

Lakeway MUD Land Committee

Agenda for 2/1/2011

1. We would like to understand the relationships between the MUD's capacity for treating wastewater, using evaporation ponds and cedar tracts, and LUEs.
2. We want to know what portions of land in both cedar tracts are actually sprayed.
3. We would like to discuss the feasibility of using the Thomas tract (7.8 ac) for spraying.
4. We would like a review of the discussion that took place a year ago on having land owned by Haythem used for spraying that would free up CT-1 for development.
5. We would like to understand the contracts that the MUD has with the golf course and others to use treated wastewater. What is the relationship between this usage and the need for cedar tracts?
6. We want to discuss our proposals for the following parcels:
 - a. 129 Schooner – does the City of Lakeway have any “swappable” land that the MUD would want.
 - b. 132 Hurst Creek – does anything prohibit this property being declared surplus
 - c. 223 Clubhouse – same as above
 - d. Other parcels – Stoney Creek, Lakeway Marina, etc. – is there any history that would keep them from being declared surplus.
7. Obtaining an appraisal of the properties in number 6 above including how to select an appraiser.
8. Obtaining a Highest and Best Use estimate for the land along Lakeway Blvd in front of the water treatment plant.

Minutes

The meeting was held on February 1, 2011 in the LMUD Board Room.

Attendees: Earl Foster (by phone), Karl Ansbach, Jerry Hietpas, Nick Renneker, Charles Edwards, and Bob Knaus.

1. A capacity study is underway to determine the volume of wastewater per resident at the S4 and S5 treatment plants. There is also a study to project the future needs for S5 as Rough Hollow and the Highlands build out. The two existing cedar tracts support S4 only and are needed when the impoundment ponds threaten to overflow, for example, due to heavy rains. Currently, the need for disposing of treated wastewater for S5 is accomplished by spraying at the Live Oak Golf Course. When the capacity document is ready it will be distributed to the Land Committee who will then schedule a meeting for its review.
2. Both cedar tracts are entirely used to dispose of treated wastewater as necessary. There is no provision for using land that fronts RR 620 in CT-2.
3. There are 262 acres of land, identified within the tract developed by Haythem Dawlet that could become cedar tract in support of plant S5. This could impact the need for CT-1 someday. There is no additional need for cedar tracts and thus the Thomas tract is not needed for this purpose.
4. The 262 acres within “Rough Hollow” that has been permitted as a cedar tract would be used to support the expansion of S5. Increasing the capacity of S5 is part of the original agreement where Haythem Dawlet built the treatment plant and turned it over to the MUD. Other means of supporting the dispersal of treated wastewater exist and can be pursued, e.g. landscape watering along Rough Hollow and Highlands Blvd, and have an impact on the eventual use of the cedar tract. This land has the capacity to be used instead of CT-1.

5. The capacity study that Earl said is just concluding will help us understand the existing contracts with the golf courses and the "210" customers. Earl stated that the current contract with the golf course does not force them to take a certain amount of treated wastewater, although that was true in the past.
6. Of the three parcels which are empty city lots, 129 Schooner is already declared surplus, 132 Hurst Creek will be determined to be surplus at the next LMUD Board meeting and 223 Clubhouse has been determined to be of continuing use to the MUD and will not be recommended as surplus by the Land Committee. This will be confirmed in a separate email from the Committee to the Board President. The Land Committee will continue its investigation into other parcels with the next being the property adjacent to Lakeway Marina. This property also contains lift station L-1.
7. It was decided to obtain an appraisal of both 129 Schooner and 132 Hurst Creek preferably by using an appraiser that has already been approved by the MUD. In addition, the Land Committee will pursue identifying an appraiser that can determine the possible uses and value of other MUD properties including CT-1 and the front section of W-3 on Lakeway Blvd. To that end we will prepare and RFP for approval by the Board.
8. The following information was obtained a day after the meeting:

Bob Knaus reviewed the two appraisals that were done by Paul Hornsby and Co. on the Thomas tract and CT-1.

The Thomas tract was appraised on 3/31/2008 for \$300,000. Some of the significant assumptions were that this property would not have sewer service and that it would get water service from WCID 17. Access to the property was by road in the easement as well as at the terminus of Madrone Summit Cove – a to be developed property just to the north of the easement road. The report states that on 1/2/2008 a bid of \$152,000 was offered by Jared Young, Managing Partner of Linda Vista of Lakeway LLC. One of the adjacent properties, on the south and south of the PEC facility, is owned by Ron White. The appraisers assumed R-1 zoning of 1 acre lots as highest and best use.

CT-1 was appraised on 10/24/2008 by Paul Hornsby and Co. The best use was stated as a mixed use development under PUD zoning. The appraisal covered 62.602 acres, which is L-shaped and does not include the 19 acres that is part of the Tuscan Hills PUD (i.e. what Haythem has under contract including the 5 ac in Amendment 15). The appraised value was \$10,910,000. One of the comparisons is the 41.2 acres across Lohmans Crossing called Tuscan Village. It sold (one or two years previously I think) for \$6,700,000.

Prepared by

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