

Minutes
Lakeway Municipal Utility District
Board of Directors Meeting
May 1, 2009

The Board of Directors met in SPECIAL session at 11:30 a.m., 1097 Lohmans Crossing, Lakeway, Texas, with the following:

Directors Present:	Kay Andrews Jerry Hietpas Allan Hitchcock Tom Priddy Tom Rogers
Staff Present:	Richard W. Eason Margaret A. Cathey
Others Present:	Mike Willatt

AGENDA ITEMS

1. Retain attorneys to represent the District in the lawsuit filed by the City of Lakeway.

The City has sent notice of dropping the lawsuit, but it is still on the books in court. When the District was first notified of the lawsuit, Rogers and Willatt discussed it, then Willatt contacted the firm of Graves Dougherty Hearon & Moody to shepherd the lawsuit and any proceedings to its end for the District. Hitchcock made a motion to approve the contract. Priddy seconded the motion.

The District has already incurred some expenses by requesting the assistance of GDH&M firm. Hietpas was very concerned over the word “shepherding” the lawsuit to its end. He asked does the District need shepherding; we aren’t sheep. Can the City be trusted to follow through with dropping the lawsuit? Rogers said there was no reason to wait to engage a firm. Andrews stated she is against the contract. She just can’t understand why the City and the District can’t sit down and have a cup of coffee and talk about our differences. Andrews was appalled at the hourly rate of Mr. Christian for \$360 per hour; plus the inclusion of paying for long distance bills; Mr. McKetta at \$550 per hour. Steve Jones stated that the City had filed the motion to stop the lawsuit, they were just waiting for the court to approve it. Mel Neese wanted to know why Willatt was not defending the District.

Andrews made a motion to table the contract. Hietpas seconded the motion. Motion passed. Rogers and Priddy voted no. Original motion died due to tabling.

2. Status of Ad Hoc Committee.

Rogers briefed the Board on the history of the reason the Committee was formed due to the City filing legislation to takeover the District. A group led by Rogers was formed to act quickly. An aggressive PR campaign was instituted to defend the District. A formal committee

was confirmed by the Board on 4/8/09. Rogers said the Committee was never activated; no meetings. Hietpas stated that the City would likely have a water utility someday. Hietpas made a motion to abolish the Ad Hoc Committee. Priddy seconded the motion. Motion passed unanimously.

ADJOURNMENT

The meeting was adjourned without objection at 11:20 a.m.

Respectfully Submitted,

Margaret A. Cathey, Assistant Secretary/Treasurer
Board of Directors

Minutes approved on the _____ day of _____, _____.

President, Board of Directors

ATTEST:

Secretary, Board of Directors