

Engineering and Operations Committee Meeting

Minutes

August 21, 2013

The meeting was convened at 3:00 P.M., Wednesday, August 21, 2013, 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:

Don Walden, *Chairman*,
Carl English, *Committee Member*,
Earl Foster, *General Manager, Lakeway M.U.D.*,
Jerry Hietpas, *Board Member and Board Liaison to Committee*,
Bob Rives, *Committee Member (Secretary)*,
Pat Rossmiller, *Committee Member*,
Wayne Seime, *Committee Member*.

The meeting's agenda had been distributed to all Committee members by Mr. Foster on August 19, 2013. The designated Agenda for the meeting was:

1. Update on Bond Application,
2. Update on Water Balance,
3. Review Reuse Alignment/Engineering for Project,
4. Report on L-1 Pump Replacement,
5. Review Castleberry Engineering Contract.

Mr. Foster introduced Mr. Wayne Seime as the new Committee member who replaces Mr. Harvey Harrison who had earlier resigned from the committee. Mr. Seime is a retired Chemical Engineer with worldwide experience.

Mr. Foster presented an update on the Bond Application that was sent to TCEQ on or about June 20th advising from e-mail correspondence that Mr. Ren Berra is moving our application to the "...top of the pile." Mr. Foster said he did not know if Mr. Berra has personally recommended the application but would advise the committee as soon as he hears anything from TCEQ.

A general discussion ensued regarding a private Stratus Development proposal and contract for the CT-1 eighteen-acre surplus land tract. Mr. Foster said that to his knowledge there was no contractual agreements between Stratus and M.U.D. Board and that Stratus made a proposal and provided a potential contract concerning the surplus tract for the Board to consider. The Committee had questions regarding private vs. public sales of M.U.D. property and how this

affects rate payers' and tax payers' best interest. A motion was made, seconded, and approved that a detailed discussion of the Stratus proposal and contract be on the next Committee agenda in order for the Committee to review contractual land usage controls or any specifications that may have consequences on the operations of Lakeway M.U.D.

The next item on the Agenda was an update on the water-balance modeling. Castleberry Engineering continues working on moving the modeling from a monthly to daily water-balance. Work continues on reuse water in identifying future turf and cedar tract deployment in order to satisfy TCEQ requirements where hopefully we can be relieved of the 60 acre CT-1 cedar permit requirement. The modeling information will be most helpful to us in better understanding the inter-connect line and how it will open up more reuse customers. The Committee was informed by Castleberry this project should be completed by the end of October.

Mr. Foster reviewed the reuse alignment/engineering project. He provided an aerial map superimposed with M.U.D.s proposed preliminary alignment of a ten-inch reclaimed-water pipeline. The map also showed existing reuse and wastewater line easements. The proposal suggested an approximate 15,000 feet of ten-inch pipeline that would traverse from the S-5 area (near the World of Tennis) to where it would cross over Duck Lake Road. Basically the route will follow golf-course fairways with as little intervention as possible to primary city roads and with minimal obstruction to Lakeway citizenry. Committee members asked Mr. Foster to provide them with more specifics as to how M.U.D. derived the requirements for a ten-inch pipe. They were interested in pipe-size vs. fluid flows vs. type of pumps. Also of interest was the type of pipe. Mr. Foster indicated that he felt some construction problem areas would be where it would cross Lohmans Crossing Road and the elevation rise around the fire department's facilities, and then the area around Duck Lake. The Committee made arrangements for the members to walk the proposed line with Mr. Foster on Thursday morning to get a better idea of the complications that might be encountered and to better understand the terrain involved. The Committee felt that a full-time project manager would be needed for the construction project and the GM agreed. The Committee had further discussion on preparing a Request for Proposal (RFP) to engineering firms in our area that might be able to do the detail engineering. Some of the firms that the Committee thought might be qualified were HDR, Malone-Wheeler Engineers, Murphy Engineering, and Steger and Bizzell.

Mr. Foster reported on the Lift Station #1 pump replacement saying it cost a total of \$59,574 dollars. He also mentioned the recent L-8 and S-4 plant had emergency pump repairs and/or new pumps. The Committee indicated that preventive maintenance might help alleviate costly emergency repairs and/or pump replacements in the future. Mr. Foster said we now have spare pumps available and that preventive maintenance will be done on pumps in a timely fashion.

The last item on the Agenda was a review of the Castleberry Engineering contract for another year. The GM had reviewed the contract which was basically the same as last year's agreement except for a general increase in hourly fees which have not been adjusted over the last two years. The GM was satisfied with the agreement and also Castleberry's work and asked for the Committee's consensus to send it to the Board. At this time the Committee asked to talk to Ms. Castleberry and Mr. Foster called her into the meeting. The Committee interviewed her and

asked her if she was getting the required backup she needed for her work and if she was satisfied with the communications within M.U.D. and with our committee. She indicated she was satisfied in this regard. The other particular comment by the Committee was that Castleberry's project completion dates should be more specific in the future. The Committee was pleased with her work and a motion was made to approve sending her contract to the Board; this was seconded and the Committee voted with full agreement (five Yeas and no Nays) that the contract extension should go to the Board for their approval.

The next meeting was tentatively scheduled for September 19, 2013, Thursday, at 3:00 P.M. Business was completed and the meeting was adjourned at 5:15 P.M.

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

These minutes approved this ___ day of August 27, 2013.

Yeas 3, Nays , Abstain .

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