

Notes for Lakeway MUD E&O Committee Meeting

July 14, 2022

1. The E&O Committee meeting was called to order at 1:30 pm. Present were Phil Lanier, Frank Cooley, Tim Wilson, and Peter Carrothers. Wayne Seime has a medical issue and could not be present for the meeting.

2. **Review Expansion for S-5 Wastewater Plant**

Mr. Foster discussed his meeting with Lakeway City Manager Julie Oakley regarding the land associated with the planned S-5 Wastewater Plant expansion. An initial topic was the cost of moving the City's restroom facility which is on LMUD property. The facility would have to be moved to accommodate the wastewater storage tank if the City does not agree to the sale of land it owns adjacent to the S-5 plant. Negotiations with the City have stalled on the issue of the appraised value of the land the City owns. The City is seeking an appraised value that would effectively compensate them at the replacement cost of the property, rather than the proper appraisal price. The City still does not accept the LMUD position that any proceeds above a \$77 per acre price would be returned to LMUD. The City is seeking sufficient funds from the sale to purchase other land for a new City Parks office. The purchase/sale negotiation is being complicated by Ms. Oakley's departure scheduled for September 2.

As an alternative to the purchase of land from the City, Mr. Foster is looking at the possibility of constructing an up to 35 million gallon pond on land adjacent to the S-5 plant. This alternative requires more engineering to determine if it would be suitable. The timeline for a decision regarding the purchase from the City is early January, 2023.

If an agreement is not forthcoming from the City by that time, LMUD will need to start on the option that involves the placement of a tank that requires moving the City's bathroom facility, at a cost approaching \$100,000 to the City. Discussion was had regarding how to get this issue before the Lakeway City Council if negotiations remain stalled.

3. Review S-4 Expansion

Mr. Foster discussed his meeting with engineers regarding the S-4 wastewater plant expansion. The S-4 plant is currently rated at 985,000 gallons while it is permitted for up to 815,000 gallons. The issues regarding increasing the capacity relate to aeration and digestion capacities. It appears the clarifier is adequate to serve the full rated capacity. LMUD has an agreement to sell some capacity of the S-4 plant District 17 to serve some nearby areas of north Lakeway. Eventually there will be a need for 1.2 million gallons of capacity in the next 5 or 10 years. The capacity of the S-4 plant is being impacted by the lower amount of carry water being generated. Conservation measures have decreased the amount of carry water which effectively creates higher BOD counts which in turn effectively derates the wastewater plant capacity.

4. Discuss Pond Storage for S-5

Mr. Foster discussed the pond storage option for the S-5 wastewater plant under Item 2 of the agenda.

5. Discuss Drought Contingency Plan and Moving to 1-Day Irrigation Next Spring

Mr. Foster discussed the plan for LMUD to move to a 1-day a week irrigation schedule for its customers this coming spring. This requirement would be in effect only if the

Water Management Plan causes LCRA to curtail water deliveries to rice farmers next year.

6. Other Business

Mr. Foster briefly discussed the status of LMUD's request to the Texas Water Development Board for grant money under the Federal infrastructure program. There has not been any further update of the status of LMUD's grant request.

Mr. Foster also mentioned the need to shut service to up to 20 homes on Champion related to work on their main water line. This will require a boil water notice to be issued to homes in that vicinity. Mr. Foster explained the implications of a boil water notice to the Committee.

The Committee discussed having a facility tour for E&O Committee members and the new members of the Lakeway City Council.

The E&O Committee meeting concluded at 2:35 pm. The next meeting of the E&O Committee will be on Thursday, August 18, at 1:30 pm.