

Minutes
Lakeway Municipal Utility District
Board of Directors Meeting
January 17, 2018

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

Directors Present: Lawrence Christian
 Jerry Hietpas
 Don Goff

Directors Absent: Larry Burmeier
 Tom Brewer

Staff Present: Earl Foster
 Loyd Smith

QUORUM

1. Determine Quorum and Call to Order

Meeting was called to order at 9:34AM.

Hietpas declared a quorum of Directors present, and asked Goff and Christian if they were in agreement that Hietpas would run the meeting since Burmeier and Brewer were absent. Both Goff and Christian agreed that Hietpas would preside.

2. Pledge of Allegiance was led by Hietpas.

CITIZENS

3. None

AGENDA ITEMS:

4. Discussion and Possible Action on report from General Manager about the May 5, 2018 regular election.

- Foster reviewed the Election Calendar and noted that today (January 17, 2018) is the first day that Applications for a Place on the Ballot will be accepted, and February 16, 2018 is the last day Applications may be accepted. Candidate Packets and the Application Forms may be obtained from Loyd Smith in the District Office.
- Foster also stated that there are two terms expiring in 2018, Larry Burmeier and Jerry Hietpas, so there will be two Board Positions to be filled. We are an at-large

District, which means that the two Candidates receiving the most votes will be elected.

- General Board Discussion.
- No action was taken.

5. Discussion and Possible Action to approve Out of District Wastewater for Old Lakeway Sections 1 thru 17.

- Citizen Robert Duplantis of 122 Rocket St. spoke in favor of the program, but expressed concerns that his Septic System could fail before LMUD was ready to connect his house to sewer.
- Foster reviewed the proposed letter to be sent to all OOD Customers asking that they choose an option to connect now, connect later, or pass on the opportunity. He reviewed the proposal to begin with homes bordering Live Oak Golf Course and estimated completion of this Phase I by the end of 2019.
- Hietpas stated he would like to see more added to the letter about the benefits Phase I users would receive by using Reuse water for irrigation, and some terminology indicating LMUD's intent to work with customers whose Septic Systems fail before LMUD is prepared to connect them to the sewer system.
- Foster pointed out that the timing is good since LMUD is already planning to expand the S-5 Wastewater plant and this will allow additional expansion at a very low cost.
- Citizen Steve Smith of 1205 Lakeway Drive praised LMUD for the OOD WW project, but expressed concerns that the cost estimates may not be firm enough and suggested more research before settling on the charges to the customers.
- Christian cautioned that any reference to costs and commitments in regard to what LMUD is willing to do to help customers with their septic issues until LMUD is ready to connect them should be couched with phrases like estimate, based on preliminary research, best efforts, approximately, etc. Christian also asked if our Legal representation had reviewed the document.
- Foster said that he had briefed legal on the document, and was waiting until final approval by the Board to ask Legal to review and suggest any changes.
- Citizen Greg Holloway of 207 Explorer asked what it meant to connect and if OOD customers would become In District at that time.
- Foster explained that when connected OOD Customers would become paying Wastewater Customers in addition to being Water Customers, and they will remain Out of District.
- Chris Askew of 816 Mariner asked about his residence where a Waste Water line already exists.
- Foster said this was a special situation that he is in the process of researching and should have an answer in the near future.
- General Board Discussion.
- Christian moved to proceed with the letter as described with the two additions (Reuse and LMUD Support) and with the approval by Legal. Goff seconded.

- Motion passed unanimously.
6. Discussion and Possible Action to approve Pilot Project at 119 Lakeway Drive.
- Foster described the proposed Pilot Project on Lakeway Drive that would be a good trial run to give LMUD better data for costs estimates. The project would extend an existing line that would provide LMUD with 10 potential OOD Waster Water new customers. There are 3 customers that will commit immediately with the potential of 7 additional connections. These customers will pay a Capacity Reservation Fee of \$3,125 and \$165 in inspection fees. They will then pay the monthly charges as presented in the OOD Wastewater communication. The initial cost of this project will be approximately \$37K, with LMUD doing all of the work.
 - General Board Discussion.
 - Goff moved to approve the project as presented. Christian seconded.
 - Motion passed unanimously.
7. Discussion and possible action to approve Engineering for Chemical feed building and system at the Raw Water Intake on Mariner.
- Foster reviewed the Zebra Mussel issue and said that 3 Zebra Mussels have been detected around the barge. This proposal is for a Chemical System that keeps the Zebra Mussel from attaching to our equipment. The cost of the building and system will be \$100-\$150K, and the cost of the Engineering will be \$65K. Foster reviewed that proposal from Walker Partners Engineers and Surveyors. LMUD's portion of these expenses will be 59% of the total.
 - Citizen Steve Smith of 1205 Lakeway Drive commented that some Chemical Companies would provide support, maintain the system, and provide inventory control as part of the cost of the Chemicals.
 - General Board Discussion.
 - Christian moved to approve the Walker Partners engineering proposal. Goff seconded.
 - Goff moved to amend the previous motion to approve construction costs not to exceed \$150K. Christian seconded.
 - Both motions were passed unanimously.
8. Discussion and Possible action on Financials and Calendar.
- Foster reviewed November Financials and noted both Expenses and Revenue were on target with budget.
 - Foster reviewed the calendar noting the next meeting will be February 14, 2018 and our annual audit will be presented at that time.
 - General Board discussion.
 - No action was taken.

CONSENT AGENDA:

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

- 9. Approve Minutes of Regular Meeting on December 13, 2017.
-

ADJOURNMENT

The meeting was adjourned at 11:02AM.



Minutes approved on the 14th day of February, 2018.

Handwritten signature of Loyd Smith in blue ink.

Loyd Smith, Finance/Administration Manager

Handwritten signature of Larry Burmeier in blue ink.

Larry Burmeier, President, Board of Directors

ATTEST:

Handwritten signature of Don Goff in blue ink.

Don Goff, Secretary, Board of Directors