

**MINUTES OF REGULAR MEETING
HURST CREEK MUNICIPAL UTILITY DISTRICT
SEPTEMBER 17, 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, thus constituting a quorum.

Also present were Dan Roark, Chris Redd, and Earl Wood representing general management for the District; Jesse Griffith, Drainage Administrator for the District; and, Tom Van Zandt and Jason Buntz of Hicks & Company.

1. Mr. Roark introduced Tom Van Zandt and Jason Buntz of Hick & Company who appeared to give a presentation for a environmental management system for the District.

Following the presentation, Mr. Van Zandt and Mr. Buntz departed the meeting.

2. The Board next held a Public Hearing regarding the 2007 Tax Rate and Budget for Fiscal Year 2007-2008.
3. The next item for consideration and action was to adopt the 2007 Tax Rate and Budget for FY 2007-2008 and publish a date for a public hearing regarding same.

Following a review of the proposed budget Director Hall moved to adopt the Budget for FY 2007-2008 as presented and to adopt a Tax Rate of \$0.4821, with \$0.31 for debt service and \$0.1721 for operations and maintenance. Director Wingard seconded the motion, which carried unanimously.

The public hearing will take place on September 28, 2007.

4. The next item of business was drainage.

Mr. Griffith appeared to brief the Board of on-going drainage projects and then departed the meeting.

5. The next item of business was to consider renewing the District's property and workman's compensation insurance.

Following a review of the proposal, Director Smith moved to renew said insurance coverage with AquaSurance and Texas Political Subdivisions and Director Agnew seconded the motion which carried unanimously.

6. The Board next considered executing the Engagement Letter with Jansen & Gregorczyk to perform the Audit for Fiscal Year 2006-2007.

Mr. Roark reviewed the letter with the Board stating the quote for said audit would be \$11,800.

Director Hall moved to execute the Engagement Letter with Jansen & Gregorczyk and Director Wingard seconded the motion, which carried unanimously.

7. The Board next reviewed the draft minutes of the August 20, 2007 Board meeting.

Following a review of the draft minutes and after noting some minor editing corrections, Director Wingard moved approval of the minutes as revised and Director Smith 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. Ms. Redd expects to end the year with at least \$140,000 in the General Fund. 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.

(Seal)

Bob G. Agnew, Secretary Board of Directors