

**MEETING MINUTES OF MEETING OF THE BOARD OF DIRECTORS OF  
BRUSHY CREEK MUNICIPAL UTILITY DISTRICT  
May 8, 2008**

A regular meeting of the Board of Directors of Brushy Creek Municipal Utility District was held on the 8th day of May 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: Establish quorum

President Paul Tisch called the meeting to order at 7:07 p.m. and established a quorum consisting of himself, Vice President Cristine Yackle, Secretary Russ Shermer, Treasurer Rebecca Tullos and Assistant Secretary/Treasurer Bob Grahl. Also present were General Manager Tom Clark, Deputy Secretary Margie Anthes and Legal Counsel Tony Corbett. Upon establishment of a quorum, the Board conducted the Pledge of Allegiance.

Agenda Item 2: Announcements and Recognition

None.

Agenda Item 3: Discussion regarding order of consideration of agenda items

No action was taken on this item.

Agenda Item 4: Citizens' Comment:

John McLemore postponed his comments until agenda item 10.

Agenda Item 5: Citizen Advisory Committee Matters –Standing

a. Technology Committee Report

Jeff Grettler reported that the Technology Committee had considered whether the District should utilize MySpace.Com to encourage participation with the local youth. He noted that there are no issues with utilizing the site from a technology perspective but the content and policy concerns should be addressed by the CCAC. The General Manager indicated that the matter would be considered at the next CCAC meeting. Board members expressed a number of concerns with the concept, but did not object to consideration by the committee.,

b. Water and Wastewater Committee Report. None.

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Agenda Item 6: Discussion and possible action concerning approval of CH2M Hill Engineering contract for intake structure repairs

After discussion, President Tisch moved to approve the contract subject to the following revisions: a) that the payment terms be revised to provide for compensation on a time and materials basis with a "not to exceed" amount \$16,150 for Task I; b) confirmation that Joe Jenkins will be assigned to the project team, and; c) the completion date be updated. The motion was seconded by Director Yackle. The motion passed 5-0. Direction to staff was given to bring back Task II and Task III projects plans for discussion at a future board meeting.

Agenda Item 7: Discussion and possible action concerning Excel Construction contract for Cat Hollow Lift Station

After a brief presentation by Jesse Kennis, Director Grahl moved to approve the contract with Excel Construction in an original amount not to exceed \$134,239.94. The motion was seconded by Director Tisch. The motion passed 5-0. Mr. Kennis noted that because of the nature of the project, it was anticipated that there would be some change orders.

Agenda Item 8: Discussion and possible action concerning approval of Aquasol Commercial Chemical, Inc. d.b.a. Commercial Chemical Products/Poolsure Pool Chemical Supply Contract

After a brief discussion, Director Tullos moved to approve the contract with Aquasol Commercial Chemical, Inc., provided the indemnification requirement was removed as recommended by Legal Counsel. The motion was seconded by Director Grahl. The motion passed 5-0. Staff was directed to allow access by the contractor only with District representatives present and to change combinations on pools where combinations had been previously given to any contractor.

Agenda Item 9: Consent Agenda

Agenda Items 9a, e, g, h and i were pulled from the Consent Agenda for discussion and consideration.

Director Tullos then moved to approve the remaining consent agenda items, as follows: 9b (Approve April 24, 2008 Board Meeting Minutes), 9c (Approve Pay Estimate Numbers three, four and five for the Highland Horizons Phase 1 Utilities), 9d (Approve Pay Application number one and two from Fazzone Construction for pavilion project), 9f (Approve Independent Auditor RFQ) and 9j (Approve purchase of Microix Time Tracking system). The motion was seconded by Director Grahl. The motion passed 5-0.

Consent Agenda Item 9a (Approval of January 24, 2008 Board Meeting Minutes). President Tisch moved to approve January 24, 2008 meeting minutes provided the

minutes were revised to reflect a meeting start time of 7:00 p.m. The motion was seconded by Director Tullos, and carried 4-0-1 with Director Yackle abstaining since she was not in attendance at the meeting.

Consent Agenda Item 9e (Approve Pay Application Number One from Fazzone Construction for sign project). Consideration of this item was tabled with direction to staff that the matter be placed on the Board's agenda for the May 22, 2008 meeting. The Board also requested that a representative of the contractor be present at the meeting if the sign/marquee at the Community Center is not completed by Friday, May 16, 2008.

Consent Agenda Item 9g (Approve Systems Administrator job description). Director Yackle moved to approve the Systems Administrator job description. The motion was seconded by Director Grahl, and passed 5-0.

Consent Agenda Item 9h (accept conveyance of Lot 3, Sendero Springs Section 5 from Hy-Land North Joint Venture in accordance with easement agreement). After discussion, Director Yackle moved to accept the dedication of Lot 3, Sendero Springs Section 5 from Hy-Land North Joint Venture. The motion was seconded by Director Grahl, and passed 5-0. At this time, the Board directed staff to put trail matters on the next meeting agenda.

Consent Agenda Item 9i (approve commencement of plans, specs and bidding for Phase II disc golf parking lot project). After a brief presentation, Director Tullos moved to approve the preliminary design of the Phase II disc golf parking lot, and to authorize the engineering consultants to proceed with securing regulatory approvals and preparation of a bid package. The motion was seconded by Director Grahl. The motion passed 5-0.

#### Recess

President Tisch recessed the meeting at 8:50 p.m. He reconvened the meeting at 9:05 p.m. with all Board members present

#### Agenda Item 10: Second Quarter Financials

John McLemore presented his public comment at this time. He requested a definition of retained earnings, discussed the inability to review Board packet documents in color on the archive website, and noted that there were some scanning errors with respect to some information in the packet.

Under Agenda Item 10a (Consideration of second fiscal quarter Variance Report and budget adjustments), Mike Petter presented a quarterly variance report and proposed budget amendments. The Board requested that he proceed with preparation of an amended budget, to be placed on the next consent agenda. Direction was given to the

General Manager to present the second quarter financial report to staff at the next brown bag meeting.

Agenda Item 10b (Consideration and approval of second fiscal quarter Financial Report). Director Tullos moved to approve the second quarter financial report. The motion was seconded by Director Tisch, and carried 5-0

Agenda Item 10c (Consideration and approval of disbursement reports for the months of January, February and March). No action was taken regarding this matter after the Board determined that these reports were approved at a previous Board meeting.

Agenda Item 10d (Consideration and approval of Second Quarter 2008 Investment Report). Director Tullos moved to approve the Second Quarter 2008 Investment Report. The motion was seconded by President Tisch, and carried 5-0.

Agenda Item 11: Discussion and possible action concerning update of Customer Service Department

After receipt of a report and discussion, the Board directed Staff to submit program application and registration forms to legal counsel for review. Further direction was given to staff to review the customer service department plan approved by the Board in comparison to the plan implemented by staff and report back the findings at a future board meeting. The Board requested that the review include an evaluation of job descriptions and organizational structure approved by the Board versus job duties currently assigned. No other action was taken regarding this item.

Agenda Item 12: Discussion and possible action concerning formation of subcommittee for transition, education and completion of bylaws.

Director Shermer moved to create a Bylaws Committee and appoint Directors Tullos and Grahl to that committee. The motion was seconded by Director Tisch, and passed 5-0.

Agenda Item 13: Discussion and possible action concerning staff and Director travel policy

Director Tullos moved to approve staff and director travel policies in the forms presented in the Board Packet, provided the pre-authorization requirement was removed from the Board travel form. The motion was seconded by President Tisch, and carried 5-0.

Agenda 14: Discussion and possible action concerning District holiday operating hours

After discussion, the Board requested Staff to determine the financial impact of the holiday schedule presented, particularly with respect to payment of overtime costs. The Board also asked staff to clarify the District's official holiday schedule. The Board requested that this be placed on a future meeting agenda. No other action was taken on this item.

Agenda Item 15: Discussion and possible action concerning guidance to the General Manager regarding information to be included in the quarterly report

Staff was directed to place this item on the June 22<sup>nd</sup> Board Workshop Agenda.

Agenda Item 16: Board Committee and Staff Reports

BCWA Joint Events. Tom Clark summarized the recent meeting that was conducted with BCWA representatives regarding insurance requirements for joint events.

Finance Committee. Director Tullos provided a brief summary of the Finance Committee meeting.

Staff Reports. The Board directed staff as follows after receipt of reports:

1. For staff to verify that Gen Cap's construction is in accordance with all applicable deed restrictions.
2. For staff to add the BRA Regional Water Line Project to the May 22<sup>nd</sup> Agenda.

Agenda Item 17: Adjournment.

Director Grahl moved to adjourn the meeting. Director Shermer seconded the motion, which was approved unanimously. The meeting was adjourned at 12:12 a.m

  
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Russ Shermer, Board Secretary