

Engineering and Operations Committee Meeting

Minutes

November 17, 2016

The Chairperson convened the meeting at 1:32 P.M., Thursday, November 17, 2016, 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, General Manager (GM), and Board Liaison were in attendance:

Phil Lanier, *Chairperson*,
Beverly Carter, *Committee Member*,
Earl Foster, *General Manager, Lakeway M.U.D.*,
Bob Rives, *Committee Member (Secretary)*,
Wayne Seime, *Committee Member*.

Not in attendance was, Jerry Hietpas, *Board Member and Board Liaison to Committee*.

The meeting's agenda had been distributed by e-mail to all committee members on November 16, 2016. The designated agenda for the meeting was:

1. Review Capital Improvement Plan,
2. Update on Operations Personnel,
3. Other Items.

Mr. Lanier turned the meeting over to Mr. Foster for the review of the Capital Improvement Plan. Mr. Foster handed out a preliminary plan under the Bond Authority showing projects that have been awarded and/or completed, which were budgeted for \$9,165,511 with actuals of \$8,753,307. Also depicted was the engineering in progress which involves the S-5 reuse and I-4 underdrain projects. He further indicated Future Capital Projects which included the W-3 scrubber system (chlorine gas safety), scrubber system at I-4 (chlorine gas safety), L-9 lift station, the balance of bond to be reallocated, S-5 fine screen/washer/compactor, waterline replacement, and W-3 solids contract clarifier replacement. He noted that they were presently working on permits for some of these projects. The overall budget figure was \$17,655,485 with actual costs of \$8,872,361. Total bond monies received are \$13,300,000 with a balance in the bond account before Series 2013 of \$935,989. Therefore, the total monies needed to fund the listed Capital Improvement Projects (CIP) is \$3,419,496. Mr. Foster stated that the 2013 barge purchase pay-back would provide about seven years (including 2016) of income of roughly \$167,000 per year which goes toward the CIP. Other major potential income could come from the sale of the cedar tract which would go toward the short fall and also future capital projects.

Mr. Foster presented a future capital list containing potential projects such as: S-4 hydro-tank replacement, S-4 and S-5 pumps and piping painting, L-9 rehabilitation that would require lowering the lift-station, S-4 and S-5 processors upgrade, and lastly to replace numerous outdated fire-hydrants and pipes within the L.M.U.D. system. The committee members felt that more definitive information on projects and their estimated costs were needed regarding future work projects; also, such items as the several older wastewater pipes that need replacing, the Live Oak's wastewater line that needs to be changed to a larger pipe, and possible Rough Hollow/Highlands wastewater projects should additionally be identified. This future list of projects could represent about six years of work.

Under the agenda item of the update on operations personnel Mr. Foster indicated a need to switch one of the workers, who has undergone recent successful medical treatment, to a more secure job. He would like to transfer this individual, who has 15-20 years of experience, to the inspector of irrigation devices. He said that TCEQ regulations requires the systematic annual testing of all devices that are considered hazardous; hence, L.M.U.D. is in need for an experienced person to assume the duties of inspecting and testing of these devices. The person under review has already received past training that would help in his qualification. If he is transferred then L.M.U.D. will need to replace his past position with a new hire. Additionally, Mr. Foster said that Mr. John Hastings, supervisor of the water plant, is retiring. Presently, Mr. Hastings has a qualified understudy in place. However, Mr. Foster said he will need to replace the understudy's job.

The committee decided not to meet in December, 2016, due to a lack of an agenda item. As there were no other items the Chairperson adjourned the meeting at 2:32 P.M. and the next scheduled meeting is Thursday, January 19, 2017, at 1:30 PM.

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

The minutes approved this 22th day of November, 2016.

Yeas 4, Nays 0, Abstain 0.

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