

# Engineering and Operations Committee Meeting

## Minutes

**April 18, 2019**

The E&O meeting convened at 1:30 P.M., Thursday, April 18, 2019, 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 Chairperson*,  
Paula Crawley, *Committee Member*,  
Earl Foster, *General Manager, Lakeway M.U.D.*,  
Bob Rives, *Committee Member (Secretary)*,  
John Sayre, *Board Member and Board Liaison to Committee*,  
Wayne Seime, *Committee Member (Vice Chairperson)*.

The meeting's agenda had been distributed via *BoardBook* to all committee members on April 16, 2019. The designated agenda for the meeting was:

1. Discuss Capital Projects,
2. Discuss Purchase of Small Equipment for OD Wastewater Project,
3. Other Business, OD WW, Zebra Mussel Update, and Tank Painting.

Mr. Lanier opened the meeting with Mr. Foster discussing some of the "other business", first mentioning a citizen's complaint regarding the location of the lift station by the air park. In responding to the complainant he said the location is the best suited for the project; however, the final design of that specific facility will not be ready for a couple of months. Basically the completed sight will have a small footprint with a low level of view with possible shrubs around it. He also noted that he could add chemicals and a bio-filter to help rid any potential odors. He remarked that there are a number of risers in Lakeway and they are all municipal friendly. Mr. Foster said that the water-intake barge on Lake Travis had been cleaned by *Underwater Services* having just finished today. The divers knocked off zebra mussels and treated the intake area and all is in good shape.

Mr. Foster went on to present a letter from *EarthTec* regarding the treatment for zebra mussels using *copper sulfate pentahydrate* which is not a hazardous chemical and has been approved by the EPA for our specific usage. An OSHA Hazard Communication Standard 29 CFR 1910.1200 (GHS) form was attached giving particulars on the component to be used. Further business included the tank painting and some areas that needed rust cleaning and Mr.

Foster said all this work should be completed by next week including the “Lakeway” design. The paint job should be good for at least 20 years if not a lot longer. Lastly Mr. Foster presented a proposal from *NewGen Strategies & Solutions* to conduct a water and wastewater cost-of-service by a third party that will review our rate structure and provide a rate-design study of LMUD’s overall system. From time to time an outside audit of rates is felt to be a necessity, especially considering the new out-of-district sewer system project, the sale and purchase/trade of properties, local city government and political sensitivity to municipal utilities, along with considerations of all of our future capital projects under bond authority. The rate study is a form of indemnification that our utility has established appropriate and principled rates to our customers, and that such are within the standard guidelines of a public utility. The study is expected to cost about \$25,000.

Mr. Foster presented an accounting of the original \$13.3-million Bond Authority. LMUD has awarded and completed eleven projects budgeted at \$9,165,511 with actual costs of \$8,753,307 leaving a difference of \$412,204 to be re-allocated. Furthermore, the engineering completions were an extra \$1,530,706, which were under budget by \$152,849. There is also a balance of bond to be reallocated from the east/west interconnection at \$1,669,823, plus \$423,829 for S-5 fine screen/washer compactor expansion. This latter money is to be re-allocated to the elevated storage to replace E-3 and the Eagle storage for the north side E-2 pressure problem area. Mr. Foster has determined that the major Future Capital Improvements for LMUD are:

- Replace the under capacity A-Plant with a Trident water-treatment plant with a micro-floc absorbent clarifier.
- Add a recovery tank at the water plant to improve local pressure.
- Replace elevated storage tank E-3 with 0.5 million gallon storage tank.
- Hydro system at Eagle.
- Replace liner on impoundment ponds I-4, I-5, I-6.
- Add storage pond on west side – possible trade or purchase of city property.
- OD WW phase 1 and 2, plus lift station and force main.

The actual costs of some of the above projects are still dependent upon more evaluation of costs and engineering designs, such as where to place the elevated storage at E-3 or Eagle, and how to determine the land value issue regarding a new storage pond on the west side of Lakeway. Basically the goal is to establish an overall estimated budget for capital projects fashioned on their future timing without having to re-bond. Mr. Foster said that he will also work closely with the Finance Committee in this regard.

The second item of the agenda was to discuss the purchase of small equipment for the out-of-district wastewater project. Mr. Foster said he needed a small utility excavator and a front-end loader. He was considering loaders made by Bobcat, a MT85 Mini Track Loader (\$20,706), or an EKA, Ditch Witch SK600 (\$22,716). The Ditch Witch was of particular interest because of its narrow width. For the excavator he obtained quotes for the Bobcats’, E10-T4 (\$20,130) and E20-T4 9 (\$26,311), both with a 12-inch trenching tool and hydraulic breaker, and Kubota’s 10-horsepower (hp) (\$26,119), 15-hp (\$32,206), and 20-hp (\$39,584), excavators with 12-inch trenching tool and chisel point tool. The committee asked if the dealers could provide a demonstration of the machines considering that much of our area is covered with limestone and, as such, the difference in horsepower could be a critical factor in such excavation work.

The next meeting was scheduled for Thursday, May 16, 2019, at 1:30 PM. With no other business Mr. Lanier adjourned the meeting at 3:00 PM.

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

The minutes approved this 23<sup>th</sup> day of April, 2019.

Yeas\_\_4\_\_, Nays\_\_0\_\_.

Robert G. Rives, Secretary, E&O Committee, L.M.U.D.