

Action Minutes
Lakeway Municipal Utility District
Board of Directors Meeting
September 8, 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 Trish Carls, Attorney

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.

3. Employee & District Recognition.

Ansbach recognized:

- Margaret Cathey as District Governor of Toastmasters International
- John Hastings with a Water Fluoridation Quality Award
- Randy Lester for leading a team on a leak on Spellbrook
- Pauli Delgado, Chris Galvan, and Tony Resendiz for working a leak over a weekend

CITIZENS

4. None.

AGENDA ITEMS

5. Villas of the Hills ETJ Release.

- Opening Statement – Doug Lindgren, Mayor of the Hills made a brief statement about the status of the release.
- Citizen Participation – Mel Neese (302 Champion)

Recessed into Closed Session at 9:40 a.m. pursuant to Texas Government Code:
Sec. 551.071 – Consultation with Attorney

Reconvened into Open Session at 10:23 a.m.

- Board discussion/action – Hitchcock made a motion to approve the Resolution regarding the release of the ETJ. Priddy seconded the motion. Motion passed unanimously.
6. Oak Wilt Water Billing.
- Opening Statement - Carrie Burns, City Forrester, briefed the Board on a request regarding increased water bills for customers with oak wilt.
 - Board discussion/action – Andrews made a motion to table this item. Motion failed for a lack of a second. Priddy made a motion to temporarily give an adjustment for a four-month term, to a maximum of ten customers approved by the City Forrester to be retroactive to January 1, 2010 and ends on December 31, 2011. Hietpas seconded the motion. Motion failed. Priddy and Hietpas voted yes; Ansbach and Andrews voted no; Hitchcock abstained.
7. Community Advisory Committee Communication.
- Opening Statement – Keith Williams, Co Chair of the Committee asked two questions – does the Board want the CAC to address the community and if so, how?
 - Board discussion/action – Andrews made a motion for the CAC to continue to work on communications with oversight from the APC Committee; draft a short message on the bill; and put the communication on the website. Hietpas seconded the motion. Motion passed unanimously.
8. Contract for Internal Auditor.
- Opening Statement – Judy Wallace, APC Committee member briefed the Board on the procedure of obtaining an auditor. APC recommends PMB.
 - Board discussion/action – Hitchcock made a motion to approve the engagement letter from PMB Helin Donovan with the change from “APC” to “Board of Directors”. Andrews seconded the motion. Motion passed unanimously.
9. BNY Contract for IRS Audit.
- Opening Statement – Ansbach briefed the Board on the IRS audit and steps leading up to obtaining a consulting arbitrator.
 - Board discussion/action – Hitchcock made a motion to approve the BNY Contract. Hietpas seconded the motion. Motion passed unanimously.
10. Set Public Hearing for Proposed Tax Rate for 2010.
- Board discussion/action – Hietpas made a motion to set the Public Hearing for September 15th. Hitchcock seconded the motion. Motion passed unanimously.

11. Rate Design for FY 2011 (including Revenue Budget).
 - Board discussion/action – Hitchcock made a motion to approve the Rate Design. Hietpas seconded the motion. Motion passed unanimously.
12. Rate Order for FY 2011.
 - Board discussion/action – Hitchcock made a motion to approve the Rate Order. Hietpas seconded the motion. Motion passed unanimously.
13. Rate Change to TCDRS Retirement Plan for 2011.
 - Board discussion/action – Hitchcock made a motion to approve the TCDRS rate at 11%. Ansbach seconded the motion. Motion passed unanimously.
14. Land Committee Roles and Responsibilities.
 - Board discussion/action – Hietpas made a motion to approve the roles. Andrews seconded the motion. Motion passed unanimously.

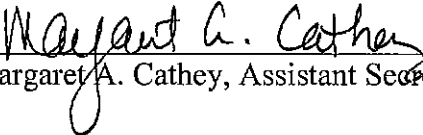
CONSENT AGENDA –Hitchcock made a motion to approve consent agenda items 15 & 16. Andrews seconded the motion. Motion passed unanimously.

15. Approve Minutes of Regular Meeting of August 11, 2010.
16. Approve Capital Expenditure 10-03 Suction Screen at I-6 (\$7,000).
17. Approve Write-off of Bad Debts.
 - Board discussion/action – Hitchcock made a motion to approve the write offs. Priddy seconded the motion. Motion passed. Hietpas and Andrews voted no.
18. GENERAL MANAGER’S REPORT.
19. Board Members’ Comments.
 - Ansbach is drafting committee meeting and minutes procedures

ADJOURNMENT

The meeting was adjourned at 11:55 am.

Respectfully Submitted,



Margaret A. Cathey, Assistant Secretary/Treasurer

Minutes approved on the 13 day of October, 2010.



President, Board of Directors

ATTEST



Secretary, Board of Directors