

Action Minutes
Lakeway Municipal Utility District
Board of Directors Meeting
September 23, 2009

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

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

QUORUM

1. Determine Quorum and Call to Order.

President Rogers declared a quorum of Directors present and called the meeting to order. All Board meetings are video-taped and recorded and subsequently posted on the website.

AGENDA ITEMS

2. Rate Design for FY 2010 (including Revenue Budget).

- Staff & FAA Report – Rate Design has reverted back to 2000 rate design for calculating OD WW rates. We also used a five-year average for volume usage instead of Test Year, to begin the rate stabilization process.
- Citizen Participation – none.
- Board discussion/action – Priddy made a motion to approve the FY 2010 Rate Design. Hitchcock seconded the motion. Motion passed unanimously.

3. Rate Order for FY 2010.

- Staff & FAA Report – Water base rates went up from \$19.00 to \$23.12 and WW base rates went down from \$14.69 to \$13.49. The bottom two water volume tiers went up from \$2.25 to \$2.50 and \$3.00 to \$3.25. Reuse rates went up from \$1.90 per thousand gallons to \$2.50. Propane Gas and Water Heater inspections were also added to the Order.
- Citizen Participation – none.
- Board discussion/action – Hitchcock made a motion to approve the Rate Order for FY 2010. Priddy seconded the motion. Motion passed unanimously.

4. Plumbing Order.

- Staff & FAA Report – Propane Gas and Water Heater inspections were added to the Order.
- Citizen Participation – none.
- Board discussion/action – Priddy made a motion to approve the Plumbing Order. Andrews seconded the motion. Motion passed unanimously.

5. Set Tax Rate for FY 2009.

- Staff & FAA Report – Taxes will increase from \$.1922 to \$.1967 per \$100.
- Citizen Participation – none.
- Board discussion/action – Hitchcock made a motion to set the tax rate at \$.1967 for FY 2009. Hietpas seconded the motion. Motion passed unanimously.

6. Budget Amendments for FY 2009.

- Staff & FAA Report – A summary report was furnished for the larger items that were amended.
- Citizen Participation – none.
- Board discussion/action – Hitchcock made a motion to approve the budget amendments for FY 2009. Priddy seconded the motion. Motion passed unanimously.

7. Rate Change to TCDRS Retirement Plan for 2010.

- Staff & FAA Report – Rogers explained that the District contribution is up from last year due to TCDRS investment losses.
- Citizen Participation – none.
- Board discussion/action – Hitchcock made a motion to increase the employer rate to 11% for 2010. Hietpas seconded the motion. Motion passed unanimously.

8. W-3 Office Building.

- Staff Report – The architects from Seaux Pearce presented the draft drawings and specs for the new building.
- Citizen Participation – none.
- Board discussion/action – Hietpas made a motion to authorize the General Manager to proceed with City permitting through the bid opening on this project. Priddy seconded the motion. Motion passed unanimously.

9. General Manager Report.

A. FY 2009 Objectives Status Report

Eason recapped several highlights of his accomplishments during the past year.

B. FY 2010 Goals and Objectives

Eason presented his goals for next fiscal year.

Recessed into Closed Session at 11:00 a.m. pursuant to Texas Government Code:
Sec. 551.074 – Personnel Matters
Reconvened into Open Session at 11:25 a.m.

Andrews left the meeting.

C. General Manager Compensation

Hitchcock made a motion to approve a combined 4% COLA/Merit raise for Eason with a \$3,000 bonus. Priddy seconded the motion. Motion passed unanimously.

D. General Manager Contract

Priddy made a motion to authorize the Board President to negotiate for Board approval an employment contract with Eason that incorporates the bullet points in the document, as amended, before the Board. Hitchcock seconded the motion. Motion passed unanimously.

ADJOURNMENT

The meeting was adjourned at 11:32 am.

Respectfully Submitted,

Margaret A. Cathey, Assistant Secretary/Treasurer

Minutes approved on the _____ day of _____, _____.

President, Board of Directors

ATTEST:

Secretary, Board of Directors