

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, January 19, 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  
Karen Pinard, Vice President  
Sam Kier, Treasurer  
Tammy Eden, Secretary  
Victor Gonzalez, Director

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

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

AGENDA

- 1.) Call to Order and Establish a Quorum  
President Creamer called the meeting to order at 6:30 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, February 16, 2017 at 6:30 P.M.  
President Creamer announced the next Board of Director's meeting will be held on Thursday, February 16, 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. Approve minutes of the November 17, 2016 Regular Board meeting.
  - b. Approval of monthly financial reports for November and December 2016
  - c. Approval of third quarter quarterly report for 2016Jim Ouellet stated the November and December Financials will need to be revised and they will be available for the February meeting.

**Motion: Karen Pinard moved to table item # B under the Consent Agenda until the February meeting. Seconded: Tammy Eden. Vote: Four (4) 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 Manager

- a. SCADA – Contract with Trac Control signed. The work is expected to begin in early February. We will start with plant 1 and the office to fine tune the activities and operations before expanding to the remainder of the lift stations and well sites.
- b. TTHM - We are awaiting a proposal to install a treatment technology in the storage tank at plant 2. A minor delay has occurred due to a change in personnel at the company we are working with to address the matter.

The technology to be used creates an environment within the tank that allows the volatile organics (TTHM's) to be released from the water and vented out of the tank in a controlled manner. While the tank is out of service for the installation of the equipment, the interior of the tank will also be prepped and painted. It is the intent to accomplish the project before warmer weather increases water use.

A discussion with the City of Bastrop for a temporary connection during the aforementioned work is taking place.

- c. Unit 6 – City of Bastrop - The City of Bastrop, under the leadership of interim City Manager Marvin Townsend, wishes to pursue efforts to promote the continued development in Unit 6. The multiple parties that have an ownership interest or future interest in the area will make the process complicated. The City has requested The District to give consideration to forming a Strategic Partnership to address our mutual interests. The variables surrounding unit 6 offer challenges and opportunities for the District. It is likely many discussion will follow. Attached is a memo from the City Manager on the subject.
- d. Road maintenance activities - Roads identified by FEMA as being damaged by recent rain events are being improved. We will also take advantage of having equipment and personnel on site to use funds available in the road maintenance budget to improve additional roads in certain areas.
- e. FEMA update - Tyler continues to receive numerous information requests from FEMA on a continuous basis. He has had to contribute a great deal of time responding and has done an outstanding job.

A meeting was recently held to discuss construction options for the “land slide” on Koolua Drive. The meeting was attended by numerous FEMA representatives as well as Joseph from BEFCO engineering. If feasible, the most cost effective approach to securing the land would be to drive sheet piling. Such an approach may also prove to be the most efficient means to stop the landslide occurring on Awehi Lane.

We are meeting with a company out of Houston who performs sheet piling work on January 20 to discuss feasibility.

- f. Repairs Koolua Drive – Discussed with FEMA Updates
- g. Letter sent regarding rate structure - Customers were informed via letter of the new rates going into effect as of January 1, 2017.
- h. District lots for sale - In an effort to transition lots owned by the District back into an active status, The District has been accepting interest from anyone should they desire to purchase a

District owned lot. A notice was placed in the local paper this week, announcing our intention to eventually sell some lots and encouraging people to look into the opportunity if they wish.

Based on the level of interest, the District can decide which lots they will accept a sealed bid for and can apply a minimum acceptable price should the District so desire. Once decided, a formal notice will be placed in the paper stating the specific lots that will be for sale and a date will be established for opening the sealed bids.

- i. SB 1204 – resolution to support bill in legislative session - Director Gonzalez and I have been in conversation with representatives from Senator Watson’s office and Representative Cyrier’s office. We have requested they update a senate bill passed in 2009 (SB 1204) which limits the amount the District can charge per month for road fees.

The respective legislators have been requested to introduce bills that will raise the allowable monthly fee from the maximum of \$15 per month presently to \$21 per month. The District has stated to the legislators that it is the Districts’ intention to limit any increase in a given year to \$2 per month or \$24 per year.

The legislators have respectively requested that we pass a resolution supporting the aforementioned bill and to include language that freezes the fee for those over aged 65 and for spouses of deceased veterans. We will be informed of the specific language and the respective bill numbers as the bill evolves.

- 8.) Discussion and possible action regarding hiring a law firm as District Council  
Jim Ouellet reported following notice placed in the paper expressing the Districts’ desire to retain the services of Legal Counsel, The District received four responses. Director Gonzalez and I interviewed two superb candidates, Attorney Jim Bradbury and Attorney Tony Corbett. Each appeared in the office before us.

Each attorney is very involved in representing water districts of a similar nature to BCWCID2 and both would address our interests exceptionally well. They are both involved in the Texas Rural Water Association and well respected by people in the business. Both expressed their willingness to be flexible in meeting our needs and only wish to be involved when requested.

The variable which separated the two candidates came down to the billing rate. Mr. Corbett was at \$250 per hour while Mr. Bradbury was at \$375 per hour. Director Gonzales and I feel we would be well served by retaining the services of Attorney Corbett and recommend him as our council going forward.

**Motion: Victor Gonzalez moved to approve the engagement letter for Tony Corbett and ask Jim Ouellet to turn over some legal matters to him for the next board meeting. Seconded: Sam Kier. Vote: Four (4) in favor, motion carries.**

- 9.) Discussion and possible action regarding hiring an auditing firm to prepare the District’s annual audit for 2016  
Jim Ouellet reported following notice in the paper expressing the Districts need for auditing services, we received three proposals. Director Kier and I interviewed all three firms. We interviewed two on the phone and one in person. While all have experience in working for entities similar to BCWCID2, we were most impressed with Mr. Bob West of West, Davis and Company.

Mr. West limits his involvement to only water districts and was very enthusiastic about the water business in general. He presently performs audit and accounting service to 24 water districts. His estimated cost for the audit was lower than the two other firms and his office is located in Austin.

Director Kier and I feel Mr. West is ideal for our District and will be a valuable contributor to the success of the District going forward. We recommend that we retain the services of West, Davis and Company to perform our auditing services with an expected start date of the first week in February.

**Motion: Sam Kier moved to approve the engagement letter from Bob West. Seconded: Tammy Eden. Vote: Four (4) in favor, motion carries.**

- 10.) Discussion and possible action regarding hiring a real estate firm for possible sale of District Property  
Jim Ouellet reported following notice in the paper soliciting the interest of real estate companies to represent the District in the potential sale of real estate, the District received two proposals. The Kevin White Group and All City Real Estate submitted information. I do not have a recommendation with whom to select.

**Motion: Tammy Eden moved to proceed with All City Real Estate pursuant to coming to a mutual agreement on terms. Seconded: Sam Kier. Vote: Four (4) in favor, motion carries.**

- 11.) Board suggestions on future agenda items
- Announcement of the Annual Road Meeting
  - Discussion on prohibiting the drilling of private wells within the district.
  - Discussion and possible action regarding return mail from Road Construction Statements
  - Discussion and possible action regarding 5 year Master Road Plan
  - Discussion and possible action regarding Resolution Supporting a Bill in the Legislative Session
- 12.) Discussion and possible action regarding letter from Christopher Julian requesting to have lien and late fees waived

**Motion: Karen Pinard moved to deny request from Christopher Julian. Seconded: Sam Kier. Vote: Four (4) in favor, motion carries.**

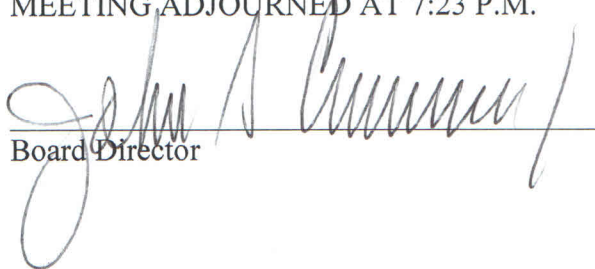
- 13.) Release of Liens  
Alma Rodriguez presented the Release of Liens

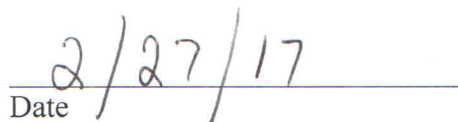
**Motion: Sam Kier moved to accept the Release of Liens. Seconded: Tammy Eden. Vote: Four (4) in favor, motion carries.**

- 14.) Establish date and time for Road Committee Annual Meeting  
President Creamer stated the date for the Annual Road Meeting is set for Saturday, March 11, 2017 at 9:00 a.m.
- 15.) Adjournment

**Motion: Karen Pinard moved to adjourn. Seconded: Tammy Eden. Vote: Four (4) in favor, motion carries.**

MEETING ADJOURNED AT 7:23 P.M.

  
Board Director

  
Date