

Minutes  
Lakeway Municipal Utility District  
Board of Directors Meeting  
August 13, 2014

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

Directors Present:	Larry Burmeier Kay Andrews Mel Neese Tom Brewer Jerry Hietpas
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Staff Present:	Earl Foster Lloyd Smith
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QUORUM

1. Determine Quorum and Call to Order

Meeting was called to order at 9:30AM  
Burmeier declared a quorum of Directors present and called the meeting to order.

2. Pledge of Allegiance was led by Burmeier.  
Burmeier announced the appointment of Brewer to Parliamentarian.

CITIZENS

3. None

AGENDA ITEMS:

4. Discussion/action on Replacement of Treasurer.
- Hietpas asked to resign from the Treasurer position.
  - General Board Discussion.
  - Andrews moved to accept Hietpas's resignation; Hietpas seconded.
  - Motion passed unanimously.
  - Neese nominated Andrews as Treasurer; Brewer Seconded.
  - Motion passed unanimously.

5. Discussion/action on Committee Liaison Assignments

- Neese questioned whether the Land committee was needed, and suggested the need to make Liaison appointments official
- Burmeier stated the Liaisons were official; that Liaisons were appointed, not elected.
- Brewer moved to leave the Committees and Liaisons as they exist; no second
- General Board Discussion
- Neese moved to Table the Item; Brewer seconded.
- Motion passed unanimously

6. Discussion/Action with respect to The Issuance of \$7,430,000 Lakeway Municipal Utility District Unlimited Tax Bonds Series 2013 and the related CIP projects.

- Neese proposed Lakeway MUD pay off \$2.6M in bonds since one project was scrapped and the funds are not committed
- Dan Wegmiller of Specialized Public Finance, Inc. explained that the Series 2013 bonds could not be paid off until 2022, and other bonds cannot be paid off using proceeds of a subsequent bond issue.
- Hietpas said the E&O Committee was evaluating all projects and would deliver a recommendation to the Board
- Foster offered that Bonds are sold with 'Reasonable Expectations' for use of the funds.
- Brewer said LMUD is a manufacturing entity, and would always need funds for infrastructure.
- Andrews noted we have aging infrastructure that will continually require upgrades.
- Burmeier said the bond money does cost us a lot, but that we must use long term debt to pay for long term capital outlays. We authorized bonds when interest rates were very low. We cannot charge current taxpayers for improvements that will last many years.
- General Board Discussion.
- No Action was taken.

7. Discussion/action on existing Out of District Wastewater Contracts

- Neese questioned why LMUD is providing Wastewater services to other MUDs.
- General Board discussion.
- Hietpas moved to Table; Neese Seconded.
- Motion passed unanimously
- Burmeier directed Foster to bring a report regarding OODWW contracts to next meeting.

8. Discussion/action to Consider Authorizing General Manager to discuss Possible Out of District Wastewater Service for Madrone Canyon.

- Foster reviewed the request to continue discussions.
- Brewer asked for further information regarding number of houses (LUEs)
- General Board Discussion.
- Hietpas moved to approve; Andrews seconded.
- Motion passed unanimously.

9. Discussion/Action Discussion to Approve Changes to Water Conservation Plan

- Foster pulled this item and will re-introduce upon completion.

10. Discussion/Action on Update of Ground Water Well to supplement Surface Water.

- Foster reviewed research to date regarding drilling test well.
- General Board Discussion
- Foster said no commitments to drill test well would be made without Board approval.
- No Action was taken

11. Discussion/Action on Update of S-4 Major Permit Amendment

- Foster updated progress of Amendment; TCEQ Technical Review nearing completion with no obvious issues.
- Reuse customers would replace the need for Cedar Tract 1 if approved, moving CT1 to Surplus.
- General Board Discussion.
- No Action was taken.

12. Discussion/action Directors Input on what the Board intends to accomplish over the next twelve months.

- Burmeier stated he had received input from some and was waiting on the balance.
- When all suggestions are in, Burmeier and Foster will review and make recommendations to the Board.
- No action was taken.

CONSENT AGENDA: Hietpas moved to approve; Brewer seconded. Motion passed Unanimously.

13. Approve Minutes of Regular Meeting of June 11, 2014.

14. Approve Easement Release for 423 Dasher.

FINANCIAL REPORT:

- 15. Financial Report
  - A. Discussion of Financial Report for June 2014
  - B. Discussion of Budget versus Actuals through June 2014.
  - C. Discussion of Calendar.
  - D. Discussion of Platinum Leadership Circle Award from Texas Comptroller
  - E. Discussion of DN Tanks Pay Application on W-3 WTP 1.0 MG Clearwell.

ADJOURNMENT

The meeting was adjourned at 11:08 AM.



  
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Loyd Smith, Office Manager

Minutes approved on the 10<sup>th</sup> day of September, 2014.

  
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President, Board of Directors

ATTEST:

  
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Secretary, Board of Directors