

**MEETING MINUTES  
BRUSHY CREEK MUNICIPAL UTILITY DISTRICT**

A meeting of the Board of Directors of Brushy Creek Municipal Utility District was held on the 26th day of February, 2009 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 7:06 p.m. with the following directors present: President Paul Tisch, Vice President Cris Yackle, Treasurer Rebecca Tullos, Secretary Russ Shermer and Assistant Secretary/Treasurer Bob Grahl. General Manager Tom Clark, other staff, and District Attorney Tony Corbett were also in attendance.

Agenda Item 2: Discussion regarding order of consideration of agenda items.

The Board discussed the order of consideration of agenda items, and agreed to table the following agenda items: 4(c), 7, 12, 14, and 16.

The Board also agreed to move Agenda Item 8 to the end of the meeting.

The Board also agreed to consider some matters out of order in order to accommodate visitors.

Agenda Item 3: Citizens' Comments.

A resident spoke regarding agenda item #5. He asked a number of questions regarding the implications of the request to change the LUE calculation methodology, and to whom it would apply. He also requested that the Board not act upon the request prior to the scheduled meeting with the Sendero Springs and Cornerstone Defined Area residents.

A resident also spoke regarding an act of vandalism. She explained that the District owns a detention pond area behind her residence, and asked if the Board would consider fencing the area and prohibiting any trespassing. The Board agreed to put the matter on its next meeting agenda for consideration.

Another resident expressed concerns about the same detention pond area, and indicated that they had also received vandalism to their property. She also explained that a number of persons congregated in the area during the evening hours.

A Brushy Bend resident expressed appreciation for the Board's delay and responsiveness regarding the proposed increase in the out-of-District water rates.

Agenda Item 4: Reports

a. Community Center Advisory Committee Report:

Mr. Fred Lord presented the CCAC Report. He summarized the items discussed by the Committee at its most recent meeting. He reported that there were no items for Board consideration or action.

b. Water and Wastewater Committee Report:

Mr. Jeff Goldstein presented the Water and Wastewater Committee Report. He summarized the items discussed at the Committee meeting, but had no actions or recommendations for the Board to consider.

c. Traffic Study Report:

This item was pulled from the agenda.

Agenda Item 6: Sendero Landscape Plan. (considered after Agenda Item 5(c))

Ed Orlin, President of the Sendero Springs HOA, addressed the Board regarding the desire of Sendero residents to improve a tract of land owned by the District for open space and recreational purposes. He noted that the HOA and residents would contribute time and resources to the project. Mike Walsh, of the Texas Cave Conservancy, who manages the District's cave properties, also addressed the Board. He explained the need to protect the cave areas, but explained that it could be accomplished as a restoration project and gave suggestions for how to achieve this which included adding a small berm to assist with drainage near the caves.

The Board requested staff evaluate whether engineering plans and specifications would be required for the project, whether any regulatory permits or approvals are required for the project, and obtain funding estimates. The Board also requested that staff prepare a landscaping plan for the project and to bring back to a future meeting for consideration.

The Board noted that although it very much appreciated the willingness of the Sendero residents and HOA to provide services for the project, it was important that the District manage and control the project.

Agenda Item 10: Wastewater Connection for Mesa Rosa Restaurant.

After discussion, the Board directed that the General Manager proceed with discussions regarding the extension of service to the property. The Board requested that staff obtain information regarding the City of Austin's timing and plans for extension of service to the tract. The Board also requested that an action item be placed on the next agenda authorizing the General Manager to retain engineering services to evaluate the request, the costs of which would be paid by the applicant for service.

Agenda Item 5: Request by Highland Horizon to amend LUE calculation methodology.

Tom Clark summarized the developer's request that the District consider changing its methodology for calculation LUEs for multi-family projects. Mr. David Bodenman

answered questions regarding the proposed development of Highland Horizon as it related to this request.

Mr. Bodenman asked that the Board take the request under advisement. He stated that the District utilizes AWWA standards for calculation of rates, but not for calculation of capital recovery fees. He noted that other surrounding utilities utilize AWWA standards for calculation of capital recovery fees. He stated his belief that the District's methodology overcharges multi-family users relative to their demands on the system. He expressed his belief that the District's methodology will prevent development of the tract, which in turn also causes the District to lose tax revenues and service revenues from potential customers.

After discussion, the Board directed staff to investigate the fees charged by other entities and further consider the matter, and present a recommendation to the Board at a future meeting.

Recess- At 8:32 p.m., the Board recessed the meeting until 8:44 p.m.

Agenda Item 4 Reports (Continued)

a. General Manager Report:

The General Manager reported on the status of repairs at the District's intake structure. The Board requested that the General Manager's report identify when an item is left on a staff report at the request of a director.

Mike Wheeler provided a report regarding the status of the membrane improvement project.

Mr. Wheeler also reported that the cost of extending underground electric service to the Community Center for the BBQ cook-off is cost prohibitive. He reported that conduit and water lines would be installed by staff, but not electric lines. Instead, a portable generator would be rented and utilized for the event.

The General Manager also reported that T Mobile had indicated that it no longer desired to proceed with leasing the water tower, and that Verizon was considering whether it desired to proceed.

b. Parks and Recreational Report:

Tim Ishman reported on the Community Center program catalogue, including budget considerations.

Agenda Item 9: Response to Auditor's Management Comment.

Mike Petter presented a report to the Board of Directors regarding actions to be taken by the Accounting Department in response to the Auditor's recommendations.

Mark Palmer reported on the actions to be taken by the IT Department in response to the Auditor's recommendations of IT security risks.

Agenda Item 7- Written Procedures for Permit Process.

This item was tabled without discussion.

Agenda Item 11: Revised Job Descriptions.

Tom Clark provided a brief summary of revised job descriptions to clarify job responsibilities, and to reclassify certain positions as exempt. Staff was directed to correct the Customer Service Coordinator job description to include reconciling both Recreation and Utility funds and place this item on the next Agenda for approval.

**Discussion and Action Items**

Agenda Item 12: Communications Plan.

This item was tabled without discussion.

Agenda Item 13: Approval of Contract for Creekside Pool Repairs.

Tim Ishman presented background regarding the proposed improvement project. He recommended that the Board proceed with awarding a contract to Lifeguard 4Hire for repair of the pool at a cost not to exceed \$68,550.00.

Mr. Corbett explained that although staff obtained four alternative proposals for the project, it did not undertake a competitive advertisement because of time constraints. Therefore, the Board would have to make an emergency finding in order to award the contract, and send notice to TCEQ.

After discussion, Director Tisch moved that the Board declare the project an emergency, award the contract to Lifeguard 4Hire at a cost not to exceed \$73,550.00, and to direct staff to send notice of the emergency declaration to TCEQ. The motion also provided that \$48,550 of the contract amount would be funded from Board contingency. Director Grahl seconded the motion, which was passed unanimously.

Agenda Item 14: Award bid for disc golf course parking lot.

This item was tabled without discussion.

Agenda Item 15: Award bid for purchase of water meters.

Mike Wheeler recommended that the Board approve the purchase of meters from HD Waterworks at a total contract price equal to \$121,600.00.

After discussion, the Board requested that staff include warranty portion of the bid in the next Board packet and to have a representative of HD Waterworks attend the next meeting to respond to questions and answer warranty questions.

Agenda Item 16: Adopt Order Approving Exchange of Real Property.

This item was tabled at staff's request without discussion.

**Action Items:**

The General Manager and individual directors requested that the following items be pulled for discussion: Items 20 and 22.

Director Shermer moved that the Board approve remaining action items: #17, #18, #19, #21. The motion was seconded by Director Tullos, and carried unanimously. The Board thereby approved the following items:

Agenda Item 17: The Board adopted a revised Rate Order in the form set forth in the packet.

Agenda Item 18: The Board approved Resolution 090226.01 closing depository and investment accounts and transferring funds into a new account in the form included in the packet.

Agenda Item 19: The Board approved Resolution No. 09-0226.02 amending the District's fiscal year budget in the form included in the packet.

Agenda Item 21: The Board approved meeting minutes from the January 8, 22, and 27 meetings.

Agenda Item 20: BBQ Cook off Agreement with Meadows HOA.

After discussion, Director Tullos moved approval of the contract. The motion was seconded by Director Tisch, and approved 4-0-1, with Director Grahl abstaining.

Agenda Item 22: Approve Resolutions Opening Safekeeping Depository Account.

Mike Petter provided background regarding the establishment of a new account at Frost Bank for safekeeping federal securities. After discussion, Director Tullos moved approval of Resolution 090226.03 and 09226.04. The motion was seconded by Director Grahl, and approved unanimously.

Agenda Item 23: Approve Revised Public Works Department Job Descriptions for Water Facility: a. Water Facility Supervisor; and b. Utilities Operations and Maintenance Supervisor

Director Tullos moved that the Board approve the revised job descriptions after addition of the word "coordinator" to each job description. The motion was seconded by Director Grahl and passed unanimously.

Executive Session.

The Board went into Executive Session at 10:30 p.m. to seek legal opinion and advice regarding Agenda Item 8 Costs Associated With Open Records Requests. At 12:07 a.m., President Tisch reconvened the meeting. He announced that no decisions, votes or action were taken in Executive Session.

Adjournment:

Director Grahl moved to adjourn the meeting. The motion was seconded by Director Shermer, and passed unanimously. The meeting adjourned at 12:08 a.m.

  
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Russ Shermer, Board Secretary