

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

February 8, 2007

A regular meeting of the Board of Directors of Brushy Creek Municipal Utility District was held on the 8th day of February 2007 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.

Roll Call and Establishment of Quorum (Agenda Item I)

Vice President Paul Tisch called the meeting to order at 7:04 p.m. and established a quorum consisting of Vice President Paul Tisch, Secretary Cristine Yackle, Treasurer Rebecca Tullos, and Assistant Treasurer Larry Buchanan. President Steve Widacki was not present at the meeting. 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.

Citizens Communications (Agenda Item II)

The first order of business was Citizens Comments. Mr. John McLemore asked questions regarding whether meeting minutes are reviewed by the auditor and regarding the status of preparation of certain meeting minutes. No other comments were received.

Presentation Regarding Visiflow Website Search Engine (Agenda Item VI)

Lori Curran then provided a presentation to the Board of Directors regarding the new search engine software in the process of implementation that was intended to improve access to documents on the District's website for District staff, board members and the public. No action was taken by the Board of Directors regarding the matter.

NuStats Customer Telephone Survey (Agenda Item VII)

The Board of Directors then received a presentation from a representative of NuStats regarding the survey that it conducted regarding the satisfaction, importance and value of services to District customers. Upon conclusion of the presentation, the Board requested that final reports be furnished to the District.

Fiscal Year Audit (Agenda Item IX)

The Board of Directors then considered approval of the District's fiscal year audit. A Anna Swenson, from Sprouse & Anderson (the District's auditor), presented the audit to the Board of Directors. Upon conclusion of the presentation, Director Buchanan made a motion that the Board of Directors approve the audit as presented. The motion was seconded by Director Tullos, and passed unanimously.

Citizen Advisory Committee Matters (Agenda Item IV)

The Board then received Citizen Advisory Committee Reports. Robyn Barde presented a report on behalf of the Parks Committee. No other committee reports were presented.

Consent Agenda (Agenda Item V)

The Board next considered approval of the Consent Agenda. Director Tullos requested that approval of the December 4, 2006 minutes be pulled from agenda item (a). She also requested that consent agenda item (d) be pulled (approval of a resolution closing the 2004 Bond Escrow Bank Account). Director Yackle requested that Consent Agenda item (c) be pulled (approval of an amendment to the District's Personnel Policies).

Upon a motion by Director Yackle, seconded by Director Buchanan, the Board of Directors unanimously approved the remaining consent agenda (consisting of the following items: (i) approval of meeting minutes (10/12/06 and 01/11/07); (ii) approval of resolution designating an additional meeting place; (iii) approval of amended order declaring former wastewater treatment plant site to be surplus property and authorizing exchange thereof for other lands; and (iv) declare one couch and two chairs as surplus property.

After pointing out that the minutes for the December 4, 2006 meeting were in the supplemental handout, Director Tullos moved for approval of the meeting minutes. The motion was seconded by Director Yackle and approved unanimously.

Director Tullos then moved for approval of consent agenda item (d) provided the resolution was amended to clarify that remaining funds in the 2004 Bonds Escrow Account were transferred to the 2004 Bonds Construction Fund. The motion was seconded by Director Buchanan, and passed unanimously.

With respect to Consent Agenda Item (c) (revisions to the personnel policies), General Manager Tom Clark presented some revisions to the proposed changes to the personnel policies based on comments he received from Director Yackle. Thereafter, Director Yackle moved for approval of the proposed revisions to the personnel policies with the additional revisions. The motion was seconded by Director Buchanan and approved unanimously.

Request for Exemption from Grading Plan Requirement (Agenda Item VIII)

The Board next considered the request for exemption from the FHA grading plan requirement that had been submitted by Highland Horizon. Upon the recommendation of General Manager Clark, Director Buchanan made a motion that the District approve the exemption request provided that District's Public Works Director approves the proposed drainage for the project. The motion was seconded by Director Yackle and approved unanimously.

Financial Matters (Agenda Item X)

The District's Controller provided a report to the Board of Directors regarding his efforts to consolidate and close District bank accounts, particularly those related to surplus and escrowed bond proceeds for construction projects that have been completed by the District. He also provided a brief status report regarding the status of preparation for the proposed refunding bond issue. The Board requested that approval of issuance of the refunding bonds be placed on

future meeting agendas so that the bonds could be sold when market conditions are optimal. No other action was taken by the Board.

AWBD Winter Conference Reports (Agenda Item XI)

Director Yackle provided a brief report of the AWBD Winter Conference that she attended.

Committee Reports (Agenda Item XII)

General Manager Tom Clark provided a brief status report regarding developments with respect to the Board committees. No action was taken by the Board regarding the reports.

Staff and Consultant Reports (Agenda Item XIII)


The Board received reports from the General Manager, Public Works Director, Recreation Manager and Controller. No action was taken regarding these matters.

Bylaw Committee (Agenda Item XII(g))

At this point, Director Buchanan briefly requested that the Board return to Agenda Item (XII(g)). He requested that the Bylaws Committee consider including a provision in the bylaws for each committee that provides for the preparation of reports from each committee meeting that could be furnished to the Board. He explained that this would allow the Board to better understand the issues and recommendations of the committees, ensure the committees were acting in accordance with Board direction, and provide for more efficient Board meetings. Other members of the Board concurred in this direction.

Adjournment (Agenda Item XVIII)

At 9:30 p.m., a motion was made by Director Buchanan to adjourn the meeting. The motion was seconded by Director Tullos, and passed unanimously. Vice President Tisch adjourned the meeting at 9:0 p.m.


Cristine Yackle, Secretary