

Engineering and Operations Committee Meeting

Minutes

June 19, 2013

The meeting was convened at 3:00 P.M., Wednesday, June 19, 2013, at the Lakeway Municipal Utility District's office located at 1097 Lohman's Crossing, Lakeway, Texas 78734-4459.

The following Engineering and Operations (E&O) Committee members, GM, and Board Liaison were in attendance:

Don Walden, *Chairman*,
Carl English, *Committee Member*,
Earl Foster, *General Manager (GM), Lakeway M.U.D.*,
Jerry Hietpas, *Board Member and Board Liaison to Committee*,
Bob Rives, *Committee Member (Secretary)*,
Pat Rossmiller, *Committee Member*.

The following committee member was not present:

Harvey Harrison, *Committee Member (Vice Chairman)*.

The meeting's agenda had been distributed to all Committee members by Mr. Loyd Smith on June 18, 2013. The designated Agenda for the meeting was:

1. Review E&O Committee Procedures
2. Update on Bond Application,
3. Review Capital Expenditure List,
4. Discuss Water Balance for S-4 and S-5,
5. Review Plans for Road through CT-1.

Mr. Foster started a discussion regarding E&O Committee Procedures which was initiated as a result of an e-mail sent to all committee members on May 28, 2013, by member Harvey Harrison who had suggested certain changes regarding committee procedures be considered by the group. Since the e-mail became public the committee felt that it should address Mr. Harrison's comments and recommendations. First of all it was noted that the Board of Directors of Lakeway M.U.D set the directions and procedures for the Committee on September 24, 2010, and as further revised in 2011 and 2012. A copy of these directions and procedures were handed out at the meeting. The committee members present all agreed that the procedures written by the Board were the way the committee is presently run and the way the committee should continue to work. Since Mr. Harrison is a valued and knowledgeable committee member each item of his e-mail were address specifically by the Committee. Mr. Foster noted that the committee's procedures are not unique to municipal utility districts.

Furthermore, the agenda and most materials are sent out three days ahead of the meeting. Generally the meeting dates are scheduled by the Committee itself and usually one month in advance of the next meeting date. If a member has any changes or additions to the agenda he only has to advise the committee chairman or the M.U.D.'s General Manager. There is a caveat regarding some materials in that the Manager cannot always have the most timely materials available until the actual meeting date. If possible material is disseminated a couple of days prior to the meeting by e-mail. Since the E&O Committee has a broad scope of individual expertise and knowledge of topics which can relate to or resolve particular problems posed in agenda items, topics are often expanded upon from time-to-time at the meetings or the committee may even stray from intended topics due to such extra-special engineering or operational knowledge. Obviously, a rigorous holding to formal-meeting procedures such as Robert's Rule of Order is not always beneficial to the resolving of engineering and operational problems in an E&O committee environment. Additionally, the Board has influenced that topics and tasks come down the pipe, not from the bottom up. In other words the topics and tasks for the committee come through the Board, to the Manager, and then to the Committee. Furthermore, it was noted there must be at least three members in attendance for a consensus or change to agenda items at the meeting. In other words, a quorum consist of a simple majority of the total members (5); that is, this does not count the General Manager and Board Liaison. According to the Board all committee members are advisory only in nature and can only recommend to the Board of Directors by consensus. Its members have no authority to set policy on behalf the Board.

Following the above discussion the chairman motioned (and it was seconded) that there be no action in regard to the modifications requested as mentioned in Mr. Harrison's e-mail of May 28, 2013, as the Committee is in harmony with the Board's written procedures for the E&O Committee. The procedures are followed by the Committee and deemed adequate to the operations of the Committee and we see no reason to recommend any changes to the Board. The motion was agreed by all members present (four ayes and no nays).

Regarding agenda item number two, Mr. Foster notified the Committee that the Bond Application will be sent to the TCEQ on June 20th of this month and will undergo the required 45-day preview process.

An informational copy of the Capital Expenditure list was reviewed by Mr. Foster. This covered: Remodeling of the reception area, camera/DVR for recording the BOD meetings, four new turbidimeters, surge suppression equipment for W-3, radio network for tank levels, two new Ford F-150 trucks, and compressors for I-6.

The final item on the agenda was a review plan for a potential road cutting through the CT-1 60-acre cedar-track area which would provide access to a new development proposed by Stratus Development and City of Lakeway via the Hills community entrance on Lohman's Crossing Road. It was noted that the M.U.D. land tract is a permitted area for wastewater under the Water Code and building a road directly through the track interferes with the validity of the permit. The GM and Board will deal with this aspect. It was noted that 19 acres just south of the CT-1 is "surplus land" and could accommodate a road juxtaposed to it and the CT-1 cedar-track area.

The next meeting was tentatively scheduled for July 25, 2013, at 3:00 P.M. Business was completed and the meeting was adjourned at 4:50 P.M.

The minutes have been read and approved by e-mail:

These minutes approved this ___ day of June, 2013.

Yeas 4, Nays , Abstain .

Robert Rives, Secretary, E&O Committee, Lakeway MUD