

Engineering and Operations Committee Meeting

Minutes

August 17, 2017

The E&O meeting convened at 1:32 P.M., Thursday, August 17, 2017, at the Lakeway Municipal Utility District's office located at 1097 Lohman's Crossing, Lakeway, Texas 78734-4459.

The following Engineering and Operations (E&O) Committee Members, General Manager (GM), and Board Liaison were in attendance:

Phil Lanier, *Committee Member (Chairperson)*,
Beverly Carter, *Committee Member*,
Earl Foster, *General Manager, Lakeway M.U.D.*,
Jerry Hietpas, *Board Member and Board Liaison to Committee*,
Bob Rives, *Committee Member (Secretary)*,
Wayne Seime, *Committee Member (Vice Chairperson)*.

In attendance,
John Sayre, *In-District customer awaiting Board approval as Committee Member*.

The meeting's agenda had been distributed by e-mail to all committee members on the morning of August 17, 2017. The designated agenda for the meeting was:

1. Review CRU pay Application #6, and construction Project Update,
2. Review Out-of-District Wastewater Project,
3. Other Business.

Mr. Lanier called the meeting to order and Mr. Foster began with the introduction of agenda item number one. Mr. Foster said that the Contractor's Application and Certificate for Payment #6 was approved for payment to CRU, Ltd., by the Board for \$126,000. The contractor is nearly finished despite the city building permit delay, late pump shipment, and delays due to rain. Mr. Foster noted that he subtracted \$10,000 from the application until such time that a test can determine if the laid concrete meet specifications. He also noted that the small capital projects for 2018 were approved by the Board as was the L-1 rehab mentioned in last month's minutes.

Regarding agenda item two Mr. Foster began by saying that he was receiving calls from Old Lakeway residences about possible connections to LMUD's future wastewater system. As a side note he reiterated that Lakeway M.U.D.'s logo is changing to LMUD and that the reason for this is to better distinguish between the City of Lakeway and Lakeway M.U.D. and to also help with

future marketing. He said too many people have indicated they thought that Lakeway M.U.D. was part of the City and as such would often send their payments and/or letters to the City of Lakeway instead of LMUD. Mr. Foster said that he had hired Stephanie Threinen under a six-month contract to help market the wastewater system for Old Lakeway residences. He said that he would be preparing a timeline or milestone schedule for the Old Lakeway wastewater project beginning two years from now with the start of construction and working backwards to the loan application, establishment of the engineering plans and project costs, polling of out-of-district (OD) homes, focus group meetings, customer education regarding the rationale of the project, and speculative plans and rough estimates of project costs. Again, it was deemed by the committee that there would be no up-front costs to those home owners wishing to connect to a sewer treatment system; instead, they would pay +/- \$10 per month for service and maintenance costs of the grinder pumps which would be maintained by LMUD. In addition, OOD customers would pay normal OOD WW fees (currently approximately \$75 per month).

At this time Mr. Foster handed out a “*draft-for review only*” document from Dr. James Glaser with preliminary information on extension of a collection system for the S-5 waste-recycling plant (WRP). The collection system would basically involve a low-pressure sewer main and individual grinder pumps located at each connection point. This pipe system would convey wastewater to the S-5 WRP. In phase one the proposed route for the force main would be those houses juxtaposed to the Live Oak Golf Course. This would provide a relatively clean route with a future flow to a new lift station adjacent to Flamingo Drive (north of the Lakeway airstrip) and the construction of a force main directly from this new lift station to S-5 WRP, and this would require bores under three roads. The estimated costs would include the flow from L-3 to the new lift station and the cost of conversion from septic tank to pressure sewer to approximately 260 customer around the golf course at about \$6,300,000. The report shows that the construction cost of converting an individual septic tank or aerobic system to the pressure main is \$12,200. The estimated cost of future improvements is approximately \$15.4 million which would provide access to the approximately 760 other out-of-district customers. Dr. Glaser writes that the estimated costs includes twenty-five percent contingences. Therefore, the over-all cost of converting all of Old Lakeway (that is, the 260 customers around the golf course as well as the rest of the 760 OD customers) to a modern wastewater system would be in the range of \$24 million. Additionally, those 260 customers along the golf course will moreover benefit with reuse water for irrigation instead of having to use expensive potable water. Mr. Foster felt that the amount of \$24 million should be more in range of \$20 million to be viable. Overall reduced costs would be contingent upon LMUD buying boring equipment, a stone cutting tool, grinder pumps, plus a few extra workers, such that LMUD could do the basic construction in house thus eliminating expensive outside contractors. Mr. Foster stated that he felt that Barnes grinder pumps would be the most sensible pump to use in the proposed pressure system and mentioned brand names such as E-1, Hydromatic, and Myers. A pressured sewer system uses small-diameter pipes (thus excluding the need for large expensive gravity pipelines) and Barnes type grinder pumps at the point of connection (installed at each home). The grinder pump collects all of the wastewater from the home and grinds it into slurry. This wastewater is then pumped via a pressured sewer main and directed to a wastewater treatment plant. Mr. Foster stated that the Barnes grinder pumps could be economically repaired either by LMUD personnel or by an outside contractor, and furthermore he noted that WCID #17 repairs such pumps.

Regarding the education of the OD customers the committee felt that LMUD should have good supportive figures showing prevailing costs that pertain to LCRA requirements in updating basic septic tanks to aerobic systems along with general yearly upkeep costs, as well as permit requirements for inspections and servicing wastewater systems. OD customers also need to understand the specific state regulations concerning the sale of their homes if they are on a standard septic tank with a percolation field, and perhaps it would be nice to have some recent history of real estate sales in Old Lakeway and how owners were affected by LCRA regulations. It would further behoove us if the marketing agent would contact local realtors and obtain their general views on this subject, especially in regards to sales of homes that are not connected to a modern sewer system.

In other business the committee members congratulated Mr. Foster on the excellent plant tour that he had in July and appreciated the very knowledgeable input from his supervisory staff.

The next meeting was called for September 28, 2017 at 1:30 P.M. With no further business Mr. Lanier adjourned the meeting at 2:45 P.M.

The minutes have been read and approved by e-mail:

The minutes approved this 21th day of August, 2017.

Yeas 4, Nays 0, Abstain 0.

Robert Rives, Secretary, E&O Committee, Lakeway MUD