

Engineering and Operations Committee Meeting

Minutes

October 19, 2017

The E&O meeting convened at 1:32 P.M., Thursday, October 19, 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, *Committee Member (Chairperson)*,
Earl Foster, *General Manager, Lakeway M.U.D.*,
Jerry Hietpas, *Board Member and Board Liaison to Committee*,
Bob Rives, *Committee Member (Secretary)*.
John Sayre, *awaiting Board approval as Committee Member*,
Wayne Seime, *Committee Member (Vice Chairperson)*.

Not in attendance:
Beverly Carter, *Committee Member*.

The meeting's agenda had been distributed by e-mail to all committee members on October 17, 2017. The designated agenda for the meeting was:

1. Review CRU Pay Application #8,
2. Discuss Out-of-District Wastewater Project,
3. Discuss Agreement with MUD 12 on Serving MUDs 11, 12 & 13 Water,
4. Other Business.

Mr. Lanier called the meeting to order and Mr. Foster began with the introduction of agenda item number one. Mr. Foster said that the Contractor's Application and Certificate for Payment #8 will be recommended to the Board for approved payment to CRU, Ltd., for \$138,800 with a remaining balance of \$235,561. It was remarked that CRU, Ltd. has gone beyond date of completion and LMUD is sending demand charges. Mr. Foster will meet with them next week to discuss delays in obtaining pumps and determine a completion date.

Mr. Foster also noted that electrical contractor Mr. John Gordon is working on the programming to upgrade our system software. Mr. Foster then proceeded to agenda item two regarding the out-of-district wastewater project mentioning a recent newspaper article on the new

LMUD logo. He also brought up some ideas on debt servings for Phase I customers suggesting that each lot would have to pay a debt service over a 20-year period of about \$60 per month. If a home owner decided that they don't want to hook up immediately, they could have an option to go ahead and pay the monthly debt service (without actually hooking up to the sewer system) and at a later date connect without any cost. Otherwise, their option would be to pay all debt services retro-active if and when they do opt to hookup. Additionally, Mr. Foster was asked how much money would be saved in using reuse water for those located on the Live Oak Golf Course and he said it could be as much as 50% for large users but more likely a \$10 savings per month for normal home users. Mr. Foster continues to work with the marketing consultant, Stephanie Threinen, to form a marketing plan for Phase I and hopes to present it to the Board in their November meeting.

In other business Mr. Foster said the land sale on the Lakeway police station would take place today with the first payment and the final payment due on November 28, 2017, for a total of four million dollars. The committee also asked how LMUD would respond to a major power outage (such as those that occurred in Houston and Florida after the hurricanes) to both our water and wastewater plants. Basically the committee thought it would be good to review our need for emergency generators for water pumps. Also, it would be interesting to know where PEC gets their power, that is, where they purchase it and how it goes into their system to supply LMUD in order to determine how vulnerable we are to potential power loss.

In a final note the committee asked that the Board approve Dr. John Sayre as a member of the committee at their upcoming November meeting.

The next meeting was called for November 16, 2017 at 1:30 P.M. With no further business Mr. Lanier adjourned the meeting at 2:35 P.M.

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

The minutes approved this 24th day of October, 2017.

Yeas 3, Nays 0, Abstain 1.

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