

Minutes
Lakeway Municipal Utility District
Board of Directors Meeting
March 9, 2016

The Board of Directors met in REGULAR session at 9:34AM at 1097 Lohmans Crossing, Lakeway, Texas, with the following:

Directors Present:	Larry Burmeier Mel Neese Tom Brewer Kay Andrews Jerry Hietpas
Staff Present:	Earl Foster Loyd Smith
Attorney Present:	Sue Savage

QUORUM

1. Determine Quorum and Call to Order

Meeting was called to order at 9:34AM.
Burmeier declared a quorum of Directors present.

2. Pledge of Allegiance was led by Burmeier.

CITIZENS

3. None

AGENDA ITEMS:

Burmeier stated that the Board would go into Executive Session to discuss Agenda Item #8 as allowed by the Texas Open Meetings Act, Chapter 551 for the purpose of receiving legal advice (Section 551.070) and discussing real property matters (Section 551.072. Burmeier stated that Agenda Item #8 would be addressed first in the meeting.

8. Discussion/Action on Bid that was received for the approximately 82 acres of land Offered for sale by Lakeway MUD from HSD-Lakeway
- Burmeier said Citizen Participation would precede the Executive Session
 - Citizen Janna Fain, 604 Rolling Green, Lakeway, presented citizens' concerns with the future use of the land and the transition area between the land and Rolling Green. She asked when the site plan would be made public.

- Foster said no site plans had been submitted; the Developer is working that out with the City.
- Hietpas and Neese stated that Lakeway MUD would not be involved in future use.
- Foster stated Lakeway MUD would retain a 50 foot area between Rolling Green and the 82 acres.

The Board went into Executive Session at 9:40AM

The Board returned from Executive Session at 10:23AM

- Burmeier said there were some changes to be made to the contract and the Board would reconvene within the next week or so to finalize.
- Bill Hayes of HSD-Lakeway spoke regarding future plans for the land and said that Main Street would be part of the plan, but that no plans or discussion of Rolling Green had been addressed by HSD-Lakeway. He addressed a WCID 17 Capacity Study and a Phase I Environmental Study.
- Hietpas moved to approve changes to the contract: a reduction in price to \$12,513,318 based on the 50' Lakeway MUD will retain, a 6 month Feasibility Study with closing 30 days thereafter, and a cost to the developer if extended beyond 7 months of \$10,000 the first and second months and \$15,000 for the third, fourth, and fifth months, (for a total of \$65,000), contract signing to occur within 2 weeks of today's date, and authorize the President to sign the contract.
- Brewer seconded the motion; motion passed unanimously.

4. Discussion/action on Lakeway MUD Board of Directors Meeting Rules.

- Don Goff, Chairman of the APC Committee, reviewed proposed changes.
- Changes were requested by the Board follow:
- Article II-remove the word 'elected' in case of appointed Board Members.
- Article III-replace Committee Chair with Committee Representative
- Article V-1. Replace Committee Chair with Committee Representative
- Article V-2a. Replace 'are' with 'may be'.
- Article V-3f. Add 'After debate' at the start.
- General Board Discussion.
- Brewer moved to approve the Meeting Rules with suggested changes.
- Neese seconded; motion passed unanimously.

5. Discussion/action on Committee Appointments and Functions.

- Don Goff reviewed the proposed changes to the Committee Appointments and Functions.
- It was suggested that the second sentence of the document read "The Board Liaison will (changed from may) discuss the nominee with the appropriate committee or place on the agenda for Board action.

- Brewer moved to approve the Committee Appointment portion of the document; Neese seconded. Motion passed unanimously.
 - The Board made several suggestions about the Functions portion of the document:
 - Suggested that first bullet wording be changed from '*recommended*' to '*requested*' by the Board.
 - Suggested that second bullet point read "Review appropriate data and recommend to the Board budget merit percent increases for the next fiscal year".
 - Suggested that bullet point 5 read "Perform exit interviews for departing employees".
 - Suggested removing "or confirm" under Finance, third bullet point.
 - Suggested changing "semi-annually" to "monthly" under Finance, Bullet Point 5.
 - Neese moved to approve the Committee Appointments and Functions Document; no second.
 - Brewer moved to send the Functions portion of the document back to the APC Committee for further review and for the Committee to also review all Committee Resolutions; Andrews seconded.
 - Motion passed unanimously.
 - Burmeier complimented the work of all Committees and their value to LMUD.
6. Discussion/Action on Personnel Benefits and Compensation Survey and Analysis
- Foster gave an overview of the proposed Survey
 - Neese noted it has been 4 years since a survey was completed.
 - Andrews noted the Rural Water Association does a survey for their members and CASE may be interested in doing a survey in the future.
 - General Board Discussion
 - Neese moved that the Staff in concert with the APC Committee research and get proposals for the Survey and present the proposals at the next Board Meeting; Hietpas seconded.
 - Motion passed unanimously.
7. Discussion/Action on Insurance Claim and replacement of Vac-tron Capital Expenditure 16.01.
- Foster reviewed the loss of the Vac-tron via fire at the Dealer, and said insurance will pay up to \$32K for the replacement. Cost for the replacement machine will be approximately \$44K, a net cost to LMUD of \$12K+. Foster noted we have more than that set aside in the Capital Expenditure Budget for this Fiscal Year.
 - Brewer moved to approve the purchase; Hietpas seconded.
 - Motion passed unanimously.
9. Discussion/Action on Purchasing CD's 6 month, 12 month, 18 month, and 24 month per Lakeway MUD Investment Policy.

- Lawrence Christian, Chair of the Finance Committee, reviewed the Committees recommendation that the Board by \$1M in CD's in \$250K increments and in 6-12-18-& 24 Month Maturity timeframes.
- Hietpas moved that LMUD invest \$2M of the S-5 Expansion Fund in separate Banks in CD's maturing in 6-12-18-& 24 month increments and that the Investment appointees (Andrews, Foster, Smith) report back to the Board on what investments had been made; Neese seconded.
- Motion passed unanimously

CONSENT AGENDA:

Brewer moved to approve the Consent Agenda; Neese seconded. Motion passed unanimously.

10. Approve Minutes of Regular Meeting February 3, 2016.
11. Approve Bad Debt Write-Offs

FINANCIAL REPORT:

12. Financial Report
 - A. Discussion of Financial Report for January 2016.
 - B. Discussion of Budget versus Actuals through January 2016.
 - C. Discussion of Calendar March, April 2016.
 - D. Approve Excel Construction Pay Application #11- \$25,365.
 - E. Approve Release of Retainage to DM Tanks #9 Final-\$40,000.

ADJOURNMENT

The meeting was adjourned at 12:07PM.




Minutes approved on the 13th day of April, 2016.



 Loyd Smith, Office Manager



 President, Board of Directors

ATTEST:


 Secretary, Board of Directors