

Minutes
Lakeway Municipal Utility District
Board of Directors Meeting
November 18, 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

Staff Present:	Earl Foster
	Loyd Smith
	Buster Hopkins

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

AGENDA ITEMS:

Hietpas stated that items 10 & 11 will be moved to the top of the agenda since Buster Hopkins, Field Supervisor, is present for those two items and can return to work following the discussion.

10. Discussion and possible action to approve Purchase of Mini Kubota Excavator for ODWW Project

- Foster explained that with the acquisition of the equipment that one backhoe can be eliminated.
- Sayre said with the addition 2 crews will be full strength all the time.
- Sayre asked about the boring machine; Hopkins stated we are good with that.
- Goff asked about the longevity of the equipment; Foster replied that 20+ years can be expected.
- Buster noted that the current backhoes are 1997 and 2001 models.

- Hietpas asked about training employees on the equipment; Hopkins replied only 2 employees are not trained.
 - Hietpas complimented Hopkins on modifying a bucket to work on existing equipment.
 - Burmeier asked if bids were taken for this purchase; Foster replied this is through Buy Board which eliminates the need for bids.
 - Sayre moved to approve the purchase; no second.
 - Christian asked if the Board could approve item 10 & 11 in one motion; Hietpas agreed that one motion would work and proceeded to Item 11.
11. Discussion and possible action to approve Purchase of Ditch Witch Mini Skid Steer for ODWW Project.
- Foster noted this was for another Mini Skid Steer.
 - Hietpas asked if LMUD owned one; Foster replied we do.
 - Sayre moved to approve the purchases in Item 10 & 11 as presented; Christian seconded.
 - Hietpas noted that by equipping our crews, we will speed up and have more hook ups earlier.
 - Sayre added that this will also help deal with emergency hook ups.
 - Hietpas said that it takes this kind of equipment to meet our commitments, and that we might not have heard the last request from Hopkins for additional equipment.
 - General Board discussion.
 - Motion passed unanimously.
4. Discussion and possible action to Approve Effluent transfer pump rebuild.
- Foster reviewed the need for the rebuild.
 - Sayre asked if stainless steel was considered; Foster replied not for this project, that Epoxy coating is best.
 - Hietpas noted that Epoxy can be patched.
 - Burmeier asked if we do preventative maintenance; Foster replied we do.
 - Hietpas asked if this puts all 3 pumps in good shape; Foster replied yes, and that the last pump has not been evaluated, but it will be pulled 10 years from now and a decision will be made.
 - Foster said this gives us 2 new pumps and one rebuild and saves \$15K.
 - Goff moved to approve the pump rebuild as presented; Burmeier seconded.
 - General Board discussion.
 - Motion passed unanimously.
5. Discussion and possible action to approve Pay app #7 for Austin Engineering for Out of District Wastewater Force Main, Lift Station & S5 WRP Improvements.

- Foster said both he and the LMUD Engineer have approved this Pay app, and that the Lift Station and Headworks will start up in March.
 - Hietpas asked if hook ups could begin in March; Foster said yes, we will begin contacting Sunfish customers at that time.
 - Sayre asked if the airpark was finished; Foster said yes, with just some minor finishing touches remaining.
 - Hietpas asked if there were any extras on the contract; Foster said no, there are no change orders.
 - Hietpas asked about the status of the project; Foster said approximately 50% complete and noted we are holding 5% retainage on each payment.
 - Sayre move to approve Pay app #7 as presented; Burmeier seconded.
 - General Board discussion.
 - Motion passed unanimously.
6. Discussion and possible action to approve repair to Pump #4 on B-4 Raw Water Floating Intake.
- Foster explained that a contractor's cord got sucked up into a pump at the B-4 Barge; the contractor is paying for pulling and reinstalling the pump. We also performed preventative maintenance on the fairly new pump. We used a copper coating which keeps the Zebra mussels off of it. We will do the same to the other pumps over the next three years.
 - Goff asked the cost; Foster replied \$3,450 to pull and reinstall.
 - Christian said we pay \$21,789 and the contractor reimburses us \$3,450 X 2; Foster replied yes, and LMUD's share will be 59% of that expense.
 - Sayre moved to approve the repair as presented; Goff seconded.
 - General Board Discussion.
 - Motion passed unanimously.
7. Discussion and possible action to approve L-8 Discharge piping replacement.
- Foster said 3 pipes are beginning to corrode, and that Epoxy was not used. Stainless Steel replacements are about \$3K more.
 - Burmeier asked if PVC or Polyethylene would work; Foster replied that the structural integrity of metal is preferred.
 - Sayre asked if the flanges would be stainless; Foster said yes.
 - Burmeier said it would be better to go with Stainless, that he is not a fan of Epoxy.
 - Sayre agreed that it should be Stainless.
 - Sayre moved to approve the replacement with Stainless as presented for \$19,576.45; Burmeier seconded.
 - General Board discussion.
 - Motion passed unanimously.
8. Discussion and possible action to approve Easement Release on Lot 406A at 712 Mariner.

- Foster explained two lots were combined and the easement between the lots was not released; Foster would like to have the authority to handle with the City of Lakeway. It is a 15' easement, and Foster believes he has it right, but would like to have the ability to adjust if necessary.
 - Hietpas said he believes LMUD has no issue with the release; Foster confirmed.
 - Sayre moved to give Foster the authority to negotiate with the City of Lakeway to have the easements released; Christian seconded.
 - General Board Discussion
 - Motion passed unanimously.
9. Discussion and possible action to approve Easement release between Lot 5A and Lot 6A Airpark Ct. and 107 Airpark Ct.
- Foster explained the easement was to allow the building of a house and hanger across the lots; there is a 5' easement that we can release.
 - Sayre moved to approve the release as presented; Goff seconded.
 - General Board discussion.
12. Discussion and possible action on Quote from Chapman Marine to place rubber chaffing protection under B-4 Discharging hoses.
- Foster said there was damage to the hoses from laying on rocks, and this proposal is to put ½" thick rubber protection back on the hoses.
 - Christian asked what it would cost to replace the hoses; Foster said very expensive.
 - Hietpas asked if the rocks could be removed; Foster said they will come back.
 - Hietpas asked if we were shopping the bid; Foster said there are limited options, but we try.
 - Sayre moved to approve the rubber chaffing protection as presented; Goff seconded.
 - General Board discussion.
 - Motion passed unanimously.
13. Discussion and possible action on Preliminary Cash Flow for Capital Projects.
- Foster presented a Cash Flow report and explained it was showing cash balance each year for the next 10 years to ensure there will be funds available for Capital Projects. He noted the goal it to have at least \$1M in cash at all times.
 - Sayre asked if adding \$1 to our base charges would solve the issue.
 - Hietpas noted we might solve the issue with lower expenses.
 - Foster proposed a semi-annual review in July and November to keep the Board aware of where we stand after adjustments.

- Hietpas asked if we could do ½ now and ½ later on the S-5 project; Earls said no, but doing it sooner rather than later might improve cash flow.
- No action was taken.

14. Discussion and possible action on City of Lakeway Thoroughfare plan proposal.

- Hietpas said we should be aware of City plans, and we need to be looking at long term opportunities.
- Sayre asked if there was any update on Muds 11, 12, & 13; Foster said it was still quiet, but we should know something soon.
- No Action was taken.

15. Discussion and possible action on Financials, Calendar & Capital Expenditures.

- Foster reviewed FY20 Financials and said the reason for the large revenue positive was due to the first billing cycle of the year being very heavy due to hot and dry conditions.
- Foster reviewed some Capital Expenditure reclassifications to tidy up the report.
- January meeting will be optional (both in person and electronic).
- December meeting will be cancelled unless Hietpas has a reason to call a meeting.

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.

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

16. Approve Minutes of Regular meeting October 14, 2020.

17. Approve Expenditures over \$25,000 October 2020

ADJOURNMENT

The meeting was adjourned at 11:25AM



Loyd Smith, Finance/Administration Manager

Minutes approved on the 13th day of January 2020.



Jerry Hietpas, President, Board of Directors

ATTEST:



Don Goff, Secretary, Board of Directors

