

Minutes
Lakeway Municipal Utility District
Board of Directors Meeting
November 9, 2022

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 Larry Burmeier Frank Cooley Don Goff Phil Lanier
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Directors Absent :	None
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Staff Present:	Earl Foster Loyd Smith
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Attorneys Present:	Anne Stanford Emily Kirby
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QUORUM:

1. Determine Quorum and Call to Order
Meeting was called to order at 9:30 AM.
Christian declared a quorum of Directors present.
2. Pledge of Allegiance was led by Christian.

CITIZENS

3. None

AGENDA ITEMS:

4. Discussion and possible action to approve Order/Purchase of two Super Duty Trucks from Johnson Sewell.
 - Foster said we are looking to replace two 2004 Ford Dump Trucks with one Ford F450 and one Ford F350 and are having a real supply chain issue. We have a quote from John Sewell of \$64,375 for the F350 and \$70,577 for the F450. We can only place the orders between December 14 & 16. We have put out a request for bid to other dealers but have not received any as yet.

- Christian asked if there was any salvage value in the old trucks; Foster replied that we have had some luck declaring them surplus and using Bidadoo to take them to auction.
 - Burmeier asked when we might get the other bids; Foster replied we don't know, as many are not releasing pricing yet, and it's possible we may not get other bids.
 - Goff said we should word a motion so that we could consider other bids if they come in.
 - Cooley asked if the dealer was committed to the price of the bids we have; Foster replied yes.
 - Cooley asked if the quote will expire; Foster replied the quote is binding to the dealer.
 - Stanford said the Board could give Foster the authority to make the best choice if other bids come in based on a "not to exceed" number.
 - Burmeier moved to give the GM the authority to purchase a Ford F350 at a price not to exceed \$64,375 and to purchase a Ford F450 at a price not to exceed \$70,577 and to use his judgement in choosing the best bids; Goff seconded.
 - General Board discussion.
 - Motion passed unanimously.
5. Discussion and possible action to approve a resolution establishing addresses and methods for Texas Information Act Requests.
- Foster said we do not have specified email and physical addresses for the purpose of submitting Open Records Requests to LMUD.
 - Stanford added that this is a problem for the District, and that designating these addresses would make it official.
 - Foster said we always respond to the requests when received, and that we use CustomerService@LakewayMUD.org and the District Office address for that purpose.
 - Cooley asked if this designation of addresses was mandatory, or just good business practice; Stanford replied that it is good business practice.
 - Cooley moved that CustomerService@LakewayMUD.org and 1097 Lohmans Crossing, Lakeway, TX 78734 become our official addresses of record for submitting Open Records Requests; Lanier seconded.
 - General Board Discussion.
 - Motion passed unanimously.
6. Discussion and possible action to approve Hoover Construction Pay App #12, Phase 2 Force Main improvements
- Foster said this is the last Pay App for Sunfish as it is 100% complete, and also the retainage from Corinthian to Dragon.

- Cooley questioned the original contract of \$279,385.89 and the changes of \$292,839.71 making it double the original. He asked what the budget controls are for change orders.
- Foster replied that these were not change orders, but separate phases of the job that were approved by the Board. He added that Hoover has been below original estimate on most jobs and has charged LMUD less than original bid when that happens.
- Cooley moved to approve Hoover Quotes as presented; Burmeier seconded.
- General Board discussion.
- Motion passed unanimously.

7. Discussion and possible action on Leak Relief for 310 Seashell.

- Foster explained that any leak adjustment above \$2K must be approved by the Board. Staff has reviewed this request and it meets all of the criteria for approval.
- Lanier moved to approve the Leak Relief request as presented; Goff seconded.
- General Board Discussion
- Motion passed unanimously.

8. Discussion and possible action on status of Out of District pressure sewer system for Lakeway Phase 1 & 2 Secs. 1-17.

- Foster said that Section 4 is almost finished, and work on Section 5 is beginning. There were 9 connections in September, but we can expect a slow down in November and December due to weather, holidays, etc.
- Burmeier asked about our backlog; Foster replied that we are caught up with the backlog.
- Foster said we will begin taking bids for the Sunfish lift station, and he will be bringing that to the Board in January.
- Lanier asked if Hoover will be doing the next section; Foster replied yes, and that the Lift Station will be put out for bids.
- Burmeier asked if the \$8.5M budget is still good; Foster replied that we are changing some things to try to stay within budget; each connection after Section 4 will pay \$1,200 tap fee and will pay their own electrical. We are becoming more efficient as we continue to learn which helps costs.
- General Board discussion.
- No action was taken.

Christian said we will move Item 9 to the end of the agenda since it will be held in closed session.

10. Discussion and possible action on Financials, Calendar.

- Foster reviewed FY22 Financials and said revenue was 119.18% of plan due to an extremely hot summer and high water usage which is not predictable when

planning a budget. Expenses were 100.57% of plan, a good job considering our Raw Water costs were \$65K over plan. We sold more water in FY22 than in FY21. Our S5 expansion will require about \$8M, so we want to make sure we have the funds available. With interest rates on CD's going up, we wish we could invest more, but have to keep cash available.

- Foster added that there will be no meeting in December (which is customary) unless something comes up that requires us to meet.
- Burmeier asked if we have a cost estimate on S5 Expansion; Foster replied we are still working with the engineers and should have some numbers in January or February.
- Burmeier said he originally thought around \$5M but is now thinking around \$9M with inflation and increased costs; Foster mentioned that we have also added capacity.
- Foster said we are expecting to go out for bids in February.
- General Board discussion.
- 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.

11. Approve Minutes from Regular Board meeting October 12, 2022.
12. Approve Notice to Purchaser.

The Board went into Executive Session in accordance with the Texas Open Meetings Act Section 551.074 (Discussing personnel matters) at 10:20AM.

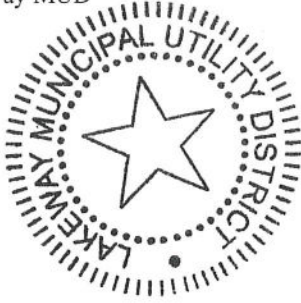
The Board returned to Open Session in accordance with the Texas Open Meetings Act Section 551.074 (Discussion personnel matters) at 10:33AM.

Christian called the meeting back to order.

9. Discussion and possible action on General Manager's Salary/Benefits. Board discussion could be held in Executive Session under Texas Government Code, Section 551.074.
 - No action was taken.

ADJOURNMENT

The meeting was adjourned at 10:34 AM.



A handwritten signature in blue ink, appearing to read "Loyd Smith", written over a horizontal line.

Loyd Smith, Finance/Administration Manager

Minutes approved on the 11th day of January 2023.

A handwritten signature in blue ink, written over a horizontal line.

President, Board of Directors

ATTEST:

A handwritten signature in blue ink, written over a horizontal line.

Secretary, Board of Directors