

**MEETING MINUTES OF THE BOARD OF DIRECTORS OF
BRUSHY CREEK MUNICIPAL UTILITY DISTRICT**

August 8, 2009

A special meeting of the Board of Directors of Brushy Creek Municipal Utility District was held on the 8th day of August, 2009 at 8:00 a.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 8:17 am with Directors Paul Tisch(President), Rebecca Tullos(Treasurer), Cris Yackle(Vice-President), Russ Shermer(Secretary) and Bob Grahl(Asst Secretary/Asst Treasurer) present. General Manager Tom Clark and other staff were also in attendance.

Agenda Item 2a: Consent Agenda: Approve Amendment to Rate Order:

A motion was made by Director Yackle to approve the amendment to the Rate Order for meter fees in the form contained in the Board Packet. The motion was seconded by Director Grahl and the motion passed unanimously.

Agenda Item 10: Discussion and possible action concerning Proposed Changes to Williamson County Security Patrol Agreement.

The Board then discussed Sheriff's security patrols within the District. No action was taken on this item.

Agenda Item 11: Discussion and possible action concerning Approval of Letter Authorizing RBC Capital Markets to Terminate the Relationship as Financial Advisor and act as Underwriter for the \$8,435,000 Series 2009 Unlimited Tax Refunding Bonds.

After discussion, a motion was made by Director Grahl to authorize RBC Capital Markets to terminate its relationship as Financial Advisor and act as underwriter for the \$8,435,000 Series 2009 Unlimited Tax Refunding Bonds. The motion was seconded by Director Yackle and the motion passed 5-0.

Agenda Item 9: Discussion Regarding Regulatory Cost Center (Storm Water Management).

The Board then discussed staff's recommendation to develop a position for an additional FTE to monitor the Storm Water Program and to oversee the Water Conservation and Backflow Program in addition to other tasks. Staff was directed to present this item to the Water and Wastewater Committee and to place this item on the August 27, 2009 Board agenda. No other action was taken on this agenda item.

Agenda Item 3: Discussion Regarding Board Goals and Objectives – Review.

- Agenda Item 4: Discussion Regarding What is Not Included in the FY 2010 Budget;
Agenda Item 5: Discussion Regarding Obstacles and Opportunities in Developing the FY2010 budget.
Agenda Item 6: Discussion Regarding Funding Plans Approved in February 2009 – Review.
Agenda Item 7: Discussion Regarding Funding Alternatives.
Agenda Item 8: Discussion Regarding FY2010 Proposed Budget.

Tom Clark gave a brief introduction regarding the preliminary budget to be presented to the Board. Mike Petter then presented the following information to the Board: (i) budget overview; (ii) what's not included in the FY2010 budget; (iii) opportunities and obstacles; (iv) funding plans; (v) alternative funding; (vi) overview of the Capital Fund; (vii) overview of the Debt Service Fund; and (viii) overview of the General Fund. The Board then asked questions and discussed potential revisions to the preliminary budget.

The Board created a "bucket list" of items to include or eliminate from the preliminary budget. The list includes approximations of the costs associated with each item and Staff was directed to update the amounts and to identify items which could be paid from Builders Park Fees.

Recesses – The Board recessed the meeting at 8:54 a.m. The meeting reconvened at 9:15 a.m. After further discussion, the Board again recessed the meeting at 10:14 a.m. until 10:20 a.m. at which time the meeting reconvened. The Board then recessed the meeting again at 11:54 a.m. and reconvened at 12:25 p.m. The Board then recessed the meeting at 3:43 p.m. The meeting reconvened at 3:53 p.m. and the Board continued discussions regarding the preliminary budget.

Director Tisch left the meeting at 3:09 p.m.

As a result of meeting discussions, Staff was further directed as follows:

- Identify projects in the 2009 budget which will carry over into the 2010 budget and include those items as a line item in the 2010 budget.
- Update costs in the ABC prioritization list, remove completed items from the list, include justification for each item on the list, note whether the item is a replacement or a new item, and complete the justification forms by August 27th.
- Add the District mowing schedule to the August 27th Board meeting Agenda.

Agenda Item 12: Adjournment

Director Shermer made a motion, seconded by Director Grahl, to adjourn the meeting at 5:08 p.m. The motion carried 4-0, and the meeting adjourned.



Russ Shermer, Board Secretary