

Action Minutes
Lakeway Municipal Utility District
Board of Directors Meeting
July 14, 2010

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

Directors Present:	Kay Andrews Karl Ansbach Jerry Hietpas Allan Hitchcock Tom Priddy
Staff Present:	Margaret Cathey Richard Eason

QUORUM

1. Determine Quorum and Call to Order.

President Ansbach declared a quorum of Directors present and called the meeting to order.

2. Pledge of Allegiance was led by Ansbach.

CITIZENS

3. Joyce O'Connor (509 Ladin ID) spoke about receiving a termination notice.

AGENDA ITEMS

4. Committee Duties and Responsibilities.

- Citizen Participation – none.
- Board discussion/action – Priddy made a motion to approve the duties and responsibilities as amended. Andrews seconded the motion. Motion passed unanimously.

5. Leak Adjustment Request for 3807 Lakeway Blvd.

- Citizen Participation – none.
- Board discussion/action – Hietpas made a motion to credit the account with \$500. Hitchcock seconded the motion. Motion passed unanimously.

6. 2008 Capital Improvements Plan.

- i. Remove W-3 Sludge Collector and S-5 Fine bubble Diffusers
 - ii. Add W-3 Chlorine Gas Scrubber and I-4 Hypochlorite System
- Citizen Participation – Buddy Cook (710 Rolling Green ID)
 - Board discussion/action – Hietpas made a motion to defer indefinitely the two items in “i” and proceed with preliminary engineering with the two items listed in “ii”. Hitchcock seconded the motion. Motion passed unanimously.

7. COLA/Merit recommendations for FY 2011.

- Citizen Participation – Jan Neese (302 Champion ID); Steve Swan (850 Sunfish OD); Buddy Cook (710 Rolling Green ID)
- Board discussion/action – Hietpas made a motion to accept the recommendation of the APC for a 3% general increase. Priddy seconded the motion. Motion passed unanimously.

8. Report from Independent Counsel regarding Andrews/Eason lawsuit.

- Citizen Participation – Buddy Cook (710 Rolling Green ID); Elsa Hopkins (705 Mariner OD)

9. General Manager Resignation.

- Citizen Participation – Ike Herrick (104 Wanakah Ct ID); Cole Rowland (711 Mariner OD); PA Penley (Steiner Ranch OD); Ramzi Deeb (909 Challenger OD); and Lynn Eason (ID)

10. Appoint Interim General Manager.

- Citizen Participation – Elsa Hopkins (705 Mariner OD)

Recessed into Closed Session at 11:08 a.m. pursuant to Texas Government Code:

Sec. 551.071 – Consultation with Attorney

Sec. 551.074 – Personnel Matters

Reconvened into Open Session at 1:05 p.m.

8. Report from Independent Counsel regarding Andrews/Eason lawsuit.

- Board discussion/action – no action taken. (Andrews was not present in Closed Session for this item.)

9. General Manager Resignation.

- Board discussion/action – Hietpas made a motion to accept Eason’s resignation in accordance with the agreement with effective date to be worked out with the President. Priddy seconded the motion. Motion passed. Andrews abstained.

10. Appoint Interim General Manager.

- Board discussion/action – Priddy made a motion to ask President Karl Ansbach to act as GM until a replacement is found. Hitchcock seconded the motion. Motion passed. Ansbach abstained.

CONSENT AGENDA –Hitchcock made a motion to approve the consent agenda items. Andrews seconded the motion. Motion passed unanimously.

- 11. Approve Minutes of Special Meeting of June 2, 2010.
- 12. Approve Minutes of Regular Meeting of June 9, 2010.
- 13. Approve Minutes of Special Meeting of June 24, 2010.

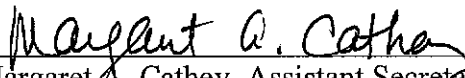
14. GENERAL MANAGER’S REPORT.

15. Board Members’ Comments.

ADJOURNMENT

The meeting was adjourned at 1:20 pm.

Respectfully Submitted,




 Margaret A. Cathey, Assistant Secretary/Treasurer

Minutes approved on the 11 day of August, 2010.



 President, Board of Directors

ATTEST:



 Secretary, Board of Directors