

Action Minutes
Lakeway Municipal Utility District
Board of Directors Meeting
November 18, 2009

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

Directors Present:	Kay Andrews Jerry Hietpas Allan Hitchcock Tom Priddy Tom Rogers
Staff Present:	Margaret Cathey Richard Eason
Others Present:	Mike Willatt, Attorney

QUORUM

1. Determine Quorum and Call to Order.

President Rogers declared a quorum of Directors present and called the meeting to order. All Board meetings are video-taped and recorded and subsequently posted on the website.

CITIZENS

2. Kay Andrews (1135 Challenger).

AGENDA ITEMS

3. Agreement for Wholesale Wastewater Service with WCID #17.

- Staff Report – WCID #17 is asking for a two year extension due to the economy.
- Citizen Participation – Elsa Hopkins (705 Mariner); Linda Sandlin with WCID #17
- Board discussion/action – Priddy made a motion to authorize the President and General Manager to negotiate the two year extension. Hietpas seconded the motion. Motion passed unanimously.

4. City of Burnet Wastewater Discharge Amendment.

- Staff Report – City of Burnet currently uses land application for wastewater disposal and now wants to discharge.
- Citizen Participation – Buddy Cook (710 Rolling Green)
- Board discussion/action – Hitchcock made a motion to confirm Eason’s letter to the TCEQ opposing discharge and supporting a no-discharge permit for the City of Burnet. Andrews seconded the motion. Motion passed unanimously.

5. Rate Order Amendment.

- Staff Report – Updated the cost of production in the Order to \$1.06.
- Citizen Participation – none
- Board discussion/action – Hietpas made a motion to approve the amendment. Priddy seconded the motion. Motion passed unanimously.

6. Plumbing Order Amendment.

- Staff Report – Updated the Order to put a time limit on permits.
- Citizen Participation – none
- Board discussion/action – Andrews made a motion to approve the amendment. Hitchcock seconded the motion. Motion passed unanimously.

7. Review of Investment Policy.

- Staff Report – Annual review must be done in November.
- Citizen Participation – none
- Board discussion/action – Hitchcock made a motion to approve the Resolution of no change. Priddy seconded the motion. Motion passed unanimously.

8. Review of Financial Policy.

- Staff Report – Staff is recommending that we increase the maximum balance at the end of the month to \$400,000. Excess revenue at the end of the fiscal year is ~\$88,000. ~\$46,300 must be transferred to P&I, with ~\$41,700 remaining.
- Citizen Participation – none
- Board discussion/action – Hitchcock made a motion to approve the Order increasing the amount to \$400,000. Hietpas seconded the motion. Motion passed unanimously. Hitchcock made a motion to transfer the remaining ~\$41,700 to the rate stabilization reserve. Hietpas seconded the motion. Motion passed unanimously.

9. Community Advisory Committee.

- Staff Report – The President stated that this Committee is being established by the recommendation of Senator Kirk Watson.
- Citizen Participation – Karen Bradford (936 Vanguard); June Shaar (616 Rolling Green); Elsa Hopkins (705 Mariner)
- Board discussion/action – Hitchcock made a motion to establish the Committee. Priddy seconded the motion. Motion passed. Hietpas and Andrews voted no.

10. Review of Orders, Policies and Resolutions.

- A. Supplemental Mailing Policy.
- B. Boil Water Notice Procedure.

- C. Application for Easement Release.
- D. Committee Meeting Advisory.
- E. Non-Payment Cutoff Procedure.
- F. Waiver Criteria.

- Staff Report – Staff reported only a few minor amendments to some of the policies.
- Citizen Participation – none
- Board discussion/action – Hitchcock made a motion to approve all of the policies. Priddy seconded the motion. Motion passed unanimously.

CONSENT AGENDA – Hitchcock made a motion to approve the consent agenda items. Hietpas seconded the motion. Motion passed. Andrews voted no.

- 11. Approve Minutes of Regular Meeting of October 21, 2009.
- 12. Approve Minutes of Special Meeting of October 27, 2009.
- 13. Approve Cash Disbursements and Payroll Journal for October 2009.
- 14. Approve Financial Report for September 2009 (draft/pre-audit).
- 15. Approve Quarterly Report of Funds Summary (July – September).
- 16. Approve District Information Form.

17. GENERAL MANAGER’S REPORT.

A. Water facilities including barges, pipelines, treatment plants and distribution systems.

i. W-3 Office Building bid.

- Staff Report – Chad Pierce presented an overview of the project and the bid tabulations.
- Citizen Participation – Elsa Hopkins (705 Mariner); June Shaar (616 Rolling Green); Bill Rhue (306 Golfcrest); Joy O’Conner (509 Ladin); Alan Tye (1228 Challenger)
- Board discussion/action – Priddy made a motion to accept the low bid of \$421,000 and move forward with the project. Hietpas seconded the motion. Andrews made a motion to table the item. Motion died for lack of a second. Original motion passed with Andrews voting no.

B. Wastewater facilities including collection systems, pipelines, treatment plants, holding ponds and irrigation systems.

C. Capital Improvements Plan.

D. Administration.

i. Eason Employment Contract.

- Staff Report – President reported on proposed changes to current contract.
- Citizen Participation – June Shaar (616 Rolling Green); Karl Ansbach (201 Picea); Alan Tye (1228 Challenger); Charles Edwards (1205 Lakeway Dr.)

Recessed into Closed Session at 11:36 a.m. pursuant to Texas Government Code:
Sec. 551.074 – Personnel Matters
Reconvened into Open Session at 12:04 p.m.

- Board discussion/action – Hietpas made a motion to authorize the contract for Eason with two changes to the draft; 1) the term of the contract will automatically renew on 10/1 each year unless the Board decides differently and 2) Eason will continue to receive a monthly auto allowance of \$500 plus the annual COLA beginning when this amount first began. Hitchcock seconded the motion. Motion passed unanimously.

E. Engineering.

ADJOURNMENT

The meeting was adjourned at 12:05 pm.

Respectfully Submitted,

Margaret A. Cathey, Assistant Secretary/Treasurer

Minutes approved on the _____ day of _____, _____.

President, Board of Directors

ATTEST:

Secretary, Board of Directors