

AN ORDER ADOPTING A POLICY CONCERNING SELECTION, MONITORING,  
REVIEW, AND EVALUATION OF CONSULTANTS FOR THE DIRECTORS AND  
EMPLOYEES OF THE LAKEWAY MUNICIPAL UTILITY DISTRICT

WHEREAS, LAKEWAY MUNICIPAL UTILITY DISTRICT (the "District") is a political sub-division of the State of Texas operating pursuant to Chapters 49 & 54 of the Texas Water Code; and

WHEREAS, Texas Water Code Section 50.381 requires that the Board of Directors of the District adopt certain policies and procedures in writing, including a POLICY CONCERNING SELECTION, MONITORING, REVIEW, AND EVALUATION OF CONSULTANTS:

NOW, THEREFORE, BE IT ORDERED BY THE BOARD OF DIRECTORS OF  
THE LAKEWAY MUNICIPAL UTILITY DISTRICT THAT:

1.01 PURPOSE

This professional services policy has been adopted to provide for the selection, monitoring, review and evaluation of the District's consultants. Consultants retained by the District to provide professional services include, but are not limited to, legal, engineering, financial, management, and auditing.

1.02 SELECTION

When a consultant is to be selected to provide a service to the District, the President of the Board shall assign responsibility for the selection to an appropriate committee of the Board. The committee shall solicit at least three proposals. After reviewing the proposals and interviewing the parties, the committee will decide on a consultant, or elect to solicit additional proposals. When the committee reaches a decision, a written report will be submitted to the Board. The report shall contain the committee's recommendation as well as the reasons for the selection. The report shall also include a draft of an agreement or contract to be executed with the consultant. Action on the recommendation will be taken at a Board of Directors meeting.

1.03 MONITORING, REVIEW AND EVALUATION

The President will assign these functions to appropriate Board committees. Monitoring and review of consultants will be perpetual and an evaluation of each consultant will be made at the September Board meeting by the appropriate committee and at any other time if deemed necessary. Recommendations to terminate, revise, and renew contracts with consultants will be made by the committee assigned to that consultant.

1.04 EXCLUSION

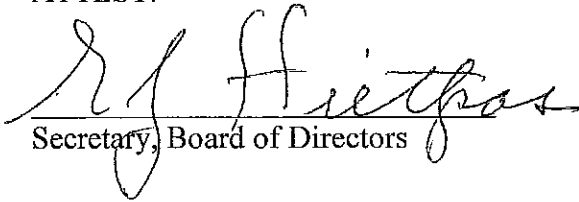
This policy is meant to cover consultants who, under contract, serve the District in a specific field for extended periods of time. This policy is not meant to cover the awarding of a contract

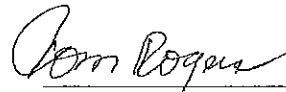
for professional services related to a singular, definitive task.

The President and the Secretary, respectively, of the Board of Directors are authorized to evidence adoption of this Order on behalf of the District and to do any and all things necessary to carry out the intent hereof.

PASSED AND APPROVED this the 19th day of August, 2009.

ATTEST:

  
Secretary, Board of Directors

  
President, Board of Directors