

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

March 23, 2006

A regular meeting of the Board of Directors of Brushy Creek Municipal Utility District was held on the 23rd 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. Vice President Buchanan called the meeting to order at 7:04 PM and established a quorum consisting of President Steve Widacki, Secretary Cristine Yackle, Treasurer Allen Gaetjens and Asst Treasurer Rebecca Tullos. Also present were Interim General Manager AJ Olson, Deputy Secretary Teresea Schade, District Engineer Jimmy Griffith and General Counsel Tony Corbett.
2. The Board then received Citizen comments. A citizen spoke regarding the District's indebtedness. Chair Sarah Fournie of the Brushy Creek Women's Forum told the Board of Directors that the Association would not be holding a Candidates Forum this year.
3. The next item of business was action regarding a separation agreement with Mike Taylor. Mike Taylor addressed the Board at this time reading a prepared statement. At 7:16 PM, Vice President Buchanan 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 Item VII.A. and B. (separation agreement with Mike Taylor). Director Tullos did not attend the executive session. Executive Session ended at 7:37 P.M. Vice President Buchanan convened the meeting at 7:39 PM with a quorum consisting of Directors Buchanan, Yackle, Widacki, Gaetjens, and Tullos. He announced that no final action, decision or votes had been taken in Executive Session.
4. Director Buchanan made a motion seconded by Director Widacki to authorize forming a subcommittee (Directors Buchanan and Gaetjens) to consult outside legal counsel regarding the separation agreement. The motion passed, with Directors Widacki, Buchanan, and Gaetjens, voting for the motion, Director Yackle voting against. Director Tullos abstained.
5. The Board then discussed personnel matters. Director Buchanan made a motion to adopt the District organizational chart and salary ranges as presented by the subcommittee. Director Widacki seconded the motion which passed with Directors Widacki, Buchanan, Gaetjens, and Tullos voting for the motion. Director Yackle against the motion. Director Buchanan made a motion to approve the position descriptions with certain amendments specified by the Board. Director Tullos seconded the motion which passed, with Directors Widacki, Buchanan, Gaetjens, and Tullos voting for the motion. Director Yackle against. Director Widacki left the meeting at 7:42 PM.
6. The Board then received Citizen Advisory Committee Reports. Water/wastewater Committee Chair Paul Tisch reported the Open House for the Water Treatment Facility would be May 6, 2006 2-6 PM. The Committee has also set the regular meeting date to be the third Monday of each month.
7. The next item of business was the consent agenda. Items A (minutes) and F. (sequel software) were removed from the consent agenda. (i) Director Yackle made a motion to approve the remaining consent agenda items. Director Gaetjens seconded the motion which passed, with all present voting for the motion. (ii) Director Tullos then made a motion to approve the meeting minutes with amendments specified by the Board. Director Buchanan seconded the motion which passed with all present voting for the motion. (iii) Director Yackle made a motion to approve the purchase of sequel

server software in an amount not to exceed \$5500. Director Tullos seconded the motion which passed, with all present voting for the motion.

8. The Board of Directors next discussed the transfer of District funds. Director Tullos made a motion, seconded by Director Yackle to authorize the transfer of District funds in the amount of \$105,920.09 to the Interest and Sinking Fund Account. The motion passed with all present voting for the motion.
9. The next item of business was the sign at Brushy Creek North. Staff was directed to place the sign north of Behrens Ranch road.
10. Brushy Creek MUD Directors then discussed landscaping improvements at the Community Park and Pepper Rock Park. Director Tullos made a motion to approve the expenditure of District funds for landscaping improvements in the amount of \$1500 for the Community Park and \$4000 for Pepper Rock Park. The motion was seconded by Director Buchanan and passed unanimously.
11. The next item of business discussed was financial matters. Director Gaetjens made a motion seconded by Director Tullos to approve the October, November and December 2005 financial reports. The motion passed with all present voting aye.
12. The Board then received Board Committee Reports. The Board agreed to remove item B. (Management/Salary Survey) from the agenda.
13. The Board then directed the Interim General Manager to implement the organizational chart for the Recreational Department effective immediately and the remainder upon the hiring of the Controller/HR Manager based upon a reasonable transition plan, and further, to adjust the salaries accordingly for the Recreation Center Office Assistant and the Fitness Coordinator.
14. At 9:26 PM, Vice President Buchanan 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 Item III.D. (personnel matters). Executive Session ended at 10:50 P.M. Vice President Buchanan convened the meeting at 10:50 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.

At 10:52 P.M., a motion was made by Director Buchanan and seconded by Director Gaetjens to adjourn the meeting. Motion carried. All present voted aye.

President Buchanan adjourned the meeting at 10:52 P.M.


Cristine Yackle, Secretary