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, March 18, 2021, beginning at 6:30 p.m. The meeting was conducted by videoconference and telephone.

Present BCWCID #2 Board Members:
Mary Beth O'Hanlon, President
Scott Ferguson, Vice President
Sam Kier, Treasurer
Ron Whipple, Secretary
Butch Carmack, Director

BCWCID #2 Staff/Other Professionals:
Paul Hightower, General Manager
Tony Corbett, Attorney
Tyler Walsh, Operations Manager
Alma Rodriguez, District Administrator

Absent:

MEETING DISCUSSION TOPICS

1.) Call to Order and Establish a Quorum
President O'Hanlon called the meeting to order at 6:30 p.m. A quorum of Board members was present.

2.) Pledge of Allegiance

3.) Texas State Flag

4.) Public Comments/Announcements (The Board respectfully requests that persons limit comments to three (3) minutes. Under the Open Meeting Act, the Board may not deliberate or take action in response to any matter raised during public comment that is not a separate agenda item.)
None.

5.) Discussion and possible action regarding scheduling of future meeting dates:

a. Regular Board of Director's Meeting scheduled for Thursday, April 15, 2021 at 6:30 p.m.
b. Annual Public Road Meeting scheduled for Saturday, April 17, 2021 at 9:00 a.m.

President O'Hanlon announced the future meeting dates.

Director Kier stated he received a phone call from Jan Kuchel stated that Clean Sweep was scheduled on April 17th and he informed Ms. Kuchel that the meeting has been scheduled for months.

President O'Hanlon stated she received the same phone call and while I would be willing to make some changes if we could, I was reminded, we have put the information about the Annual Road meeting on all of the road bills that were mailed out.

Director Kier suggested that TVPOA may want to extend their hours to allow people to attend both Clean Sweep and the meeting.

6.) CONSENT AGENDA: (*Consent Agenda items are generally routine. Unless removed by a member of the Board or General Manager, items listed on the consent agenda may be acted on together and without prior discussion.*)

a. Approval of minutes from the November 17, 2020 Special Meeting of the Board of Directors;
b. Approval of minutes from the January 21, 2021 Regular Meeting of the Board of Directors;
c. Approval of monthly financial report for January and February 2021; and
d. Approval of Release of Liens held by District on Real Property.

President O'Hanlon asked if there was any discussion on the Consent Agenda Items.

Motion: Sam Kier moved to approve the Consent Agenda Items. Seconded: Scott Ferguson. Vote: Four (4) in favor, motion carries.

7.) Presentation from representatives of Environmental Stewardship regarding the 32-acre Reserve Property
President O'Hanlon introduced Steve Box from Environmental Stewardship.

Steve Box thanked the Board for allowing him to make a presentation to the Board.

Mr. Box stated he founded Environmental Stewardship in 2006 and currently serves as the Executive Director and the board president and he is here this evening to discuss the Coppers Creek Reserve property that is currently owned by the Bastrop County Water District. We are here tonight to determine if you are interested in pursuing the proposals that Environmental Stewardship take ownership, the Copper's Creek property, we are interested in owning the property, has been encouraged by Commissioner Hamner, and he can speak about his interests in having the ownership of this property moved to a local non-profit. Our interests are to preserve and protect and restore the property, to provide a sanctuary for native flora and fauna, to provide low impact recreation and for local residents and visitors and to manage the property within the interests of key stakeholders like the board and TVPOA.

You should have in your folder a map of the property so that we are clear about which piece of property we are talking about and where it is located. I am told the property is 23 acres maybe it is 32 acres as it is indicated on the map but that really is not a major point. Hopefully, you are aware of where this property is located.

To tell you a little bit about Environmental Stewardship, these are our purposes, as stated in our founding documents. Our work is guided by these three missions to protect and enhance natural resources for both environments, the environment of humans, to use science, to sustaining ecological systems, and to provide education and outreach to encourage good stewardship. As I go through this presentation, you should be able to see the connection between these factors and the work that we have been doing. Our earliest work in the community was centered around the celebration of the Colorado River through Nature Feast events, and in the development of the Lost Pines Nature Trails to provide river access to Tahitian Village from Fishermen's Park and to promote recreational use of the river. We worked with Texas Parks and Wildlife Department to develop the Wilbarger and the El Camino Real paddling trails for which Fishermen Park and the Lost Pines Nature Trails serve as a takeout point. Of course, the Lost Pines Nature Trials is now the Lost Pines Nature Park and is in the possession of the Bastrop County.

Out work shifted about 2008 to include involvement in public policy work, focused on water planning. This is a list of the planning processes that Environmental Stewardship, has been involved with and I could go into these in a lot more detail but for now, I think it is more important that you just understand that this work has been primarily focused on protecting the Colorado River and its tributaries. You will notice that a lot of the more recent work has been with the Groundwater Conservation District and the group of districts that manage the area over the key aquifers in our region and we just had one of our virtual meetings on that subject today. So, the purpose of this work, though groundwater districts, is still to protect the Colorado River and there's tributaries from over pumping groundwater in such a way that it would be detrimental to the river. So, I think it is important that you also know that we have experience in managing both properties, The Lost Pines Nature Trails and financial management. We worked with your organization extensively in developing the Lost Pines Nature Trail, a project that is very similar and nature to always be planning to do with a Copper's Creek area.

As a 14-year-old tax exempt 501 C3 non-profit, we have also had extensive involvement in fund raising and managing those funds to accomplish our missions over the years. We have raised and manage over $800,000, not to mention the funds that we have raise for another a number of other projects that were not managed directly by Environmental Stewardship. All of our IRS, 990 filings are available on our website for your review, and I can direct you to that if you are interested in more details there.

Steve Box stated here is our vision for the Copper's Creek Reserve, and first is to create a preserve preserved for the plants and animals of the area, especially the Houston Toad. In keeping, with the limitations of the Houston Toad habitat, we want to provide low impact bike trails for education and recreation purposes because covers creek flows through the property and is important to the environmental flows of the river. We also want to do some stream monitoring that helps us to, in our scientific pursuit to better understand and measure the interaction between the underlying Carrizo Aquifer and this creek. That is a very important aspect of groundwater surface water relationships. We also want to offer other programs that encourage volunteers and participate in good stewardship of this property and other properties.

In addition, we want the place to be a place where kids and adults can experience nature and engage in educational programs. To further our science interests, we hope to provide opportunities for scientific investigations related to the Houston Toad, groundwater surface water interaction, and other ecological functions. Clearly, we will need to have some billing structures, but hope that those will be minimal on that property and we are eyeing some burned out lots that have slabs in place as locations for such other structures.

So, what are we requesting exactly? Well, first of all, you know, whether or not you are interested in this proposition, and with that in mind, we would be interested in also having the mineral and water rights associated with the property. We would want to be able to install monitoring wells and we will want to be able to be provided with potable water service in the near future if we need such. So, for our part, environmental stewardship will manage the property in co-operation with you and other and another local state entity. We will provide staff supported through public and private funding. We have been consulting with Terry more on Project stewardship and with Rob Sutherland, regarding property stewardship. Further, we will administer activity's, projects, programs, property management, and the financials, to the extent possible with assistance and support from the community.

We intend to use volunteer programs where possible, recognizing that much of the groundwork, with respect to construction of trails and other things of that nature will require professional services and we will get that work done through professional services. We intend to use local markets and services to the extent possible, and we will be seeking an office location to establish a mark direct presence as a community. So, with that introduction, I would like to give Terry Lorch chance to make a few comments before we move to questions in our discussion.

Terry Moore thanked the Board for allowing them to be on your agenda tonight and introduced herself to the Board.

Mrs. Moore stated she actually met Steve as part of the Nature Feast event, which was one of the first events that I worked at in this community. I have spent the majority of my time building relationships, and, quite honestly, serving in the community, that's just part of my DNA, and in the last 10 years that work has been done through the YMCA. I have always believed that nature in our interaction with nature is so incredibly important to our health and well-being of both individuals and families and not just your physical health, but your mental health as well. Our children learn more. They say that attention deficit is one of those things that could be better worked with if the more kids got into the nature and I believe that. So that is one of thing that really sparked my interest and I really want to be a part of it. The opportunity to create a visually pleasing natural area that serves the environment and its watershed and the animals in the area, as well as the families in the area, not just for today, but for many, many years to come. So, my role in all of this is to be a communicator, a networker, a connector, just to keep the project going, and quite honestly, I am super psyched about it, so, hope that we get to move forward.

Director Kier had a couple of questions and stated in the past we have had some conversations with our attorney, on land and valuations and things like that so the concern I have is that we cannot give it to you that we might have to sell it to you, and I am not sure what that value would be. If we could not donate it to a non-profit, would it be possible to still entertain the relationship and maybe have a long-term lease or something like that?

Steve Box responded we came into that same situation whenever we were working with a Nature Trails project, and the problem we encountered is when we go for fundraising, they do not want the funds to go to some contractor or somebody that is leasing. They want those funds to go directly to the owner and that is what we did in the case of the Nature Trails. The water district owned the property, and the Nature Trails managed the funds and reported back to the funding agency, as well as to the district, in order to keep the project moving. It is cumbersome. We do have another piece of property in Tahitian Village that we own, that is right across the road, from the Nature Trails and that piece of property was technically sold to us, by John Creamer for a donation of $10 or something like that. Certainly, an arrangement of that nature in that range or something reasonable would be something be very much inclined to accept.

Director Kier stated we would have to go back to our attorney and find out whether that is still doable or not. The other thing also, is when I looked at the map the issue was parking and access. I am in favor of the concepts, but I am a little concerned about the water wells, and the purpose of the wells and the need for access to own the water rights and the mineral rights.

Steve Box stated he certainly appreciate your support in this, and there are lots of details we have to work out, and we are interested in making sure that we are very clear on those also. With respect to the water wells and the reason we are interested in wells, we are not interested in wells for producing water, we are only interested in having wells, and sometimes they are even considered Piezometers. That are able to put instruments in the ground, that tell us things about water flow, water quality, those types of things. We are actually involved in a project elsewhere on the Colorado River for this monitoring network of this nature. It being Piloted, the purpose of this is to be able, ultimately, be able to tell how much water is flowing from an aquifer into a stream, the alluvium. Because one of the concerns in the future is whether or not streams and the river, Colorado River will become what are called losing streams that are currently gaining streams. we want to be monitoring that, and we would like to get to play with the science ourselves. As far as parking, I do not know that we would need much parking. I think there is areas where some parking can be made available. From my understanding and discussions with Mel Hamner. The County owns a number of pieces of property around this area and they would be more than willing to make those properties available for parking. Those are details we will have to work out with the County once we have an indication, from the District, that you are actually interested in this project. That property is not inclined to have a lot of structures on it and those types of things. It is very steep, so we are inclined to try to keep as a little on the property as far as structures other than trails and benches and signage.

President O'Hanlon stated she has a couple of comments when I first saw this, and the writings about the wells, we supply water to this community through wells, drilled very near this property and we cannot do anything that might jeopardize the quality or availability of water that we use here in this community for lives livelihoods, but a couple of other issues. The Board formed an advisory group, to meet with us and talk about the reserve properties within the village that are under the current ownership of the water district, and from our perspective, that means they are owned by this community. So, we need community input on any decisions that we made concerning these particular reserves at the time that we had this particular advisory group, their recommendation was just leave it like, it is natural. Now, we can certainly revisit that again, But, I think what's going to be foremost importance to me first of all, let's see, impacts on the quality of our water, if any, and second of all, how our community feels about this idea of, particularly, the people that live in and around Copperas Creek Reserves, we have people who back right up to it, and how are they feel about having groups of school kids going through. I am all for education, I liked the whole idea of particularly exposing our children to all sorts of nature, but we have a unique opportunity here with an endangered species to teach them quite a bit about how we can manage things to coexist in the world with all the creatures that live here. But, at the same time, the feedback we have gotten in the past from residents was they preferred to leave it like it was so, we would need to revisit that, and hear what the community has to say before I feel comfortable going forward even though I do like a lot of what you are proposing here, there are a lot of good ideas.

Director Kier also stated that TVPOA has first right of refusal.

Steve Box responded to the water quality issue by saying he sees no reason why, what we would be doing there would be interfering with the water quality of the rock for the stream. We are not interested in damaging water quality. Water quality has been something near and dear to my heart. With respects to the community, we are totally with you on that also. We did not want to reach out to the community until we had a sense of your position on this. Certainly, one of the first things that we would do, and that Terry and I have talked about, is to have some kind of a meeting get together with the, particularly the local community right around the property. But certainly, as listed on our one of the slides, there are a lot of other community activities and communities involved that we would like to co-ordinate and work with as we as we move through this project so that would be of our interest, also, to make sure that they are on board with this project, and we do not really envision that as being like a park. There is a little portion of it that might be set up with some tables, mostly there would be some trails. The purpose of the trails would be to get to some of the sites that we would want to be monitoring. One of the very first things that we will do, is to apply for a Houston Toad permit with the county and work out the details so we know what parts of the property to protect and what parts are going to be utilized or on a regular basis year around. Then the second thing, that what we will do is to get an archeological survey of the property to make sure that we are not interfering or disrupting anything archeological. And if we have something there, all the better that gives us something to raise the value of the property to the community.

Director Whipple asked it says that Environmental Stewardship will be provided with potable water service to the property such as needed in the future at whose cost?

Steve Box stated first of all, I do not know what the cost of getting such a service in the community at this point. Secondly, what I have an envisioned is that if we can get one of these properties that was burned out in the fire, that has a slab my anticipation is that those properties probably already have the rudimentary needs of probably water and electricity type services, so that there wouldn't be a big expense involved in bringing a lot of those services into the property and certainly we're willing to work with you and share the cost of those before you can relate to.

Director Kier stated from a legal perspective, we probably cannot give that away you would have to acquire the taps the same way anybody else would.

Director Ferguson stated he basically shares the same concerns about water mineral rights and if the neighbors had been polled about, you know, what their thoughts were about putting something like this next to their homes and I did notice that to state on your memo that it talks about the TVPOA helping to provide security by organizing and operating, neighborhood watches have they been talked to about this?

Steve Box stated that is a work plan and those are the items that are on our work plan that we would want to work through. Let me make one comment on the ownership of the water rights. One of our interests alone in having this property is, uh, as we have worked with groundwater district and with other landowners in the area, we have an interest in actually owning water rights under whatever property we have so that we as a landowner and administrative procedure proceedings and the likes relative to those issues can be there as not only an environmental interest, but also as a landowner with the rights that are reserved to landowners. We are not so much interested in mineral rights.

Director Kier stated one of the things that you might want to consider in this acquisition, is to put all the pieces of land together as one because there are road fees due on each lot.

Steve Box stated it was his understanding that the reserve property is not subject to road fees. We do not want to be spending a lot of our money on road fees so it would be, you know, incumbent too work together to make that into one.

Director Kier suggested that Mr. Box make the presentation to TVPOA since they have first right of refusal.

President O'Hanlon stated she would like to hear from TVPOA and to think through how best to get input from the people of the community as a whole but particularly those people who will be most impacted those who live along the reserve.

Jo Egitto stated she was seated on that reserves committee and I am a resident and I'm active, I wanted just to be messenger and to say, it would be helpful, whether it's to this board or POA or our residents to have maybe a stair step version of what this could look like so that we're able to make friends with it and to not commit to something that isn't able to be sustainable, whether it's putting picnic tables and a walking trail or a botanical stand first. I have a couple of questions. Is this area in the flood way or the new county flood area as designated FEMA? And also remember the roads in that area are complete.

Steve Box stated he would have to check with the County and FEMA.

Director Carmack stated he agrees with what they are trying to accomplish but well, over a million dollars' worth of property has already been donated for stuff like this and we have very aging infrastructure, we're going to have to go to the people of Tahitian Village to ask them for money to replace the infrastructure and all we have are assets and I am looking at the value of this property and it is $217,000 and I have no inkling of giving $217,000 of the people's money away and then turn around and ask them to fund the upgrades to the system, although I applaud your thoughts I can't support this project.

President O'Hanlon stated we have a lot of good discussion this evening, I've heard general support for the intents of the project, but I'm hearing quite a bit of concern so I think the board needs to do some additional discussion, perhaps, and certainly look at ways that we can, we can get back with our community and understand how they feel as it relates to this particular reserve, whether there is an interest in moving forward with something and we will commit to do that so we have better information about where the rest of the community stands. I think you have heard where we all kind of stand on the board at this point and do we need any kind of motion, or can we just go forward from there?

Scott Ferguson asked if we need to make a motion to set up an advisory committee about the Reserves again.

President O'Hanlon stated she was thinking we need something more than advisory group when we might actually need to schedule a town hall meeting or something. Specifically invite people, everybody, instead of just a collection of people who volunteer for an advisory committee. Especially the people that live around the reserve, I would like to see us do something more like a town hall meeting.

Director Kier suggested Paul Hightower meet with the TVPOA and together, they come up with a town hall meeting, a survey to try and get community support and community understanding.

Tony Corbett commented he thinks it makes sense to be in a discussion with the TVPOA, because obviously, they're critical part of this and the transaction could never proceed without their consent but, I also think there's a number of issues that the board, we've heard different opinions within the board and there's a number of legal issues associated with the request, and I think before the board makes a decision regarding a path forward, there should be some full board deliberation regarding those issues so I think it would be a little premature for the Board itself to commit to a decision at this point, But, I think the suggestion that they speak to the TVPOA is a good one, but I think there needs to be some board deliberation.

President O'Hanlon stated we are directing the staff to work with TVPOA internally. We will work together to lay out what all the issues are that need to be discussed, and open Forums at future Board meeting before we make any decisions on this. We do appreciate very much your time and your interest in our community and in the Reserves that we have here. Thank you very much.

Steve Box stated he would like to say that they very much appreciate this opportunity to be here this evening, that we also agree that there are some issues, legal, and otherwise, that need to be brought to some tighter understanding as opposed to the resolution and we also appreciate and believe that this next step is really to talk with a TVPOA and we would further be, as Terry mentioned earlier, whatever we can do to work with you and we'll be glad to make a presentation TVPOA.

8.) Presentation from representatives of Texas Rural Water Association (TRWA) regarding its Source Water Protection Program
Deborah McMullen from Texas Rural Water Association stated she has been in the water and wastewater industry for about 23 years now, where her career stated off in the Houston area where she managed 11 municipal utility districts. I have been with TRWA close to 12 years now, most of that time I have spent managing the Source Water Protection program which is actually a grant from USDA's Farm Service Agency. This is a free program for you so you do not have to be concerned on how much this program might cost the water system. This program does kind of go hand in hand with your conservation plan that TCEQ, makes you have in place. The difference to us is the Source Water Protection program is voluntary. It is not a requirement but they really, like for water systems to have this in place and part of the reason why they leave it as a voluntary program is that they just like to have that opportunity to give awards to water systems, that go above and beyond on the source water protection efforts every year at their annual

Public Drinking Water Conference. You might keep that in mind if you decide to participate in the program, you could get nominated and receive some awards.

The main focus of this program is pretty much like the title says, we are trying to protect your sources of drinking water from contamination. You can conserve your drinking water and have lots of water but if you allow it to get contaminated, you are going to be in a bad position where you will not have water so, you really want to do both. What I do when I come out and work with the system is the very first thing is put together a Steering Committee. Usually, I will tell my systems, let us not rely on the board to be our Steering Committee, we encourage people from the customer base. The committee can be comprised of 7 members or less.

I spend some time there in your system getting to see the locations of the water wells and wastewater system. I will compile a little history of how the land was used in the past. So, I kind of dig into the background of your area and look for any potential sources of contamination such as a gas station, a cemetery, private wells, or an abandoned water well. I will GPS all of these potential sources and issue a report where all of the sources are found and then I develop some best management practices that can be put into place to try to help curb any possibility of contamination. Unlike other programs, my best management practices really are very simple. These are practices that you can get the homeowner or property owner to actually put into place without a cost to them. It is just habit changing, because I know that water systems really do not have a lot of money most the time, to implement and it is really more important to get a collective group, all of your customers, to be onboard with helping you protect the water.

After we get all of this put together, I come back and I train your Steering Committee on how to move forward, how to go out and do public education, also train them on different ways to reach out to the public.

Director Carmack stated he is trying to make sense of the program.

Deborah McMullan stated abandoned water wells are actually direct conduits to an aquifer and I have seen people poor things down old, abandoned wells, well now it is in the aquifer. Those abandoned wells are really detrimental to our water quality and it just takes education to teach people not to put things down those wells and hopefully to even get them to plug their abandoned wells.

Paul Hightower stated Deborah there was one when I worked with you out in East Texas, on a system out there that we found one on an old ranch property and come to find out the way that the property drained it was bringing the feces and everything washing down from the cows and the pastures. It was all going right to that wellhead, and it ended up being a big ordeal out there, and we ended up getting them to plug it. It was a big source of contamination for us.

Director Whipple stated he was wondering how much contamination may be contributed by all those septic systems.

Ms. McMullen stated septic systems in the United States is our number two culprit for contaminating groundwater. Underground storage tanks like at your gas stations is the number one culprit. A lot of property owners do not know how to maintain their septic systems so that could be a very good education effort on your part.

Director Kier was wondering what the opinion might be on putting wells in a flood plain.

Deborah McMullan normally, you really would not want wells in a flood plain unless they are sealed and even then, you would want the wellhead to try to be up above the actual flood water.

Director Ferguson asked how many active well private wells we have in the neighborhood?

Paul Hightower stated the last count he received was around 360 or 370. I have not received an updated report this year. I actually sent an e-mail last month; they are in the process of updating it.

President O'Hanlon stated we might have ample reason to benefit from a source water protection program.

Paul Hightower stated he has actually been working with Ms. McMullen for many years. TRWA comes out and they do the assessment. It is great to have an extra pair of eyes to see the system from the outside looking in. In talking to Ms. McMullan last year about this, this area, I think would greatly benefit from this because of all, the unknowns of how the property was put together so many years ago with houses and things have come and gone. I think we do have plenty of sources of potential contamination and getting their help, identifying that, and going through it, I think would benefit us a good bit.

Director Ferguson asked when you say you help with assistance in determining these potential sources of contamination, is it just an advisory or is there some kind of enforcement? Does it go directly to TCEQ or what happens once you determine these possible sources?

Deborah McMullan stated that is a good question and we are not a regulatory agency; we are strictly here to advise and to help the system to stay in compliance. To advise you in this instance on how to try to prevent contamination now I will tell you that TCEQ does eventually get a copy of your report because USDA requires me to pass it on to them but the group at TCEQ that gets the report and looks at it is their Source Water Protection Group. It is not the group that comes out and does inspections. we just work very closely together, and, in fact, they go out and do the same program themselves with water systems, and so we kind of work together with what systems we are going to be working with. It is not something that is going to make them send an inspector out.

President O'Hanlon stated she is hearing support for advising Paul Hightower to proceed, am I correct? This item is listed on the agenda as a presentation only if we need action, we will need to bring this back to the Board.

Mr. Hightower stated no action is needed it is just something that you can advise management to move forward on.

The Board advised Paul to move forward with the Source Water protection Program with TRWA.

9.) Discussion and possible action regarding the following items to be presented in the General Managers report:
Paul Hightower reported on the following items:

a. Status of TTHM compliance:
Several updates on this. We had a meeting with another drilling company about doing a groundwater analysis with radar technology that I had spoken about late last year. They did make a presentation to about the process, and they looked at several sites but in doing their homework, their technology would not work out here. It takes a certain amount of room (basically open area, no power lines or interference) and some other criteria, to make it work the way they need it too. After some other conversation with the GWD and hydrologist, I feel like in the end, we are going to be stuck with treating this water we have.
Taking all of that into consideration, we are at 2 choices. We can invest in a tank aeration system or do an activated carbon treatment. These are 2 very different animals, but both basically designed to achieve the same thing in the end. The difference will be HOW much they accomplish. We have a test unit on site now for the aeration and will be doing those next week. I have ordered a test unit for the activated carbon and we will run pilot tests with that as soon as we receive it. The aeration system, tanks the water in the tank, circulates and sprays it back into itself on top of the surface water, breaking the water molecules up and by using forced air ventilation, it allows the aerated molecules to be vented out. Reading all the research and talking with the engineers, this has shown to be a proven process for our situation and water types which could yield up to a 65% removal for us.
The activated carbon system is basically like a water filter that someone puts on their home faucet. It is designed to remove multiple impurities and will treat the well water before it goes into the storage tank. Basically, it will strip off the bad stuff before it gets hit with chlorine, which is where the reaction occurs...if there is nothing there for it to react too, no THMs will form. This is a very well tested and proven system. The major hiccup with it, referring to the home filter style system, its activated carbon, so the granules must be "refreshed" on a certain time basis, depending on flow. According to our flow charts and usage, the engineers believe this would be a 15-to-18-month period, again depending on our use. If we focus on using our other stations in the wintertime, this helps our timeline for replacing the AC. The approximate cost is $45k to recharge the system and have the old hauled off. In my opinion, with our situation and the type of variable water we get, I feel the AC system will benefit us a lot more. It can be used in line with the mixer and fan we have now, to keep the tank ventilated of any extra methane that may

make it thru. Optimally, we could use both systems, AC, and the aeration but that would cost us a great deal more. With having to choose, I feel our money is best on the activated carbon. I hope to have the unit here and tests completed by the next Board meeting, but I doubt we will have test results back yet.
I hope to have some more updates next month.

9b. Update on district water plants and lift stations:
Station 3 rehab is almost completed. The interior & exterior of the pressure tanks were blasted, cleaned & resurfaced along with the interior of the storage tank being cleaned and resurfaced with the poly coating. We expect these to give us at minimum 10-years of trouble-free service, no rusting and no issues with extra taste and odor. We will move onto station 2 maybe late this year or early 2022 because it will have to be scheduled for the down time season.

9c. W/W maintenance & Capital Improvements update:
No major updates currently. We are waiting on BEFCO to finish the survey for the Tahitian line upgrade now.

9d. Roads maintenance & improvement projects update:
19/20 Road Construction: The third section has been completed off Akaloa. Walk-thrus were made with contractors, county and engineering and it was all approved. The final batch (Pahalawe and Kaapahu) are in progress now and almost completed. With Covid, weather and some issues getting road base, the contractor has been pushed back through it all. We were set for several deliveries of base on the 3rd batch and drivers did not show up. We had to start making other arrangements, which we got in place and were able to keep moving eventually. This final batch should be wrapping up soon.
20/21 Roads: Final surveys was conducted in January. Realizing we are behind schedule; Mel and I are considering using the reclaimer on this batch of roads as a test year. We could contract out the ditch work, only so that it could be completed faster, then we could get the machine going in time for the season. This would eliminate having to put it out for bid as well, doing it in house. More on that in another agenda item.

9e. Employee update:
We have placed an ad & conducted some interviews for the office position. Including myself, we have had a few employees off at random times for Covid exposures or testing positive.
Currently, we are back to a full crew. We are all still maintaining a clean and sanitized environment as much as possible. The field crews are staying separated as much as possible and making sure the offices and vehicles are being cleaned and sanitized as well.

9f. General Office Update:
The only main update here is the construction of the maintenance facility. The site prep and pad have been completed. Concrete work will be starting in next week or two for the building to be delivered. Bluebonnet got the power to the site so that is ready to go. The water line is in place and sewer will follow that. We have already

received several requests for service quotes over in that area, since opening it up as well, so we are moving forward slowly.

10.) Discussion and possible action regarding the Road Committee:

a. Receive Monthly Committee Update

Paul Hightower stated we had a good meeting last week; the committee got the new density counts in and adjusted. There were quite a few errors moving from the old report, and its main names of streets and footage but it was some all-around good cleanup, my thanks to all of them for the time that they are putting in getting this all done.
In the end, we have come up with a very good years 4 and 5 adding some areas that are focusing on egress where we are experiencing growth. This could all change, you know, of course, depending on how the future goes with the reclaimer, but we need the basis for the plan which we are required to have.

Reviewing the plan year 1 and 2 locked in so I am going to start with year 3 on the plan. On year 3 we have Koolua, Haleakala, Taro Court, Laau Court, Laau Court, Kikipua, Waaipahoehoe Drive, Mokuleia Circle, Nene, Mokolea Lane which is right at 3 miles of road. Year 4, roads are Naalehu Court, Waimea Court, Olia Court, Makaha east to Mauna Kea, Oahu Court, Koko Court, Kaaawa Lane East, Manana Court and Kahana West. Year 5 roads are Heleakala Drive, Keneka, Aiea Court, Kaiwi Court, Hanauma Drive, Helemano Drive and Iva Lane and we have kept all of these connected as a group because it is what connects to Lamaloa, which is a county road now. This would be an egress route, no matter how you look at it for that whole area. It would be a primary egress route because the only way out is coming back up, Heleakala going down towards Riverside. If that is underwater or getting flooded the only way out is coming back up because you cannot go to the east because of the wash out. This is something that Commissioner Hamner is working on now as well. With the Boards blessing on this report, we will present it at the Annual Road Meeting.

Director Kier stated on the last the page you were showing, there were some high densities, some new ones that showed up on the list, could you move those up?

Paul Hightower stated they can lock in those streets.

Jo Egitto stated she wanted to be clear that we got directions from the board not to move people off the plan as they were newly qualified and will have newly qualified every year. Those group of roads will get prioritized at the top of that group.

Paul Hightower we are trying to be careful about what we add in, because if they get added in, we do not want to have to take them back out and reverse what the board was saying.

Director Kier stated what he thinks the Board said was for the years that were locked.

Jo Egitto stated Director Kier was not at that meeting, I think that is when we talked last time there was direction or lively discussion from the board about not taking a road.

President O'Hanlon stated what they were talking about how we had gotten a lot of negative feedback from people that seem to be perpetually in year four and every time these things are going roll up into a locked year, they never get there because somebody bumps.

Director Kier asked if we were hiring more people on the road crew.
Paul Hightower stated that is for a future item. I would like to hire 2 more people and have a 4-man crew for roads. That is the reason for the restructure of the field crew. Taking Tyler Walsh off the utility side and let him focus more on roads.

The Board moved to Item # 18.

11.) Discuss and possible action regarding appointment of a Representative to the Road Committee
Paul Hightower stated we have been advertising for a couple of months to fill the position on the committee, we did receive one application from Michele Plummer wishing to get back on the committee. She is getting bored, and she wants to get back to work and help in the community. There was some discussion by the board in January when Greg was appointed to the committee regarding holding off on adding any, until after the annual, and see if we could spark any more interest. We currently have two openings which is Unit 1 and Unit 4 so the board could vote to accept Michele Plummer's application for Unit 4 Representative, or the board could hold off until the annual to see if we could get some interest from anybody else and take more applications so that the board has something to review.
So, at this point, it is up to the board to discuss it, and, and come back with their comments or suggestions.

Director Kier suggested we wait until the April meeting and see if we can get both positions filled.

Director Carmack stated he understands from Jo Egitto they need a lot of help right now so I say give Michele the Unit 4 Representative position and you will still have one open position.

Jo Egitto asked Paul Hightower to clarify how long we have had the vacancies on the committee.

Paul Hightower sated since about October or November.

Jo Egitto also stated one of the other responsibilities that the committee is undertaking is coming up with the names to compile a list of the road name changes to have one simplified list. So, the maps all say the same thing, and we can get GPS to say the same thing, because we had a lot of redundancy or omissions previous plans. Our work is ongoing. I am willing to share the responsibilities with more committee members. Help is always good.

President O'Hanlon asked is there an interest in making a motion?

Motion: Butch Carmack moved to appoint Michele Plummer to the Road Committee as Unit 4 Representative.

President O'Hanlon asked if there is a second.

Seconded: Mary Beth O'Hanlon. Vote: Three (3) in favor, Two (2) abstentions, motion carries.

President O'Hanlon welcomed Michele Plummer back to the Road Committee.

12.) Discussion and possible action regarding water billing adjustment to customer accounts as a result of winter storm event
Paul Hightower stated because of the winter storm event I have been thinking and exploring ways that maybe we could give something back as a credit to the customers for the extra water that was used during the freeze. This caught a lot of people off guard, and I am all about saving water and water conservation it's not all about selling the water. Several utilities in Texas, both on the water and energy side, are giving some sort of a credit back to the customers.

We were able to keep our plants flowing with water but we did have some of the control elements that got frozen, and we learned a few lessons from this this event We spent some considerable time out here manually controlling everything to keep people in water, we brought in a large diesel tank out to keep the generator running and we were also affected by the rolling outages so that is why we decided to just keep the generator running 24/7.

I feel like it would be a nice gesture to be able to give back to the community and show that we do care. I have been trying to think about several variations and I have run this by Tony. We could give anything from a 500 gallon to a thousand-to-2000-gallon credit or do a flat fee of $5 or $10. But, when I asked Tony his opinion, he stated that essentially, we cannot give a credit because it became it could be construed as giving a free service which we cannot do because of requirements to Texas Water Development Board and others that prohibits us from doing that.

But we could also do a temporary rate change for 1 or 2 billing cycles, where the base rate would include a set gallon rate, but I wanted to get the board's opinion and input on this.

President O'Hanlon stated everybody has been so complimentary of our staff and the work that they did throughout this terrible weather event and I add my voice to that. We were one of the few rural districts in the area that had water throughout the whole event, excellent job water district, thank you very much for all your hard work.

Director Kier added they had excellent leadership.

President O'Hanlon any billing adjustment that we do is probably going to be token at best but is in favor of some token adjustment, to thank those citizens who did their part, to make sure our water kept flowing through this whole deal.

Director Kier suggested to reduce the monthly fee by $5 for a month.

Paul Hightower stated from a billing perspective that will be the easiest. We could do a temporary rate order.

Tony Corbett from a legal perspective, my advice to Paul, which he just described is that this be done under the district rate authority as opposed to kind of a retroactive donation or free service. Instead, we are going to be modifying our rates prospectively and you have got rate discretion so I think that is the best way to do it, lawfully is just a probate prospective rate adjustment and there is lots of ways it could be implemented, that is up to the board, but I think that is the best way to accomplish the goal.

Director Whipple responded that $5 seems like a very small token.

Paul Hightower stated $5 would be about 600 gallons.

Director Kier stated he agrees it is a small token and asked how much did our consumption go up.

Paul Hightower stated it jumped about 600 thousand gallons.

Alma Rodriguez stated from a billing standpoint an adjustment on the base rate would be easier but if the Board chooses, we can do an adjustment on the tiers it would be a bit more complex.

Director Kier stated he is in favor of adjusting the baste rate for next month by $5.

Tony Corbett asked when is your next billing cycle?

Alma Rodriguez stated the next billing cycle will be April 10th for March consumption.

Tony Corbett asked if the board took action tonight, Alma, would you be able to incorporate that into the April 10th bills.

Alma Rodriguez responded yes.

Motion: Sam Kier moved to reduce the base rate for water by $5 for the April 10th billing. Seconded: Butch Carmack. Vote: Four (4) in favor, motion carries.

13.) Discussion and possible action regarding replacement of District water meters, including reconsideration of prior purchase decision of the Board of Directors. Paul Hightower stated last year when this was posted for bid it was advertised as needing an all-inclusive process for a full installation which included hardware and software. When it was presented this to the board, the information that we had shown was supposed to be that all-inclusive pricing after we awarded Neptune and we got the ball rolling. They conducted the proposition study to find out how many repeaters that we would need for the elevation out here. We included 5 repeaters as a worse case. They were thinking we would need maybe 3 to 4. After the completion of their study, it ended up being closer to 10, which drive the cost up quite a bit. We have got it kind of honed down to eight, But the problem with this is the cost for installation of these repeaters was not factored in. They use a third-party company outside of theirs that had to be contracted. When asked about our bid request stated all-inclusive process, they said they were sorry, they miss telling us that these were contracted out. And speaking with the company that does this, they were told by Neptune to give us the best product possible because, you know, they knew they had messed up and so they were trying to eat some of it. But in the end, if we put up eight repeaters, spread around the system, it gives us a 95 and 98% read accuracy which equates to on 2000 meter, for example, which we are not far from. We could read roughly 1900 of those, give or take a few but the rest would have to be done by drive by, but it is kind of defeating the purpose for what we are trying to accomplish in the end. By adding the extra repeaters and the labor to install them, we are looking upwards of extra $85k and $90,000. Which pushes our final budget member up to the $750k mark and I just disagree with this 100%.

Mr. Hightower stated we can get into a cellular system from another manufacturer for around the same ballpark as what we were with the Neptune system. There are differences those pros and cons that we liked and disliked about the systems and the software's and how they read what they can do here in the office and how the employees liked it. But honestly, I would like to republish for bids to make sure that we are getting the right pricing we are getting what we need and to make sure it is the best for our money and our customers' money because I do not want to be left with something where we are trying to do an upgrade, but we are not moving forward because we still must drive around and get 100 meters. It just does not make sense to me, but I feel like we would be better off with a cellular option as opposed to the AMR network just because of our terrain out here. So, at this time I am recommending to the board that we reverse our decision to go with Neptune and let us re-evaluate the meters and hopefully bring this back at the May Board meeting.

Motion: Sam Kier moved to reverse the previous decision by the Board to go with Neptune meter system. Seconded: Butch Carmack. Vote: Four (4) in favor, motion carries.

Director Carmack asked when will the meters be obsolete.

Paul Hightower stated they already are. We are currently reading the same way with the driveway system, but the system is not supported so if the meters go out, we will have to read the meters manually.

14.) Discussion and possible action regarding location of future Board of Directors' meetings

Paul Hightower stated after the recent Governors mandate to lift the mass restrictions for the State, the City of Bastrop has decided to lift all restrictions as well, and they leave it up to individual businesses discretion on requiring mask. At the office, we are still requiring people to wear a mask for the time being. The Bastrop Convention Center is opening back up and they are offering us to return there for meetings. Our hopes are that once to new maintenance building is complete and we get moved into the building we can start holding our meeting back on our own building within the next 4 to 6 months so I do not want to lock us down to anything but if the Board wants to go back to the convention center, that is fine. The City will not require mask to be worn but recommend mask and social distancing, but we would have to police it and make sure everyone is wearing mask. If it causes conflict, we have asked them to leave, or we must call the police. Thinking about it all and knowing that we have members with health constraints and issues I would not like to take any chances and it could put us as an increased risk so does the board wish to go back to meeting at the Convention Center or just staying virtual for the time being while it is still allowed?

Director Kier asked Tony Corbett if the public meetings act under Abbott are still allowed to conduct virtual meeting.

Tony Corbett responded yes Governor Abbott has not lifted the order which granted some exceptions to the Open Meetings Act. But there's also a couple of bills that have been filed in the current legislative session. I do not know if they will pass but they would continue this practice as a matter of law, not just by emergency order.

President O'Hanlon stated she likes in person meetings better but would kind of like to stay with virtual meetings for a while longer.

Director Kier stated he was okay with virtual meetings for another couple months to see if things calm down due to vaccinations.

President O' Hanlon stated the consensus she is hearing is that we would like to remain virtual for a while longer.

Paul Hightower stated he would contact the City of Bastrop and start the refund process and the cancellation.

15.) Discussion on future capital improvement projects and financing analysis by SAMCO Capital Markets

Paul Hightower stated regarding this item we are progressing forward very well. We did have to make some adjustments from what originally was presented. A couple items were removed due to price increases from the current economic standpoint. We did have a couple of choices from engineering on either looking at reduced, contingency or a reduced scope, and what we chose was to go with a reduced scope. The only difference between them was a $260,000 amount that we had in there for the Mauna Loa line after speaking with BEFCO about this item it was more of a wish list item and it was even considered to be removed. So, we felt comfortable taking that out after all the conversations with the engineering firms. We can also note that if we have leftover funds from any project the funds be appropriated to the Mauna Loa line with no issues. In preparing for the worse, this scope will get all our high maintenance items and our compliance line items completed. Then we can plan for the future of the elevated water tower of the water well, and the GST and water plant looking into the next five years.

The small items that were removed from the plan were really considered housekeeping items, but we can do those items in house.

The items presented represent our Capital Improvement Plan and it gets the district where it needs to be so otherwise, we will be moving forward as planned and the next item on the on the agenda is to approve the resolution for the application of TCEQ.

16.) Discussion and possible action regarding adoption of Resolution Authorizing Application to the Texas Commission on Environmental Quality for Approval of Revenue Notes with a Term Longer than Three Years
Paul Hightower stated he had a conversation with Ken Heroy today and they are ready to file the application pending this resolution. The application should be filed within the end of next week. Also Ken Heroy wanted to make sure that the District, understood the timeline of the application and explained the difference of this being a revenue note and not a revenue bond, with a bond you are typically asking to reimburse a contractor or something along those lines requires voting according to the Texas Water Code and TCEQ rules you can make it an expedited 45 day review so you can get moving along but we are going after a note it doesn't require the voting process, but it typically doesn't fall under the expedited rules either so he stated so they are going to try to expedite it since we have some compliance issues but if it doesn't work, it doesn't make it, It will fall under the up to 120 day category. The staff recommends approving the resolution for the application process with TCEQ.

Director Kier asked if it goes to the 120 days, are we allowed to let the contract for Tahitian go or do we have to wait until we get the note?

Paul Hightower stated he would have to find out an answer on that.

Tony Corbett asked would you want to enter into a contract, you will not have the funds available?

Director Kier stated we have cash we could use for this project.

Paul Hightower stated essentially, we would be reimbursing ourselves.

Tony Corbett stated under federal tax laws, you are allowed to reimburse yourself or with bond proceeds for expenditures made, but you are required to adopt what is called a reimbursement resolution. Jerry Kyle can provide a reimbursement resolution for you. If you do want to be in a position to use general fund monies, then later reimburse those with bond proceeds you need to adopt the reimbursement resolution.

Tony Corbett added you can adopt the Reimbursement Resolution at the next meeting and have it in place. I think there is a three-year period so that should not be a problem, but you just cannot reimburse any monies that are expended before you adopt that resolution.

Paul Hightower stated if the Board approved the resolution, we would have to get the signatures on it and get it to them hopefully by Monday.

Motion: Sam Kier moved to approve the Resolution Authorizing Application to the Texas Commission on Environmental Quality for Approval of Revenue Notes with a Term Longer than Three Years. Seconded: Scott Ferguson. Vote: Four (4) in favor, motion carries.

17.) Discussion and possible action regarding waiver of lien fees for late payment of road fees for Unit 02 Block 17 Lots 1750, 1752, 1753 and 1771 - 1775
President O Hanlon asked Alma Rodriguez to present this agenda item.

Alma Rodriguez stated we received a letter from Michael Gudell requesting that lien fees are waived on the stated lots. The District assessed liens on the stated lots in 2018 since fees were not paid on these lots in 2017. Mr. Gudell states that he originally talked to Jim Ouellet about waving the fees and Mr. Ouellet agreed to waive late and lien fees but that never happened. There is no documentation regard this issue in the file. Last year, Mr. Gudell made a request to the Board that the fees be waived, and it was denied so he is making the same request to the Board.

Michael Gudell stated he really appreciates the Board taking and giving him time today and he had a couple of points to add.

Mr. Gudell added the 2017 road fees were received late, due to a mislabeled envelope, causing the water district check to be sent to the county by my mistake but in January he discovered the mistake, and another check was written. It included the late fees for 2017, just because technically you did not receive the check and it was my fault. But, as we, as we have mentioned, the following year, additional late fees were assessed because of the information I received from the general manager at the late fees were going to be waived. Apparently, he did not have the authority to make that statement and the fees were not waived, but that's all water over the dam because I paid those late fees and all road fees since then with the exception of the $360 in lien fees, which I assume are meant to cover the cost, filing the Liens, which is why I'm confused because no lien was ever placed on the property and it doesn't seem fair to assess me those costs. So, I am asking the board to consider waving these fees, considering all these circumstances.

Director Kier asked Ms. Rodriguez if that was true no liens were filed.

Alma Rodriguez stated not to her knowledge, but she is trying to pull up the files right now.

Michael Gudell stated he called the County to make sure on the liens and none were filed unless they were recent.

Alma Rodriguez stated she found the files and the liens were recorded by the Courthouse on January 23, 2018. She sent Mr. Gudell the recorded copies.

Michael Gudell stated he is trying to sell the property so I do need to get everything cleared for a clean title on the property so if that is true, then that would show up on the title search.

Motion: Sam Kier moved to deny the request to waive lien fees for Unit 02 Block 17 Lots 1750, 1752, 1753 and 1771 - 1775. Seconded: Butch Carmack. Vote: Four (4) in favor, motion carries.

18.) Discussion and possible action design and construction of 2021 Road Improvement Projects

a. Discussion and possible action regarding contracting for engineering services for road improvements;
b. Discussion and possible action regarding lease or purchase of equipment to undertake road improvements with District personnel;
c. Discussion and possible action regarding restructuring of interlocal agreement with Bastrop County to construct road improvements; and
d. Authorize such other action as may be necessary to proceed with 2021 road improvement projects.

Paul Hightower stated we are behind on the projects due to weather delay and COVID. But from last month's board meeting in the weather, we are trying to get everything moving as best we can, but after several months of delay, we did get the surveys in for this year's roads early in February. If we choose to go out for bid, BEFCO said that they can have the packet together quickly, and we can start the process. We would be a solid 60 days, outdoing the whole process.

As we discussed in some of the prior board meetings, typically, how we deploy the external road crews depends on surveys, bid, the Annual Road plan, putting all that together, and the schedule of the internal employee crews based on maintenance issues, work orders, prioritization, phone calls, customers, etc. We have had many discussions lately of using an all-in-one machine, called a reclaimer. Basically, it takes the ground and grinds it up and injects it with a stabilizer which is like a glue and it puts it back down into this compacted concrete block material. Which, in the end, is your formed a road base. Mel and I have had several meetings with several machine manufacturers as well as some actual machine users, other counties, districts, cities, and as well talked about training on these machines and completing road work in house. As I mentioned earlier, we are hiring one more person, as of right now, and we would like to hire two to get this process going.

If we purchase or lease the reclaimer training is included. We would amend our current Interlocal Agreement with the County for some edits to allow them to work with us on it as well. But as I stated earlier, the surveys are complete, and we are ready to move forward at any point on our own, whether it will be bid out for contractor or work done in house. Blending this with the next item B, talking about the lease of the purchase to buy one. The cost runs anywhere from $300k to $700,000. For either a new or used machine. This is a basic machine for what is needed in our area. With purchasing one, we are responsible for the maintenance and the upkeep. New machine, of course, comes with a 12-month warranty, and you can get it, you know, extended warranties. But speaking to several different dealers, we can lease a machine which I feel we will better use for our money. Currently the lease rate is around $13,400 a month on a month-to-month basis. If we chose to lease for 3-to-6-month option, the price is $12, 700. These were on a government contracted rate schedule. The normal rate is between $14k to $16,000 so we are saving a few thousand dollars there and with the lease, they take care of the maintenance and upkeep of the machine, basically all that we are responsible for are the teeth and those are set up on a percentage show measure when it is dropped off and it is picked up. If we break one, we replace it. The teeth run about $9,000 for a complete change out but you seldom do you have to change them. The reclaimer has about 400 teeth.

The softer sandy areas will not hurt it at all but if we hit a harder or a rocky area, that is where we will get some wear down. We are responsible for daily inspections and checking all the fluid levels, otherwise, they do the oil, filter hydraulics and then maintenance on the machine.

With a lease, we are allowed 176 hours a month, which roughly equates to 44 hours a week on a four-week schedule so there is more than enough time for us to accomplish the task. They look at the overall our count, not on a daily or weekly basis so if it gets used 12 hours, one day, in six hours, the next, it will not matter. If we lease the reclaimer for six months, it will cost us roughly $76,000.

We do not have any true numbers for ourselves of what the machine can do per mile, but going off what the county does, as well as some real user information that I would say we can easily manage roughly a mile per week of construction after we learn the ins and outs of operating it.

With the reclaimer after our process is complete, the County then comes in behind us with the chip seal. At a minimum, we can get this year's roads, constructed and ready for the County to pave and then possibly get several miles, shaped, and constructed as well. Commissioner Hamner said that he felt confident they could get 5 to 6 miles of roads paved if we have them ready, looking at their schedule, he is having a meeting tomorrow with his employees in lining their schedule out for this year. I just want to make sure that we are careful, and that we do not get too far ahead of the county. I do not want us to get into a position where we have miles sitting out here, waiting for them.

A rough estimate with doing the work in house is around $160,000 to $170,000 per mile mark with the lease, stabilizer, engineering and in house labor. But with all of that, I would like to recommend moving forward with leasing the machine for three months.

Director Kier asked what 3 months would you lease the reclaimer, and would you have enough time between now and then to get the ditch work done?

Paul Hightower responded they need 30 to 45 days, heads up on the lease so that would give time to work the ditches and do what we need to do. If we did not have the time or the ability to get it done in house fully on the ditches, then we could hire a contractor to come in and pop them out quick. Of course, that would increase our cost a little bit.

Director Kier asked Paul Hightower if he would need to get a Request for Proposal on the ditch work if we needed a contractor.

Paul Hightower stated he would have to ask that questions and he talked to the contractor that we used last year how much he would charge per day and the contract gave him a quote of $1500 a day to shape those ditches and would have no problem getting a mile plus a day on the ditch work. So, if we did five miles for example it would cost roughly $7,500 to $8,000.

Director Kier stated that is within your limits and would not have to do a Request for Proposal.

Paul Hightower stated that is well within the ability of the spending limit.

But even if we had to have it but was the ditch work include the driveway?

Director Kier stated his worry is the timing of project plan. He spoke with Commissioner Hamner last week about this and one of learning experiences was that we really should try to get the roads paved in the same year, the potholes were a bigger problem than he thought they were going to be. The stabilizer is almost like cement and when they went to work on the potholes some of the road broke up and they had to start over.

Paul Hightower stated they had one of the roads where they had an issue and that was a learning curve for them, but they have not had any other issues.

Director Kier stated Commissioner Hamner said lesson learned you need to get them paved the same year.

Director Kier asked what the timeline was because he just wants to make sure we can get it all completed.

Paul Hightower stated we are putting a work plan together and looking at the timing of everything, if we had the machine here, say, by the middle of May we were thinking the first of July, we should be able to have this year's roads constructed with no problem. And that gives us time to go through the learning process and also gives us time to shape the ditches. Cody has already started on the roadside to shape in, and I think we counted 18 or 19 culverts that would have to be installed. The reclaimer is the quickest part about this process because of what it does, or how quick it goes.

Director Kier asked if there was enough time to get to new employees and upcoming training?

Paul Hightower they will be interviewing next week. I do not think there is going be a big learning curve or a big turning curve with that. Cody actually ran a reclaimer before in Colorado where he moved from, so he has got an experience with it which plays to our advantage. I believe it is doable, I could be wrong we put a lot of time, we have put a lot of talking to this.

President O'Hanlon stated I would argue that we have risk either way, we're behind, if we have to do the bid book, to keep doing things the way we have been where we contract out we are at least 60 days out from having anyone starts at work which puts us farther back into the summer when it gets done but I share the concern that we want to try to stay in sync with the County so that we're not prepping roads that sit unpaved and we have to do a lot of remedial work when it's time to pave them but that is my way of thinking this is my opinion here, clearly, we don't want to buy this machine. In hopes not to be on the road business forever but the other piece is that if this machine works the way the County states and the County did buy a used machine, but it is not solely for Precinct One, so we do not get a lot of use of the machine he shares, it with the other County Commissioners. But Commissioner Hamner is really sold on this particular machine as a way to speed up construction of the roads. If Commissioner Hamner is committing to do five miles a year of chip sealing, if we can prep that, that is double what we have got planned. So, if it works out for us, we can really speed up the amount of time I think I agree with the notion of leasing it for three months as more or less a test case to make sure it really is going to perform as advertised, that we are going to be able to co-ordinate our activities with the county successfully so I lean in favor of leasing the machine because if it does work for us, it can be a game changer.

Motion: Sam Kier moved to lease the reclaimer for 3 months and to hire 2 people on the road crew. Seconded: Butch Carmack. Vote: Four (4) in favor, motion carries.

Paul Hightower stated he is hoping that it that it plays out like we are expecting, and like I say, it will be a big learning curve, but if we can take it and move with it and learn, I think the future would definitely be a lot brighter for us.

President O'Hanlon asked since having made this decision, do we not need to deal with item number C under 18, which is to restructure the Interlocal Agreement with Bastrop County to reflect that we are going to use this method for this year.

Paul Hightower stated that he will get Commissioner Hamner on amending the Interlocal Agreement and have Tony Corbett review the revisions and we will bring this back to the next board meeting for approval of the amended Interlocal Agreement, but the County stated there are no issues with them accepting the use of the machine.

19.) Discussion and possible action regarding approval of final contract (including rate schedule) for District engineering services
Paul Hightower stated the Board voted in January to retain BEFCO the next step was to get the rate schedule from them, which was in your addendum package, rates did not change. If there are no comments then staff recommends the board approve the rate schedule, as presented from BEFCO.

Motion: Sam Kier moved to approve the final contract and rate schedule as presented. Seconded: Butch Carmack. Vote: Four (4) in favor, motion carries.

20.) Discussion and possible action regarding amendment of bookkeeping contract with Municipal Accounts & Consulting, L.P
President O'Hanlon stated tonight we must approve the bookkeeping contract with our bookkeeper's Municipal Accounts and Consulting.

Paul Hightower stated we received the contract for MAC, they handle all the district's bookkeeping. The only changes from the last contract, is now the contract reflects that payable are processed on a weekly basis rather than biweekly at no additional cost. Processing payables on a weekly basis is easier on the office. MAC is incorporating a tiered rate structure for all their clients, for any additional bookkeeping work that fall outside of our normal scope of work. Which they did so rarely ever happens for us. In the past, they have had a flat rate structure, the flat rate fee was $125, MAC also noted they do not typically have much additional work for the district. The last item change is a monthly fee. They are asking for a 10% increase, which equates to $350, which is roughly 3% an increase for each of the last three years.

Mr. Hightower stated this came up originally early last year, and we all had some in-depth discussion with some of the practices, there were some errors and some issues that we had had found going through with Mac. We had an in-depth discussion with them about the issues with Katherine Turner, who is now the new Area Supervisor. Ms. Turner is on board with how we handle things here and I can say they are doing a much, much better job for us. They have been very responsive with getting our bond application items. Staff is recommending the board accept the Contract as presented.

Alma Rodriguez stated she agrees with Mr. Hightower that things have turned around since our meeting with Ms. Turner. They are doing a really good job.

Motion: Sam Kier moved to approve the amendment of the bookkeeping contract with Municipal Accounts & Consulting, L.P. Seconded: Butch Carmack. Vote: Four (4) in favor, motion carries.

President O'Hanlon announced at 9:20 P.M. the Board will meet in Executive Session regarding Consultation with Attorney to discuss agenda item #7.

21.) Executive Session-

a. The Board reserves the right discuss in Executive Session any item referenced on this Agenda when authorized pursuant to the applicable section of Subchapter D, Chapter 551, Texas Government Code, of the Texas Open Meetings Act.

The Board adjourned Executive Session at 9:36 P.M.

No action or decisions were made in Executive Session.

22.) Board suggestions on future agenda items
None

23.) Adjourn

Motion: Sam Kier moved to adjourn the meeting. Seconded: Butch Carmack. Vote: Four (4) in favor, motion carries.

MEETING ADJOURNED AT 9:37 P.M.

Mary Beth O'Hanlon
Board Director

April 15, 2021
Date