

**MINUTES OF REGULAR MEETING
HURST CREEK MUNICIPAL UTILITY DISTRICT
AUGUST 20, 2007**

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, 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:

Haskell Wotkyns, Jr.	President
J.L. Hall	Vice-President
Bob G. Agnew	Secretary
Wilson Smith	Treasurer
James M. Wingard	Assistant Secretary/Treasurer

and all of said persons were present, except Director Hall, thus constituting a quorum.

Also present were Dan Roark, Chris Redd, and Earl Wood representing general management for the District; and, Jesse Griffith, Drainage Administrator for the District.

1. Mr. Griffith appeared to brief the board on recent drainage activities explaining that a number of small projects are currently underway. Mr. Griffith detailed the upcoming project on Autumn Oaks, which involves in order to direct runoff to the side street ditch. Mr. Griffith also discussed the final iteration of the Drainage System Rules.

Mr. Griffith left the meeting at this time.

- 2&3. The next item for consideration was to adopt the Budget for Fiscal Year 2007-2008 and adopt the 2007 Property Tax Rate and set a Public Hearing.

Mr. Roark informed the Board he had previously met with Director Hall and after reviewing the assessed valuation of property values, the District would need a tax rate of \$0.4921, with \$0.36 for Debt Service and \$0.1321 for Operations and Maintenance

Director Smith moved to publish the tax rate at no more than \$0.4921 as set out above for the public hearing and Director Wingard seconded the motion, which carried unanimously.

4. The Board next considered participating in the Clean Texas Program.

Mr. Roark explained the Clean Texas Program to the Board, which is sponsored by the T.C.E.Q. and is strictly voluntary. Mr. Roark stated in order to participate the District would need to hire a consultant to give the District an environmental assessment. Once the targets are determined, it would require reassessing every year.

The Board instructed Mr. Roark to invite the environmental consultant to give a presentation at the next meeting.

5. The next act of business was to consider a partial release of the public utility easement at 6 Valhalla Court.

Ms. Redd explained the owners of 6 Valhalla Court built their swimming pool partially in the P.U.E. and were trying to sell this home but could not without said easement. Mr. Roark stated the District had no reason to deny the request as there are no water or sewer utilities belonging to the District in this easement.

Director Wingard moved approval of the partial vacation of easement and Director Smith seconded the motion, which carried unanimously.

Mr. Griffith rejoined the meeting at this time.

1. Upon Mr. Griffith's return to the meeting, the Board resumed drainage discussions.

Mr. Griffith distributed the current amended Drainage System Rules and reviewed them with the Board.

Director Smith moved approval of the amended Drainage System Rules, effective today and Director Wingard seconded the motion, which carried unanimously.

6. The next item of business was to consider participating in the Local Government Cooperative.

Mr. Roark explained that this is a purchasing program for local governments and schools. The Local Government Cooperative has merchandise that has already gone out for bid, thus allowing the District to

purchase merchandise without having to meet all of the bidding requirements.

Director Agnew moved the District participate in the Local Government Cooperative and Director Smith seconded the motion, which carried unanimously.

7. The Board next reviewed the draft minutes of the July 16, 2007 Board meeting.

Following a review of the draft minutes, Director Smith moved approval of the minutes as written and Director Agnew seconded the motion, which carried unanimously.

8. Ms. Redd reviewed the Bookkeeper's Report with the Board along with the current month and year-to-date Budget. Following a review of the Bookkeeper's Report and the list of invoices paid and to be paid, Director Agnew moved approval as presented and Director Smith seconded the motion, which carried unanimously. A copy of said report is attached as an exhibit to these minutes.

9. Mr. Roark presented the Manager's Operating Report to the Board for its review, a copy of which is attached as an exhibit to these minutes.

Signed and sealed this _____ day of _____, 2007.

Bob G. Agnew, Secretary Board of Directors

(Seal)