

Minutes
Lakeway Municipal Utility District
Board of Directors Meeting
April 13, 2016

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

Directors Present: Larry Burmeier
 Mel Neese
 Tom Brewer
 Kay Andrews
 Jerry Hietpas

Staff Present: Earl Foster
 Loyd Smith

QUORUM

1. Determine Quorum and Call to Order

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

2. Pledge of Allegiance was led by Burmeier.

CITIZENS

3. None

AGENDA ITEMS:

4. Discussion/action on Proposed changes to Investment Policy and discuss Investment Strategies.

- Foster reviewed the proposed change to the policy to change the maximum period of investments from 1 year to 2 years.
- Hietpas moved to approve the change; Neese seconded.
- Lawrence Christian, Chairman of the Finance Committee, noted that the Board approved the 2 year investment period in CD's in the March Board meeting, but that the Policy states a 1 year maximum. Christian noted the Finance Committees recommendation to make the Policy change to 2 years.
- Andrews suggested changing Section 5(F) to read the "Investment Officer and one of the Investment personnel", and that Section 8 clarify who the Authorized Representatives are for signatures.

- Hietpas and Neese accepted Andrew's friendly amendments.
- Christian suggested that the Board approve only the change from 1 to 2 years in this meeting and refer other changes back to the Finance Committee for review.
- General Board Discussion
- Brewer moved to amend the motion to approve only the change from 1-2 years, and the policy be remanded to the Finance Committee for study and recommend changes to the Board at the May Board Meeting.
- Hietpas and Neese accepted Brewers amendment.
- Motion passed unanimously.
- Christian gave an overview of the CDARS program through The Business Bank of Texas.
- Foster reviewed the details of the CD investment program.
- Brewer moved to authorize the President and Treasurer to open an account with Business Bank of Texas and Promontory Interfinancial Network to invest in CD's with the amount subject to Board Authority; Hietpas seconded
- Neese stated his belief that improvements should begin now on S-5 Expansion; Hietpas disagreed.
- Motion passed unanimously.

5. Discussion/action on Regular Board Meeting for May 2016.

- Brewer moved that the Regular Board meeting in May be moved to May 18, 2016; Neese seconded.
- General Board Discussion.
- Neese called for a vote.
- Motion passed 3-2; Hietpas and Andrews voted against.

6. Discussion/Action on Recommendation to Conduct a Salary and Benefits Survey.

- Foster gave an overview of the proposals received for the Survey
- Don Goff, Chairman of the APC Committee presented Bids from Ray Associates, Inc. (\$19K Max) and Intelligent Compensation, LLC (\$25K Max). Goff stated that the APC Committee recommended the Board accept Ray Associates proposal.
- Brewer moved accept Ray Associates proposal in accordance with the APC Committee's recommendation not to exceed an expenditure of \$20K. Burmeier seconded.
- Hietpas stated that due to prior experience he did not want to award the project to Ray Associates.
- Neese stated that the APC Committee in the past would not deal with Ray Associates.
- Andrews mentioned there are more organizations that do surveys, and that CASE was considering doing one.
- Brewer withdrew his motion.

- Brewer moved to return the item to the APC Committee for further study with the understanding that we may have no Survey this year; Hietpas seconded.
 - Burmeier stated that 4 years since the last Survey was not as bad as he thought and it might not be bad to wait another year.
 - Brewer indicated he did not want the APC Committee to spend a lot of time if the Board was not willing to consider a higher cost; members expressed willingness to consider increased cost.
 - Motion passed unanimously.
7. Discussion/Action on Committee Appointments and Functions and Committee Resolutions.
- Foster reviewed the proposed changes combining Committee Appointments into the APC Resolution document.
 - Goff expounded on the practicality of combining the two documents into the Resolution.
 - Brewer moved to accept the proposed changes and elimination of the Committee Appointments and Functions document; Hietpas seconded.
 - Andrews asked that the last sentence of Item 11 be changed to “**and** place on the agenda for board action.
 - Brewer and Hietpas agreed to a friendly amendment to change the ‘or’ to ‘and’.
 - Motion passed unanimously.
8. Discussion/Action on Update on S-5 Expansion Preliminary Engineering.
- Foster reviewed progress on S-5 Preliminary Engineering.
 - General Board Discussion.
 - No action was taken.
9. Discussion. Action on Update on S-5 Reuse and I-4 under-drain Engineering.
- Hietpas reviewed information from the E&O Committee’s Look Ahead for the next approximate 7 years.
 - General Board Discussion.
 - No Action was taken.

CONSENT AGENDA:

Brewer moved to approve the Consent Agenda; Neese seconded. Motion passed unanimously.

10. Approve Minutes of Regular Meeting March 9, 2016.
11. Approve Minutes of Special Meeting March 16, 2016.

FINANCIAL REPORT:

12. Financial Report

- A. Discussion of Financial Report for February 2016.
- B. Discussion of Budget versus Actuals through February 2016.
- C. Discussion of Calendar April, May 2016.

ADJOURNMENT

The meeting was adjourned at 11:47AM.



Minutes approved on the 18th day of May, 2016.



Loyd Smith, Office Manager



Jay Burnstein
President, Board of Directors

ATTEST:



Secretary, Board of Directors