

Minutes
Lakeway Municipal Utility District
Board of Directors Meeting
January 8, 2020

The Board of Directors met in REGULAR session at 9:30AM at 1097 Lohmans Crossing, Lakeway, Texas, with the following:

Directors Present: Lawrence Christian
 Jerry Hietpas
 Don Goff
 John Sayre

Directors Absent: Larry Burmeier

Staff Present: Earl Foster
 Loyd Smith
 Roger Fry
 Stephanie Threinen

QUORUM

1. Determine Quorum and Call to Order

Meeting was called to order at 9:30 AM.
Hietpas declared a quorum of Directors present.

2. Pledge of Allegiance was led by Hietpas.

CITIZENS

3. None

AGENDA ITEMS:

4. Discussion and possible action to approve work on generators.

- Foster explained that through PM on the generators and load banks, items were identified that need repairs; those repairs exceed \$10K, which is the GM limit for authorization. The amount requested is \$11,073.51.
- Hietpas asked how many generators LMUD has.
- Roger Fry, Wastewater Supervisor, replied that there are 7 generators; 2 at S-4, 1 at S-5, and 4 others in different locations throughout the District.
- Goff asked about the longevity of generators; Foster replied they could last 30-50 years. The Cat generator at S-4 has been there since 1995.

- Sayre asked about painting; Fry said we paint ourselves as we get to it saying the paint is mainly cosmetic.
 - Sayres asked if we use one company; Fry responded we get prices from two, and use them both periodically.
 - Sayre moved to approve the expenditure as presented; Goff seconded.
 - General Board Discussion
 - Motion passed unanimously.
5. Discussion and Possible Action to revise irrigation schedule using the last digit of addresses.
- Foster explained addresses ending in 0-3 would irrigate Mon/Thurs, 4-6 Tues/Fri, 7-9 Wed/Sat, and commercial Tues/Fri. He noted that the other water utilities serving Lakeway use this schedule, so it will be less confusing to the public. He also noted that this schedule will provide a more even usage throughout the week rather than the peaks and valleys we now experience. Foster requested that the new schedule be effective immediately.
 - Goff asked if the Tues/Fri schedule would impact pressure; Foster said no.
 - Hietpas noted that LMUD's goal is to move irrigation to wastewater and to turn all wastewater into a revenue stream.
 - Sayre asked what the reduction is in maximum capacity, which should be about 1/3; Foster said probably at least 1/3, but he didn't know for sure.
 - Sayre asked if there was cost savings; Foster replied perhaps some overtime savings, but the main savings will be cost avoidance.
 - Goff moved to approve the new schedule as presented effective immediately; Christian seconded.
 - General Board Discussion.
 - Motion passed unanimously.
6. Discussion and possible action to approve Leak Relief for 6 Chandon Lane.
- Foster reviewed the request and noted the customer had complied with all guidelines to receive the adjustment, and that staff had approved the request. Foster noted that any leak adjustment request over \$2K must be approved by the Board.
 - Sayre asked if we could have detected the problem earlier; Foster replied not with the meter system we have now, but that we are looking a new system that would alert us within a couple of days of the leak starting.
 - Sayre moved to approve the leak adjustment as presented; Christian seconded.
 - General Board discussion.
 - Motion passed unanimously.
7. Discussion and possible action to approve Easement for Multi-Family lot next to Police Station.

- Foster reviewed the request from HSD-Lakeway Holdings, LLC for Lakeway MUD to grant an easement in order for a lift station to be placed in this location providing wastewater services to the area as presented in the December Board meeting. He noted that this easement would eventually become a part of the Right of Way, and that in all likelihood if another developer were to take over the project they would continue along the same path.
 - Hietpas said there is no thought that anyone will walk away. If HSD owned the land, this would be part of the Right of Way. The only reason this is an issue is the timing of the closing on the remaining land.
 - Goff asked what price LMUD should put on the transaction; Foster replied he thought \$2K would be reasonable.
 - Hietpas said LMUD doesn't need additional money because of events, and this does not affect the value of the land.
 - Christian moved to approve the easement at a price of \$2K; Goff seconded.
 - General Board discussion.
 - Motion passed unanimously.
8. Discussion and possible action to approve quote for Palos Verdes S-4 transfer pump replacement.
- Foster explained that LMUD needs to replace 1 of 3 transfer pumps and repair the others.
 - Sayre asked if these were stainless steel; Foster replied no, that they are cast iron.
 - Fry said cast iron is the norm, with a painted coating. LMUD also uses Epoxy Coating.
 - Hietpas asked if these could be stainless; Fry responded that he would hate to see the cost, and that one might be available but he has never seen or heard of one.
 - Foster noted that two quotes were obtained, but the quote from Elite is turnkey, and the other quote is not.
 - Sayre moved to approve the Elite quote as presented; Goff seconded.
 - General Board discussion.
 - Motion passed unanimously.
9. Discussion and possible action on Report from General Manager about May 2, 2020 Regular Election.
- Foster reviewed the terms that will be ending in May to include Christian, Goff, and Sayre. He explained that if no one else applies for a position on the ballot, those three Board members would be elected by default and there would be no election which would save LMUD approximately 25K.
 - Hietpas noted he felt it was good for LMUD to have an election.
 - Goff moved to approve the election dates as presented; Sayre seconded.
 - General Board discussion.
 - Motions passed unanimously.

10. Discussion and possible action on Progress of Out of District pressure sewer system for the first 17 sections of Lakeway Phase 1.
 - Foster presented the Lift Station and Force Main project schedule showing a bid date of March 3, 2020, and noted work is still being done on the easement on Live Oak. Six houses on Seawind plus 108 Rocket are now connected, bringing the total new hook-ups close to 40. Pipe is being laid on Porpoise Park now.
 - Sayre noted that 40 hook-ups to date validates the need for the service.
 - Foster said we are laying main lines now that will be used to connect many homes when completed.
 - Threinen reviewed the progress, and said we are basically on schedule at this point.
 - General Board discussion.
 - No action was taken.

11. Discussion and possible action on LMUD Logo adding 48 years.
 - Foster displayed the suggested new logo displaying the 48 years and said the reason for this temporary logo was to highlight the Historical Marker that will be unveiled on Feb 12, 2020 as part of the Regular Board meeting. He affirmed the logo would only be used this year.
 - Christian moved to approve the use this year of the temporary logo as presented for a period of time as appropriate; Sayre seconded.
 - General Board discussion.
 - Motion passed unanimously.

12. Discussion and possible action on Financials, Calendar
 - Foster reviewed financials and said we are off to a good start in FY20 with strong revenue.
 - Hietpas asked about Capital Projects; Foster replied we are working on cost now; some costs are double what they were not too long ago.
 - Hietpas noted we may have to rethink some spending if costs are double.
 - Reminder to all that March meeting has been moved to March 4.
 - No action was taken.

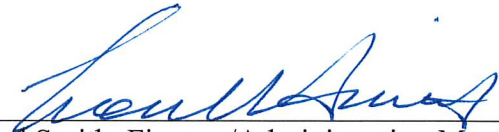
CONSENT AGENDA- The following consent items may be approved by one Board vote. Any Director may pull consent items from the consent agenda for discussion.

Christian moved to approve the consent agenda; Goff seconded. Motion passed unanimously.

13. Approve Minutes of Regular Meeting on December 11, 2019.
14. Approve Expenditures over \$25K.

ADJOURNMENT

The meeting was adjourned at 10:58AM



Loyd Smith, Finance/Administration Manager

Minutes approved on the 12th day of February 2020.



Larry Burmeier, President, Board of Directors

ATTEST:



Don Goff, Secretary, Board of Directors

