

Minutes
Lakeway Municipal Utility District
Board of Directors Meeting
March 18, 2020

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

Directors Present:	Lawrence Christian John Sayre Don Goff Jerry Hietpas
--------------------	---

Directors Absent:	Larry Burmeier
-------------------	----------------

Staff Present:	Earl Foster Lloyd Smith
----------------	----------------------------

QUORUM

1. Determine Quorum and Call to Order

Meeting was called to order at 9:30 AM.

Hietpas declared a quorum of Directors present. Hietpas stated due to Corona Virus and the recently passed regulations by the City of Lakeway and Travis County, no more than 10 people are allowed in the Board room. Additional attendees are in the halls in the front and back of the Boardroom. If another attendee comes into the Board room, one must leave.

2. Pledge of Allegiance was led by Hietpas

CITIZENS

3. James Blankenship, JKB Construction Co.
Adrian Figer, Peabody General Contractors
Travis Keller, Austin Engineering

AGENDA ITEMS:

4. Discussion and Possible Action on Agreement Award of Contract for Out of District Wastewater Project Lift Station, Force Main and S-5 Water Recycling Plant Improvements.
- Foster stated that there was a bid opening on March 10, 2020 at 10AM and had 3 bidders present. The bids ranged from \$4,561,500 to \$5,122,500. Foster read excerpts from the Project Bid Package around instructions to bidders to explain how the bids were evaluated. Included in the decision were best value to the District, price, experience, and reputation. Foster went on to say that based on those qualifications, Austin Engineering, Inc. is recommended for the award of the Out of District Wastewater project with a total bid of \$4,589,000 for the Construction of the new Lift Station, Force Main and S-5 Water Recycling Plant Improvements.
 - James Blankenship of JKB Construction Co, stated JKB Construction was the low bid and that he was unclear as to the vetting process Lakeway MUD used and did not believe that due diligence was practiced. He stated that JKB supplied qualifications, and that their bond company does more vetting than LMUD. He stated JKB has a background of large projects, and the owner and co-owner of JKB are ex-employees of Austin Engineering with over 50 years of experience.
 - Adrian Figer of Peabody General Contractors, a subcontractor of JKB, said he had 39 years of experience in the business. He noted the City of Austin was a customer having water and sewer systems retooled at a price of 2 million. He stated the LMUD project is a small project for them, and that they bid projects from 5 to 16 million. He noted Llano and Lost Creek as similar projects.
 - Travis Keller of Austin Engineering spoke and stated he is a Lakeway citizen, and has a vested interest in the project. He also noted Austin Engineering has done a lot of work in Lakeway and Rough Hollow, and have only subcontracted electric and some concrete work out. He noted he would drive by the project every day.
 - Hietpas closed Citizen's participation and opened Board discussion. He noted there was only .6% separation between the low and next lowest bid, and there was 12% difference between the high and low bid.
 - Sayre asked if there was any new information learned in the meeting this morning; Foster replied no.
 - Goff asked if the previous work in Lakeway swayed the recommendation; Foster said no, that the recommendation was based on reputation, feedback, Dun & Bradstreet, past performance, and input from other engineers and individuals.
 - Goff asked if the LMUD Attorney and Engineer had reviewed the bids and recommendation; Foster said yes.
 - Christian said the keys are past performance and financial responsibility.
 - Hietpas noted we never want to be the ones to put the bee on someone else.
 - Christian said the recommendation was based on past performance and financial stability.
 - Sayre moved to approve the Austin Engineering bid as presented; Goff seconded.
 - General Board discussion.
 - Motion passed unanimously.

5. Discussion and Possible Action to approve Water Conservation Plan.

- Foster reviewed the plan and explained the necessity of approving it.
 - Hietpas asked if LMUD takes over another area how that would affect the plan; Foster replied it would not, since we would just be servicing the other area, and they would still have their own plan since they would still be a wholesale customer.
 - Hietpas stated that if they were using us, perhaps we could reduce their usage and perhaps we could set some goals after experience.
 - Christian noted that they would set their own goals.
 - Goff noted maybe LMUD could make recommendations.
 - Sayre said he was concerned about household usage and how LMUD could control it; Foster replied that the majority of the usage is outside, and many over water when they only need 1 inch of water per week.
 - Christian said many of the irrigation systems are older and don't have rain sensors.
 - Hietpas suggested perhaps LMUD staff could meet with irrigation services to promote savings; Foster said it might be better to contact them individually, but that the staff could look into it.
 - Sayre noted he liked the plan and the approach, that they both seem reasonable.
 - Hietpas asked if we met the plan if it would maintain our leadership status; Foster replied it would, and that sometimes meeting the plan means the plan was too low.
 - Sayre moved to approve the plan as presented; Christian seconded.
 - General Board discussion.
 - Motion passed unanimously.
-

6. Discussion and possible action on approving engineering for B-3 Raw Water line by Hanks Structural Engineering, LLC.

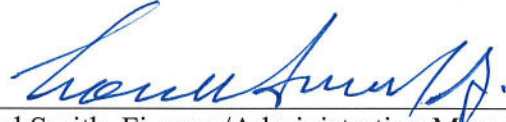
- Foster reviewed the raw water line coming up the hill by the lake that was presented in the last board meeting. He explained this expenditure will show us what repairs we need and be able to ask contactors for pricing. He also noted this engineering agreement would stay in place and could be used in the future for emergency repairs needed.
- Sayre said this is a must do item; we have to fix it.
- Hietpas said most of the time it is not in use, that the leaks appear when it is pressurized; Foster replied that it is always in use during the summer when the A plant is running.
- Goff asked if we know the cost of the project; Foster replied no, we will find out later when we have the engineering report and take it to a contractor.
- Sayre asked if it would be less than half a million; Foster said yes, probably closer to 50 thousand.
- Goff moved to approve the engineering as presented; Sayre seconded.
- General Board Discussion.

- Motion passed unanimously.

Hietpas noted that due to the Corona Virus, there have been statements issued indicating a relaxing of the Open Meeting rules perhaps allowing remote attendance by some BOD members via telephone and/or video conferencing.

ADJOURNMENT

The meeting was adjourned at 10:23AM



Loyd Smith, Finance/Administration Manager

Minutes approved on the 8th day of April, 2020.



Larry Burmeier, President, Board of Directors

ATTEST:



Don Goff, Secretary, Board of Directors

