAL UTILITY DISTRICT  
NOVEMBER 13, 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 at The Hills Country Club Tee Box Room, 26 Club Estates Parkway, The Hills, Texas 78738, and the roll was called of the duly constituted officers and members of the Board to wit:

### Present:

William A. Coskey	President
Mike Maroney	Secretary
Tom Stiles	Treasurer
John Almond	Assistant Secretary
James M. Winqard	Vice-President

thus, constituting a quorum.

Also present were Earl Wood, Kurt Pendleton, Stacey Johnson, Beth Caccamisi, of Hurst Creek MUD, Director Sara Jenkins with The Hills POA, and Councilmember Rick Van Dalen of the Village of The Hills.

## 1. Introduction and Update with Hurst Creek Municipal Utility District Attorney.

Earl Wood introduced Lauren Kalisek and Kathryn Thiel with Lloyd Gosselink Rochelle & Townsend. He explained that their firm represents Hurst Creek MUD as their Attorney. They provided the Board with a brief history of the firm and explained their specialty knowledge. Of the 32 attorneys, approximately 15 have expertise in water law. She provided an overview of the duties she performs, as well as other duties the firm provides. Lauren noted that she became Managing Principal Director of the firm in 1995.

Board President Coskey asked how often Municipal Utility Districts are litigated and their outcomes. Lauren explained that most cases are covered under Government immunity and settled quickly. Cases with contract issues sometimes go further but are usually settled quickly as well.

Each Board member introduced themselves.

**2. Consider, discuss, and take any necessary action regarding water conservation update and water rate study.**

Earl provided the report regarding this item. He reviewed the breakdown of September and October water restriction violations as follows:

**September**

102 courtesy contacts  
33 violations (warnings)

**October**

70 courtesy contacts  
58 first violations (warnings)  
23 second violations (\$200 fine)

Earl explained that the number of violators has decreased, and he believes that is due to the word getting out and the change in weather. He noted that should it reach the point the District would have to cutoff services, the resident will have had six weeks to comply with multiple contacts.

Director Almond asked about the increase in water restriction violations from September to October. Earl explained that with changes to the interlocal agreement effective October 1<sup>st</sup>, more time was dedicated to the creation of the data tracking system, letters, and establishing a streamlined process.

Director Stiles asked about the efforts behind cutoffs. Beth Caccamisi explained the regular cutoff process and how much contact the resident has before a cutoff would take place. Earl explained that the District tries to go the extra mile to not cutoff services and management is always contacted before water is cutoff. He also explained that staff uses WaterScope to verify activity, usage, and whether the resident complies. Staff also encourages residents to sign up for WaterScope to monitor their own usage.

Regarding water rates, Earl explained that there had been a concern within the community that Hurst Creek MUD's water rates were high. He provided the Board with a detailed comparison of water bill and property tax for low, medium, high, and extreme users to surrounding water utilities. Overall, Hurst Creek MUD has the cheapest water rates and comparable property taxes to surrounding areas.

Earl provided the Board with a handout regarding Lake Travis and Lake Buchanan level projections. He asked the board if they would like to see this regularly. There was a consensus of the Board that it was acceptable to provide the information periodically (i.e., quarterly).

There was a brief discussion among the Board regarding the new reservoir down south potentially helping with the southern users and rice farmers and will depend on the rain to help lessen the burden on Lake Travis.

President Coskey asked about mailing information out to customers explaining what would be needed to move out of Stage 2 water restrictions and possibly providing rate comparisons so residents can see where The Hills stands in comparison to surrounding areas.

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

Kurt Pendleton provided the report regarding this item. He advised there are no new drainage projects in the works. He is still waiting for the POA approval before the Drainage Plan Review can be done for new home construction at 8 Stillmeadow and 7 Cheverly Court. The new home construction at 2 Autumn Oaks began constructing their roadside ditches last week and the house should be complete in the next month or two.

Kurt introduced Kathryn Thiel as a key member of the MS4 team. He explained that she helps compile the Annual Report and assists with the submittals to the Texas Commission on Environmental Quality (TCEQ). He advised that he received a letter from the TCEQ stating that the review has begun on the Stormwater Management Program (SWMP) and the Notice will be published in the local newspaper once approval is received. The 4<sup>th</sup> Quarter MS4 Committee meeting will be held within the next couple of weeks.

**4. Consider, discuss, and take any necessary action to approve the Minutes of the October 16, 2023, Regular Board Meeting.**

*Director Maroney moved to approve the Minutes of the October 16, 2023, Regular Board Meeting; Director Almond seconded the motion, which carried 5-0.*

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

Beth Caccamisi reviewed the written report with the Board. She explained that October is the first month of the new fiscal year. The General Fund closed the month with a balance just over \$850,000 and the Debt Service Fund closed the month with a balance of \$84,000. TexPool interest was at 5.37% at the end of October and as of this morning it was at 5.36%. Property tax deposits have not yet been received, as property tax bills should be mailed out at the end of November, then the District will start to see funds come in. She also reported that she is working with the auditors, and all is going well. The audit report will come before the Board in December or January. Revenues were over budget for the month and year at \$15,000 due to arrears invoicing for September. Expenses were over budget for the month and year due to SCADA expenses and the deposit for the conference room repairs.

There was a brief discussion held regarding the insurance coverage for the damage to the conference room. Earl advised they would be looking at possible reimbursement for some costs.

*Director Stiles moved to approve the October 2023 Bookkeeper's Report and paid invoices; Director Maroney seconded the motion, which carried 5-0.*

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

Earl reviewed the written report with the Board. He noted that there were over five inches of rain during the month of October, which seemed to slow production down a bit for the month. He also discussed the new effluent monitoring building at the Pond, which will be used to monitor the effluent water quality as it is received from a neighboring District. He advised that the media

replacement for the Roberts unit is scheduled for December or January and is standard maintenance. Finally, he informed the Board that the District has purchased two new servers and the old servers will be repurposed.

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

**7. Consider, discuss, and take any necessary action regarding implementation of the new Interlocal Agreement with the Village of The Hills.**

Earl reported that the new Interlocal Agreement with the Village of The Hills was implemented on October 1, 2023. The telephone answering, trash services, and operator calls have all been passed to the Village. Beth is helping the new bookkeeper get up to speed. There will be an obligation to work with the City on the 2022-2023 audit since that is when Hurst Creek MUD provided bookkeeping services to the City, which will be taken care of during the transition. Earl advised that the City has until February to hire a new City Secretary, as that is when the final portion of the contract concludes. December will be the final month for the bookkeeping transition.

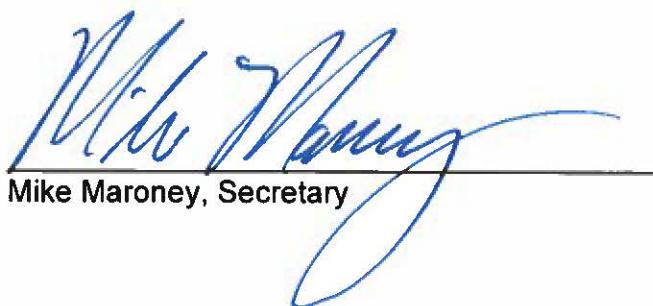
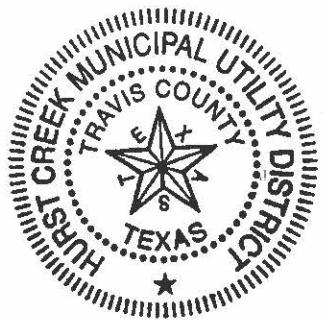
**8. The Board may go into Executive Session pursuant to Texas Government Code Sections §551.071 – Consultation With Attorney; §551.072 – Deliberation Regarding Real Property; §551.073 – Deliberation Regarding Prospective Gift; §551.074 – Personnel Matters; and/or §551.076 - Deliberation Regarding Security Devices or Security Audits.**

The Board did not meet in Executive Session

The meeting adjourned at 10:03 A.M.

Signed this 18<sup>th</sup> day of December 2023.

(seal)



Mike Maroney, Secretary