

Minutes  
Lakeway Municipal Utility District  
Board of Directors Meeting  
October 11, 2017

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

Directors Present:	Larry Burmeier Jerry Hietpas Don Goff Tom Brewer
Directors Absent:	Lawrence Christian
Staff Present:	Earl Foster Loyd Smith

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:

4. Discussion and Possible Action to approve term sheet for Serving MUD's 11, 12, & 13 potable water.

- Foster reviewed the highlights of the term sheet and explained that the term sheet is a document defining terms to be used in developing a contract. He noted that the ultimate goal is for LMUD to provide Potable Water, Wastewater, Service Work, and Billing for the MUD's 11, 12, & 13 customers.
- Citizen Joe DiQuinzio, General Manager of MUD 12, stated that litigation with West Travis County PUA (WTCPUA) must be resolved before any agreement with LMUD can be executed. WTCPUA is in the process of drafting a document for resolution and DiQuinzio stated he is optimistic it will happen. He also stated that he has requested an extension from WTCPUA to December or January from the current November 30, 2017 deadline for resolution.

- Foster noted the term sheet specifies MUD 12 will run a water line from the water plant to a ground storage tank they will construct on their property at their expense. In addition, MUD 12 will expand the WTP3 Plant at their expense. He noted that he was looking for Board approval on the term sheet in preparation of final contract.
- General Board Discussion.
- Hietpas moved that the Board authorize the General Manager to proceed with developing a contract along the lines of the terms that have been presented to us today. Goff seconded.
- Motion passed unanimously.

**Burmeier announced that since Item 5 would be in Executive Session and Item 6 would need to follow Item 5, those items would be moved to the end of the meeting.**

7. Discussion and possible action on Financials and Calendar.

- Foster reviewed the Financials including Budget vs. Actual and noted the District will meet budgeted revenue for the year, and expenses will be under budget despite the challenges this year has presented.
- Hietpas asked for a comparison of this year's expenses and the last 5 year history.
- Foster said LMUD has been below budget every year for the last 5 years, and the overall expense budget has grown by less than 1% since FY2011.
- Citizen Hal Hirsch, Secretary of the LMUD Finance Committee, stated that in addition to controlling expenses, Water Rates were lowered in FY17.
- Foster mentioned that the tax rate has been lowered the last 2 years, and was kept constant during the drought years.
- Burmeier noted he would be out of town on the normal January 2018 Board Meeting date-January 10 and would like to move the meeting to January 17. All members present were in favor of changing the meeting to January 17, 2017.
- No Action was taken.

**CONSENT AGENDA:**

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

8. Approve Minutes of Regular Meetings of September 13 & September 27.
  9. Expenditures over \$25,000.
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**The Board went into Closed Session at 10:02AM in accordance with Texas Open Meetings Act Chapter 551 Section 551.072.**

**The Board returned to Open Session at 10:28AM in accordance with Texas Open Meetings Act Chapter 551.072.**

5. Discussion and Possible Action on the "Third Amendment to Commercial Contract-Unimproved Property by and between the District and HSD-Lakeway Holdings, Ltd."

pertaining to the sale of land generally situated at 1931 Lohmans Crossing, Lakeway, Texas.

- Goff moved that the Third Amendment to the Contract be approved for the Land Sale. Brewer seconded.
- Motion passed unanimously

6. Discussion and Possible Action on a Resolution Authorizing Execution of Closing And Sale Instruments for "Closing 1A" (pertaining to the "Police Station Site") Pursuant to the "Commercial Contract-Unimproved Property" by and between the District and HSD-Holdings, Ltd. dated effective March 31, 2016, as amended.

- Foster explained this authorizes himself, the attorney, and Burmeier to sign on behalf of Lakeway MUD for the closing of the land.
- Hietpas moved to approve; Goff seconded.
- Motion passed unanimously.

ADJOURNMENT

The meeting was adjourned at 10:30AM.



*Lloyd Smith*  
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 Lloyd Smith, Finance/Administration Manager

Minutes approved on the 8th day of November, 2017.

*Larry Brunson*  
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 President, Board of Directors

ATTEST:

*R. J. Hietpas*  
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 Vice President, Board of Directors