

Engineering and Operations Committee Meeting

Minutes

February 16, 2017

The E&O meeting was convened at 1:32 P.M., Thursday, February 16, 2017, 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.*,
Jerry Hietpas, *Board Member and Board Liaison to Committee*,
Bob Rives, *Committee Member (Secretary)*,
Wayne Seime, *Committee Member (Vice Chairperson)*

The meeting's agenda had been distributed by e-mail to all committee members on February 14, 2017. The designated agenda for the meeting was:

1. Update on Construction at S-5 and I-4,
2. Discuss Out of District Wastewater for Old Lakeway,
3. Discuss Serving MUD's 12 and 13 Water,
4. Other Related Business.

Mr. Lanier called the meeting to order at 1:32 P.M. and then turned it over to Mr. Foster for the introduction of agenda item number one. Mr. Foster provided an update on the construction work for S-5 and I-4 saying the contract was issued to Central Road & Utility, Ltd. (CRU). The contract was for approximately \$1.37 million. Mr. Foster noted that the company is now in the beginning stage of work following the pre-con meeting.

The next item on the agenda was a discussion of out-of-district wastewater for the Old Lakeway area. Historically, Lakeway M.U.D. created a District around Old Lakeway where both sewerage and water were supplied to future lots so as to encourage development; however, those houses *not in the district* were furnished only water but no sewerage service, and were designated as "out-of-district" customers. These non-sewer customers amount to just over 1,000 houses basically located in the heart of Lakeway. Originally these houses were on a simple septic-tank system and later were required by LCRA to have aerobic wastewater treatment systems. It was noted that licensed aerobic systems can cost approximately \$30,000. LCRA is the local authority that licenses and sets guidelines and regulations for any septic system within

2,200 feet of the Lake Travis (from a lake water-level of 691 feet) requiring a septic system to be at an elevation above 861 msl, have at least a drain field of 5,000 square feet, with three feet of suitable soil; these specifications impact all of the out-of-district houses. The committee asked if our present wastewater treatment plant could handle the extra load of these houses and Mr. Foster said he would have to study that potential plus any costs associated with possible enlargement of the S-5 plant and concepts involving the flow of waste water to the plant. He said that the primary costs of adding the 1,000 or so new sewerage customers could come from a defined area bond, which the residents in this area would be responsible for, and most likely a monthly additional rate to the new customers of about \$75.00 a month. Mr. Foster felt that to make this a viable project at least 750 of the out-of-district customers would have to be in favor of going from their present septic/aerobic systems to the L.M.U.D. sewer-line system. It was noted by the committee that most septic systems have an initial license agreement with LCRA, a yearly maintenance contract cost, tank cleaning every couple of years, the occasional aerobic pump replacement, possible tank failures, improper field problems, the requirement for a new aerobic license on the sale of the house, any house enlargements, and so on. But on the whole most people buying a house just don't want to buy a house with a septic system within a modern city and that would tend to lower the value of the out-of-district houses. The Committee made a motion and it was seconded that "The Board poll Lakeway residences to see if there is an interest for a wastewater treatment system." The motion was approved by 100% of the members of the O&E Committee. Mr. Foster felt that if at least 750 houses were interested we could proceed from there. Such a system would most likely take about five years to implement and complete. It was suggested that L.M.U.D. could also send letters or provide a website that would educate people regarding such a system and up-front cost to them, if any.

The next item was a discussion regarding servicing the rest of The Highlands and Rough Hollow areas with water. We would provide wholesale water to their storage tank which would require them to add about 3.3 million gallons of expanded capacity. We would basically like to have an agreement which would include administration, maintenance, and meter reading. It was noted that our rates are significantly lower than what they now have plus we already service their wastewater.

The last item on the agenda was in regards to correction of errors in the previous CIP, some revisions in the Capital List along with additional definitions to the SCADA costs and the Inflow and Infiltration (I&I) work.

The next meeting was called for March 16, 2017 at 1:30 P.M. With no further business Mr. Lanier adjourned the meet at 2:55 P.M.

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

The minutes approved this 21th day of February, 2017.

Yeas 4, Nays 0, Abstain 0.

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

