

Minutes  
Lakeway Municipal Utility District  
Board of Directors Meeting  
October 14, 2020

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

Directors Present:	Lawrence Christian Jerry Hietpas Don Goff John Sayre Larry Burmeier
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Staff Present:	Earl Foster Loyd Smith
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QUORUM:

1. Determine Quorum and Call to Order

Meeting was called to order at 9:30 AM.  
Hietpas declared a quorum of Directors present.

2. Pledge of Allegiance was led by Hietpas.

CITIZENS

3. None

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AGENDA ITEMS:

4. Discussion and possible action to approve Notice to Purchaser.

- Foster reviewed the requirement that the District issue a new Notice to Purchaser and District Information Form each year when the new tax rate is established.
- Sayre moved to approve the Notice to Purchaser as presented; Goff seconded.
- General Board discussion.
- Motion passed unanimously.

5. Discussion and possible action to approve Pay App #6 for Austin Engineering for Out of District Wastewater Force Main, Lift Station & S-5 WRP Improvements.

- Foster noted that both he and the LMUD Engineer had reviewed the Pay App and signed off on it and said the project would be substantially complete by March 2021. The system would undergo a trial before going "live".

- Hietpas asked if Austin Engineering would participate in the trial; Foster replied that they would.
  - Hietpas asked how much of S-5 capacity “Old Lakeway” would use; Foster replied 20-30%.
  - Hietpas asked what S-5 total capacity is; Foster replied that today it is 400K gallons and would eventually be 1,200K. Foster reminded the Board that it would be 7-8 years before “Old Lakeway” was completely connected to S-5; he added that expansion of S-5 would likely begin in 2021 bringing capacity to 800K.
  - Sayre asked if that meant S-5 capacity would be 800K around the end of next year; Foster said yes.
  - Hietpas asked if there had been any extra charges in the project; Foster replied no, that there have been no change orders and LMUD has been firm about not having any; there have been a few issues, but we have managed to work around them.
  - Hietpas asked about the Airpark; Foster said the work is substantially complete with final grading and taxiway repair almost done. Foster again said the Airpark people have been great to work with.
  - Christian moved to approve Pay App #6 as presented; Sayre seconded.
  - General Board discussion.
  - Motion passed unanimously.
6. Discussion and possible action to Approve Emergency Roof Repair on B-4 Raw Water Floating Intake.
- Foster said we were in the process of getting estimates to repair the B4 Barge stress damage to the roof when more damage was noticed after a boat parade on Lake Travis. The increased damages caused us to replace the entire ceiling and roof on an emergency basis.
  - Sayre asked if the work was completed; Foster said it would be by the end of next week.
  - Burmeier asked if this was a shared cost; Foster replied yes, that LMUD’s part was 59% of the total cost.
  - Sayre asked if LMUD paid into the Barge Fund annually or if it was a set limit. Foster replied that \$30K monthly was paid monthly for electricity, and that \$120K was kept in the fund for emergencies.
  - Sayre asked if the \$120K had been raised; Foster said no, but that we may need to look at raising it.
  - Goff moved to approve the emergency repairs as presented; Burmeier seconded.
  - General Board discussion.
  - Motion passed unanimously.
7. Discussion and possible action on Purchase from HydroPro Solutions for meter base station, Repeater, and Harmony software for new meters.
- Foster reviewed the pilot study that has been ongoing with 26 meters; the Harmony software has been used at no cost to LMUD. This proposal would be the

first step toward the \$1.5 million cost of the total system including new meters. Foster explained that we already cannot remote read about 40 Badger meters we have installed as they are the new Badger ME meters that use different software.

- Sayre asked if we would immediately replace the 40ME meters; Foster replied that we would.
- Foster noted that if we go with a new Billing Software, we would do that conversion first and then do the meter replacements to the customer base with the new meters. The new system would allow for early warning to our customers of possible leaks.
- Sayre asked if the conversion to the new meters would be complete by the end of next summer; Foster replied that it would.
- Sayre said we have to do something; Foster agreed.
- Hietpas said that Badger has not demonstrated good business ethics in their dealings with LMUD.
- Christian moved to approve the \$104.3K investment as presented; Goff seconded.
- General Board discussion.
- Motion passed unanimously.

8. Discussion and possible action to review and approve changes to Committee resolutions.

- Hietpas said there are 4 committees with 5 members each and a majority of the members reside In District; Board members are liaisons to the Committees. He stated the Engineering/ Operations and Finance Committees are doing well. The HR Committee has only one member left.
- Goff stated the HR Committee is basically needed only once a year, and could be handled by a Chairman, an Advisor, and a Board Liaison.
- Hietpas said the Land Committee was his idea prior to the sale of the 82 acres, and that the Committee identified some 28 pieces of land, some of which are surplus. Hietpas said he failed at getting the Land Committee to be effective, and that LMUD doesn't really need a Land Committee. Thus, it is Hietpas recommendation that the Land Committee be dissolved.
- Foster said only one member of the HR Committee is really needed once a year to discuss Health Care and Merit Increase recommendations.
- Burmeier asked what is changing; Foster replied dissolving Land Committee and reducing HR to one member, although HR could be up to 5 members.
- Goff said the requirement that the Chairman of the HR committee be In District should be changed. He noted it is hard to find experienced HR people, and limiting it to In District makes it harder.
- Sayre noted that he is not sure the E&O Committee does everything in the Resolution; Foster said many of the things that are specified would be redundant.
- Sayre moved to dissolve the Land Committee and to rework the requirements of the HR Committee via the resolution; Goff seconded.
- General Board Discussion.
- Motion passed unanimously.

9. Discussion and possible action to approve Purchase of two F-150 trucks per our vehicle replacement program.
  - Foster noted that the trucks in the proposal will not be delivered until February of 2021 and that trucks are hard to get.
  - Sayre moved to accept the Johnson Sewell bid of \$26,035 per truck, \$52,070 total as proposed: Christian seconded.
  - General Board discussion.
  - Motion passed unanimously.
  
10. Discussion and possible action to approve Quote for OD Wastewater Line extension from Lakeway Drive to Zephyr.
  - Foster reviewed proposals for the job noting that LMUD's new Field Supervisor, Buster Hopkins, had brought in two additional contractors to bid the job. One bid was for \$139K and another for \$58K; the original bid was for \$235K.
  - Sayre moved to go with the \$58K (Rubio) bid if total cost is still under \$139K after negotiations. If the Rubio total cost exceeds the \$139K bid after negotiations, we would go with the \$139K bid.
  - Burmeier seconded.
  - General Board Discussion
  - Motion passed unanimously.

**Hietpas said that since Item 11 will be in closed session, it will be moved to the end of the agenda.**

12. Discussion and possible action on Financials, Calendar
  - Foster reviewed the financials and stated the District continued to be in very good shape financially. He noted that next meeting would be the final financial (September) of Fiscal Year 2020.
  - Foster noted that the November meeting would normally be scheduled on November 11, but this year that falls on Veteran's day. The suggestion was made to move the Board meeting to November 18, which was agreed on.
  - No action was taken.

**CONSENT AGENDA-** The following consent items may be approved by one Board vote. Any Director may pull consent items from the consent agenda for discussion.

**Burmeier moved to approve the consent agenda; Goff seconded. Motion passed unanimously.**

13. Approve Minutes of Regular meeting September 9, 2020.
14. Approve Minutes of Special meeting September 16, 2020.

11. Discussion and possible action on LMUD Personnel Matters with General Manager.

**The Board went into Executive Session in accordance with the Texas Open Meetings Act Section 551.074 (Deliberation Regarding Personnel Matters) at 10:51AM.**

**The Board returned to Open Session in accordance with the Texas Open Meetings Act Section 551.074 (Deliberation Regarding Personnel Matters) at 11:45AM.**

- Hietpas called the meeting back to order.
- No action was taken

ADJOURNMENT

The meeting was adjourned at 11:46AM

  
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Loyd Smith, Finance/Administration Manager

Minutes approved on the 18th day of November 2020.

  
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Jerry Hietpas, President, Board of Director

ATTEST:

  
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Don Goff, Secretary, Board of Directors

