

**MINUTES OF MEETING
HURST CREEK MUNICIPAL UTILITY DISTRICT
JANUARY 22, 2024**

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 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:

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

thus, constituting a quorum.

Also present were Earl Wood, Kurt Pendleton, Stacey Johnson, Beth Caccamisi, and Sonja De La Fuente of Hurst Creek MUD, and Councilmember Sarah Carroll of the Village of The Hills.

1. Consider, discuss, and take any necessary action to approve the Audit for Fiscal Year 2022-2023.

Stacy Britton with Montemayor Britton Bender PC presented the Audit for Fiscal Year 2022-2023. She reviewed the report with the Board and answered various questions.

Director Almond moved to approve the Audit for Fiscal Year 2022-2023; Director Stiles seconded the motion, which carried 5-0.

2. Safety Moment.

Board President Coskey reported that there are many ways to make an operation safe (i.e. safety meetings, trainings, personal protective equipment, and engineering modifications).

Earl Wood reported that he met with Board President Coskey to discuss safety. While safety is incorporated into water operation licensing, there are additional measures that can be taken to ensure safety specifically within Hurst Creek MUD.

Kurt Pendleton reported that he held a safety meeting on Friday, January 19th with great participation. They discussed slips and falls and identified areas that could be made safer. Board Member Almond recommended celebrating a good safety record. Board Member Stiles

recommended establishing claims procedures. Board Member Wingard recommended recording changes resulting from the safety meetings.

3. Consider, discuss, and take any necessary action to amend the District's Rate Order.

Earl provided the report regarding this item. He explained that the only changes in the Rate Order are the Effluent rate increase to \$2.10 per 1,000 gallons and the addition of two plumbing permits (Water Yardline Repair and Sewer Yardline Repair) so that Hurst Creek MUD can inspect plumbing work in these areas to ensure proper repairs.

Director Almond moved to approve the amended Rate Order; Director Wingard seconded the motion, which carried 5-0.

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

Kurt Pendleton provided the report regarding this item. He informed the Board that there were 2.5 inches of rain since last night. The new home at 2 Autumn Oaks Drive is complete. 8 Stillmeadow Drive and 7 Cheverly Court drainage plans are currently under review by the District's engineer. There are a couple of changes that need to be made by the builder. He also informed the Board that a parcel of land on Tournament Way has recently sold and there are plans to develop a duplex.

5. Consider, discuss, and take any necessary action to approve the Minutes of the December 18, 2023, Regular Board Meeting.

Director Maroney moved to approve the Minutes of the December 18, 2023, Regular Board Meeting; Director Almond seconded the motion, which carried 5-0.

6. Consider, discuss, and take any necessary action to approve the December 2023 Bookkeeper's Report and paid invoices.

Beth Caccamisi reviewed the written report with the Board. The General Fund closed the month with a balance just over \$1.3 million and the Debt Service Fund closed the month with a balance of \$281,000. TexPool interest was at 5.38% at the end of December and as of this morning it was at 5.34%. Approximately 50% of the property tax deposits have been received. Revenues were \$63,000 over budget for the month. Billing was down by \$23,000. Expenses are currently \$8,500 over budget for the month and \$35,000 over budget for the year. This is mainly due to needed boat repairs at the barge. There was one write off. Earl shared that the Bookkeeper duties provided by Hurst Creek MUD to the Village of The Hills have been fully transitioned out as of December 31, 2023. The City Secretary duties should be fully transitioned by the end of February.

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

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

Earl reviewed the written report with the Board. He noted 50.29% of the property taxes have been collected as of the end of December, which is approximately \$901,000. The Debt Service fund is at \$281,000 with bond payments scheduled for April 1 and October 1. He noted that 2 Autumn Oaks is on the Connection Summary for December, but the certificate of occupancy was just issued and that will come off of the list for January. Operations ended the calendar year at 1,062 acre feet, which is under the 1,200 acre feet allowed. Therefore, the District did not incur any penalties. He reported a 14.5% reduction year over year. Moving to one watering day per week helped with that. There were no watering violations issued during Christmas week. The Wastewater treatment plant is doing well.

Earl also provided the Board with an update on the following items:

- Flintrock Villas – Documentation was sent to TCEQ. The District's engineer wrote an opinion, which was sent to Flintrock. They have shut off the water.
- Servers – Two new servers have been installed and offsite backup is also in place now.
- Office Space – Met with Tom Harrelson with the POA and Dean Huard with the Village of The Hills regarding office space and both appear to be in agreement with the change in offices. Angie Massey will be the new City Secretary.
- Wastewater Permit – The Wastewater Permit through TCEQ will expire in approximately one year. This is renewed every 10 years. No issues are anticipated. The proposed Legacy development would be the only reason for an amendment and both the POA and the Village will need to approve the development.
- Copier – The current copier lease is \$950 per month. A quote was received for \$380 per month for the same service. This will provide for a \$33,000 savings over the five-year rental.

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

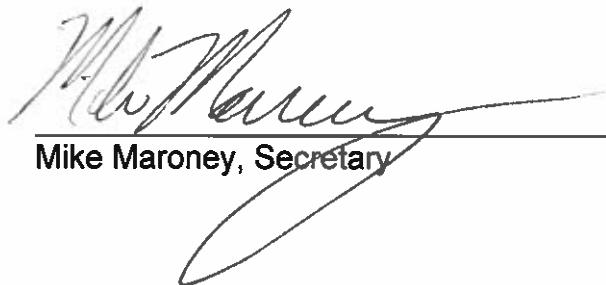
8. The Board may go into Executive Session pursuant to Texas Government Code Sections §551.071 – Consultation With Attorney; §551.072 – Deliberation Regarding Real Property; §551.073 – Deliberation Regarding Prospective Gift; §551.074 – Personnel Matters; and/or §551.076 - Deliberation Regarding Security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

The Board did not meet in Executive Session.

The meeting adjourned at 10:21 A.M.

Signed this 12th day of February 2024.

(seal)

A handwritten signature in black ink, appearing to read "Mike Maroney".

Mike Maroney, Secretary