

Minutes of the Regular Meeting of the  
BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT #2

A regular meeting of the Board of Directors of Bastrop County Water Control and Improvement District #2 was held on Thursday, July 20, 2017, beginning at 6:30 p.m. at the Conference Center, 106 Conference Drive, Bastrop, TX. 78602.

**Present BCWCID #2 Board Members:**

John Creamer, President  
Sam Kier, Treasurer  
Victor Gonzalez, Director

**BCWCID #2 Staff/Other Professionals:**

Jim Ouellet, General Manager  
Tony Corbett, Attorney  
Tyler Walsh, Operations Manager  
Alma Rodriguez, District Administrator

**Absent:**

Tammy Eden, Secretary  
Karen Pinard, Vice President

AGENDA

- 1.) Call to Order and Establish a Quorum  
President Creamer called the meeting to order at 6:33 p.m. A quorum of Board members was present.
- 2.) Pledge of Allegiance  
President Creamer led the Pledge of Allegiance.
- 3.) Texas State Flag  
President Creamer led the Pledge of Allegiance to the Texas Flag.
- 4.) The next Board of Director's meeting will be held on Thursday, August 17, 2017 at 6:30 P.M.  
President Creamer announced the next Board of Director's meeting will be held on Thursday, August 17, 2017 at 6:30 P.M.
- 5.) CONSENT AGENDA: (Consent Agenda items are generally routine.) Unless removed by a member of the Board, items listed on the consent agenda will be acted on together.
  - a. Approval of minutes from the June 29, 2017 Regular meeting
  - b. Presentation of financial statements by Autumn Phillips, Municipal Accounts and Consulting
  - c. Approval of monthly financials report for June 2017

Autumn Phillips from Municipal Accounts presented the financials. We are still working through the A/R Balances. This is the first report so it is a work in progress. In September, I would like to outline suggestions on District investments.

**Motion: Sam Kier moved to table the minutes from the June 29, 2017 Regular meeting until the August Board meeting and to approve the financial report for June 2017 with the understanding the Income Statement and Balance Sheet as of June 30 2017 will need additional adjustments before completed and finalized. Release of Liens. Seconded: Victor Gonzalez. Vote: Three (3) in favor, motion carries.**

- 6.) Public comments/Announcements (The Board respectfully requests you limit your comments to three (3) minutes)  
NONE
- 7.) Discussion, possible action and updates given by General Manger

#### **Water Outage**

A power failure late Saturday evening caused well 5 to stop working. The automatic call out system that would have alerted the answering service of such also failed. The problem was the phone line. AT&T confirmed the phone line is faulty and was scheduling to repair. It is my understanding the phone line that serves Plant 3's emergency notification system has failed a number of times in the recent past. We did receive a call of low water pressure at 11:52 PM. The on call operator responded based on the information he was provided. He could have done much more to pursue an answer to the call.

Due to the low water pressure or no water, a boil water advisory was implemented on Sunday. Water service was restored early Sunday. The system was flushed and samples were taken to the lab Sunday afternoon.

The samples results indicated the water was safe to drink and the boil water notice was lifted around 1:30 PM on Monday afternoon.

The proper technique in responding to any customer call has been reiterated and placed in writing. In an effort to reduce the probability of such occurring again will include a new Pressure Reducing Valve (PRV) to replace the broken valve presently in place. The next location for the SCADA system will be plant 3 so we can do away with the phone line.

The boil water was a precautionary measure that is required when pressures fall below 20 psi.

#### **New Customer Letter -**

Work is underway to have a new customer letter which will include a copy of the annual water quality report as well as other information on water, roads and wastewater related topics. We will also include a copy of the rate structure.

#### **Accounting Transition -**

The conclusion of the transfer is getting closer. Discussion on consolidating bank accounts and expense items will begin soon. Optimizing returns on funds will be discussed.

#### **Repairs on Koolua Drive and Awehi Lane landslide-**

I spoke to the design engineer today and I have been personally assured we will have the design in hand by July 21. BEFCO has the bid documents ready to go once the design is in hand. The objective is to complete the work this fall and put the FEMA project behind us.

#### **Road Construction Activities**

Culvert work is being completed on Haliimaile. Some additional culverts will be installed to cross air strip and to parallel Keanahanalululu as part of a larger drainage plan. Additional culverts will be placed on the end of Kokomo as part of the larger drainage efforts also.

#### **Outsourcing of Monthly Water Bill Production and Mailing -**

The monthly bills and the e bill are both on the new form. Late notices will be on a new form this month. Patricia has worked very hard and been very persistent in making sure the transition succeed. She has done a great job.

### **Meter Conversion**

Other activities have pulled us off replacing water meters. We hope to find time to get back on the meter change outs and may be doing such on the weekends in an effort to complete the project this year.

### **Lost Pines Nature Trail -**

The Lost Pines Nature trail was officially transferred to the county at the July 10, 2017 Commissioners court meeting.

### **Trihalomethane's -**

The permit to install treatment was received today. The contractor has been notified. We will have the equipment installed as soon as possible and look forward to a great deal of testing and successful results.

### **FEMA Update / Road activities -**

Tyler Walsh stated extensions were submitted for some of the 2015 and 2016 projects and all quarterly reports have been submitted. Lift Station # 2 has been cleaned up and were are ready for fencing and erosion control. Aloha and Ulupau are almost complete. The District we received a FEMA check. Wahane and Makaha road repairs have been completed.

Commissioner Hamner is working on drainage issues in Unit 3.

Director Gonzalez has been spoken with Union Pacific about repairing the railroad crossing at Lamaloa.

### **Consumer Confidence Report (Water Quality Report)**

Mailed out to all customers. We have surplus copies if anyone needs them.

### **Improved Billing Options and Updated Website -**

Alma Rodriguez stated the numbers of customers registering for E-Billing continues to increase, Incode has added a link so when a customer receives a bill by email they can click the link to pay now and a link is also setup on the website so customers can receive email blast. The form for reoccurring credit card payments is still being worked on then they will be sent to customers.

Director Kier suggest a line item that show how many are actually paying on line and also the security on how automatic bank/credit cards payment forms are being kept.

- 8.) Discussion on potential Bond for road completion, including status of the petition for bond election and possible adoption of an setting the time and place for a hearing to consider call a bond election Jim Ouellet stated there was a meeting on July 15 for informational purposes and produce a list of questions and answers. The Advisory Committee held a meeting on July 14. The committee wants to make sure that everyone is very knowledgeable about the issue. The Advisory Committee has generally stated we should wait 6 months to get people educated. The District received the needed signature for the petition.

Director Kier stated he wants to go ahead with the public hearing and his concern is there was a survey done by one of the committee members and 40% stated they were in favor of the election and the other 60% said they were not some because of not enough information and that is a concern if someone doesn't have enough information.

**Motion: Sam Kier moved to set the Public Hearing for August 5, 2017 at 9:00 A.M. Seconded: Victor Gonzalez. Vote: Three (3) in favor, motion carries.**

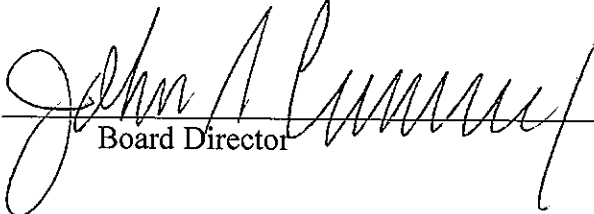
- 9.) Board suggestions on future agenda items  
Discussion on commercial rates  
How to provide an incentive for payment of annual road in an expedited manner and discuss the timing of lien fees.  
Hiring and retaining valuable and talented employees  
Need to firm up the \$615,000 in escrow  
Installing adequate storage for fire protection
- 10.) Release of Liens  
Alma Rodriguez presented the Release of Liens.

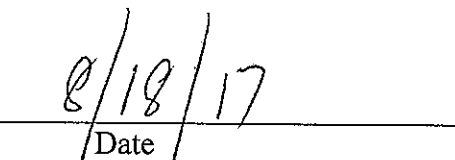
**Motion: Sam Kier moved to approve the Release of Liens. Seconded: Victor Gonzalez. Vote: Three (3) in favor, motion carries.**

- 11.) The Board of Directors will meet in a closed/executive session pursuant to Texas Government Code, Chapter 551, to discuss the following:
- a.) Section 551.072 - Deliberations regarding Real Property
- President Creamer announced at 7:55 p.m. that the Board will meet in Executive Session for the Deliberations regarding Real Property and also to seek legal advice in respect to the Bond matter.
- 12.) The Board of Directors will reconvene into open session to discuss, consider, and/or take any actions necessary related to the executive sessions noted herein, or regular agenda items, and/or related items.
- 13.) Discussion and possible action regarding Real Property  
No action taken
- 14.) Adjournment

**Motion: Victor Gonzalez moved to adjourn. Seconded: Sam Kier. Vote: Three (3) in favor, motion carries.**

MEETING ADJOURNED AT 9:30 P.M.

  
Board Director

  
Date