

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

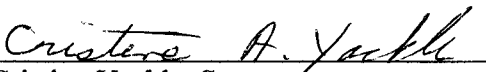
March 2, 2006

A special meeting of the Board of Directors of Brushy Creek Municipal Utility District was held on the 2nd day of March 2006 at 7:00 p.m., in the District's office, 16318 Great Oaks Drive, 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.

1. President Widacki called the meeting to order at 7:37 PM and established a quorum consisting of Vice President Larry Buchanan, Secretary Cristine Yackle, Treasurer Allen Gaetjens and Asst Treasurer Rebecca Tullos. Also present were Interim General Manager AJ Olson, and General Counsel Tony Corbett.
2. At 7:38 PM, President Widacki announced that the Board would go into Executive Session pursuant to Subchapter D, Chapter 551, Texas Government Code, Texas Open Meetings Act to seek legal opinions and advice regarding Agenda Items II.A. (review of District staffing), II.B. (review proposal by Alice Dendinger), and to discuss the duties and reassignment of individual employees with respect to Agenda Item II.C. (personnel matters). Executive Session ended at 8:50 P.M. President Widacki left the meeting at this time. Director Buchanan convened the meeting at 8:51 PM with a quorum consisting of Directors Buchanan, Yackle, Gaetjens, and Tullos. He announced that no final action, decision or votes had been taken in Executive Session.
3. Director Buchanan made a motion to terminate all agreements with the Alice Dendinger Alliance Group effective immediately. Director Gaetjens seconded the motion which passed, with all present voting for the motion. Director Buchanan then made a motion to appoint Interim General Manager Olson, Director Tullos and Director Buchanan to a subcommittee to discuss duties, employment, evaluation, reassignment and responsibilities of individual District employees and to bring recommendations back to the Board for discussion and action. The motion was seconded by Gaetjens, and passed unanimously.

At 8:55 P.M., a motion was made by Director Gaetjens and seconded by Director Buchanan to adjourn the meeting. Motion carried. All present voted aye.

Vice President Buchanan adjourned the meeting at 8:55 P.M.


Cristine Yackle, Secretary