

**MEETING MINUTES OF THE OCTOBER 9, 2008 BOARD OF DIRECTORS OF
BRUSHY CREEK MUNICIPAL UTILITY DISTRICT**

A meeting of the Board of Directors of Brushy Creek Municipal Utility District was held on the 9th day of September, 2008 at 7:00 p.m., in the District's office, 16318 Great Oaks Drive, Brushy Creek Subdivision, Round Rock, Texas. Notices of the time, place and the subject of the meeting, and the actions to be taken at the meeting, were posted at the places and for the time required by the laws of the State of Texas.

Agenda Item 1. Call to order.

The meeting was called to order at 7:02 pm with Directors Russ Shermer, Paul Tisch, Rebecca Tullos and Cris Yackle being present. Director Grahl was not present. General Manager Tom Clark, other staff, and District Attorney Tony Corbett were also in attendance.

Agenda Item 2: Announcements and Recognition.

General Manager announced that the District had received a grant from TCEQ for the purchase of recycle bins.

Agenda Item 3: Order and consideration of agenda items.

The Board briefly discussed the consideration of agenda items. The Board agreed that Item 5 would be tabled at Mr. Corbett's request.

Agenda Item 4: Citizens' Comments

Mr. John McLemore spoke during citizens comments. Among other points, he noted that staff had denied his request to use a District television for his presentation, and he alleged that the District was acting contrary to legal counsel's advice regarding use of District funds. He asked whether citizens may use District equipment, or personal equipment, during citizens comments. The Board did not respond to his questions or allegations.

Discussion and Action Items

Agenda Item 7: Discussion and Action Regarding E&T Masonry Trail Repairs.

General Manager Clark reported on the status of the trail repairs. He announced that the trail repairs had been substantially completed and recommended the Board approve payment in the amount of \$30,210.00. Director Yackle moved that the District provide payment. Director Shermer seconded the motion, which passed unanimously (4-0). The expense will be accrued back to FY 2008 for trail repairs.

Action Items

Director Tullos requested that Agenda Items 8, 13, 14, and 15 be pulled for discussion. A motion was then made by Director Tullos, seconded by Director Tisch, to approve Agenda items 9, 10, 11, and 12, each of which is described below. The motion passed unanimously (4-0). The following items were approved by the Board with the motion:

- (i) Agenda Item 9: The Board approved a contract for services relating to an inventory of District assets.
- (ii) Agenda Item 10: The Board approved a purchase order for purchase of membrane modules for the District's water treatment plant from Pall Corporation.
- (iii) Agenda Item 11: The Board approved the recommendation of its staff and the Parks Committee to decline ownership of Developer signs.
- (iv) Agenda Item 12: The Board approved the Interlocal Agreement between Brushy Creek Municipal Utility District and Round Rock ISD for use of facilities.

Remaining Action Items Agenda Item 8: Approve September 11 and September 25, 2008 Board meeting minutes:

Staff Handout #1 regarding minutes for September 11, 2008 was reviewed by the Board. After discussion, Director Tullos moved that the Board approve the referenced meeting minutes, subject to incorporation of certain revisions as presented in the supplemental packet plus addition of the word "water" added to item 5 (c) for the storm water tracking software. The motion was seconded by Director Yackle, and approved unanimously (4-0).

Agenda Item 13: Accept proposal from CH2MHill for engineering services for safety improvements at Lake Georgetown Intake.

General Manager Clark provided a brief background report regarding the proposed contract, and recommended approval. After discussion and notation that the expenditure was not expected to exceed \$25,000, Director Tullos moved that the Board approve the proposal. Director Shermer seconded the motion, which carried unanimously (4-0).

Agenda Item 14: Approve budget amendment from K. Friese for preparation of Water/Wastewater Master Plan.

After discussion which included concerns expressed by Director Tullos regarding the billing and assessment of the additional fees, Director Shermer moved that the Board approve additional payment in the amount of \$3,680.60 to the consultant for services, to be funded from the Directors Contingency Budget. The motion was seconded by Director Yackle, and approved (3-1), with Director Tisch voting against the motion.

Agenda Item 15: Approve amendment to Chisholm Trail raw water transportation agreement for delivery of water to Cimarron Hills.

Mike Petter made a brief presentation regarding the proposed contract amendment. Legal counsel Corbett announced his representation of Chisholm Trail Special Utility District, and that he did not provide legal representation to the District or to Chisholm Trail SUD with respect to the contract amendment. Director Tullos moved approval of the amendment provided that execution not take place until the document is approved and executed by Chisholm Trail SUD. The motion was seconded by Director Tisch, which carried unanimously (4-0).

Executive Session

At 7:50 p.m., President Tisch announced that the Board would go into Executive Session regarding agenda items 5 (reports) and 6 (standing committees). The meeting reconvened at 8:48 p.m. President Tisch announced that no decision, votes, or actions were taken in executive session.

Agenda Item 5: Reports

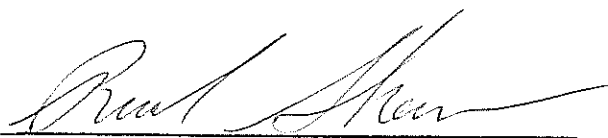
Legal counsel Corbett reported that he requested that this agenda item be tabled based upon an Attorney General opinion ruling finding that the reference to a "report" on an agenda does not provide sufficient notice. As a result, the Board did not consider or receive any reports at the meeting. However, the Board directed staff to furnish written reports to the Board with the draft meeting agenda, so that the Board members could identify which items it desired to discuss at the meeting, so that such matters could be included on the agenda.

Agenda Item 6: Discussion and Action Regarding Standing Committees

The Board tabled consideration of the item until all directors could be present.

Adjournment:

Director Yackle moved to adjourn the meeting. The motion was seconded by Director Shermer, and passed unanimously. The meeting adjourned at 8:53 p.m.



Russ Shermer, Board Secretary