

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, October 21, 2021, beginning at 6:30 p.m. The meeting was held at the Bastrop Convention Center.

Present BCWCID #2 Board Members:

Mary Beth O'Hanlon, President
Sam Kier, Treasurer
Butch Carmack, Director

Videoconference

Scott Ferguson, Vice President
Ron Whipple, Secretary
Tony Corbett, Attorney

BCWCID #2 Staff/Other Professionals:

Paul Hightower, General Manager
Tyler Walsh, Sr. Operations Manager
Alma Rodriguez, District Administrator

MEETING DISCUSSION TOPICS

- 1.) Call to Order and Establish a Quorum
President O'Hanlon called the meeting to Order at 6:31p.m. and announced there was a quorum of the Board in person. Director Whipple and Director Ferguson as well as Tony Corbett are attending the meeting remotely.
- 2.) Pledge of Allegiance
President O'Hanlon led the Pledge of Allegiance.
- 3.) Texas State Flag
President O'Hanlon led the Pledge to the 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. Work Session regarding the District's 2022 Budget scheduled for October 26, 2021 at 2:00 P.M. at the Bastrop Convention Center
 - b. Regular Board of Director's Meeting scheduled for Thursday, November 18, 2021 at 6:30 p.m. at the Bastrop Convention Center

President O'Hanlon announced the future meeting dates and stated the Work Session scheduled for October 26th has now turned into a Special 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 September 16, 2021 Regular Meeting of the Board of Directors;
 - b. Approval of monthly financial report for September 2021; and
 - c. Approval of Release of Liens held by District on Real Property.

Paul Hightower stated we will have to get clarifications from Taylor regarding the financials in water and wastewater.

Director Kier suggested the Board not approve the financials for September since they are so far off and stated there has to be an off-setting entry because we should not have a loss.

Alma Rodriguez presented the Release of Liens.

Motion: Sam Kier moved to approve Consent Agenda Items A and C and tabled Item B until next month. Seconded: Butch Carmack. Vote: Four (4) in favor, motion carries.

- 7.) Discussion regarding the following items to be presented in the General Managers report:

Paul Hightower reposted on the following items:

7a. Status of TTHM compliance:

No major updates at this time. We are moving forward with the necessary steps to accept the unit upon delivery. The contractor will be putting in the concrete base in the next few weeks.

7b. Update on district water plants and lift stations:

No updates at this time.

7c. W/WW maintenance & Capital Improvements update:

No major updates from last month. We are currently working with BEFCO to get the two priority groups (compliance & maintenance) lined out. We are waiting on the packages to go out for bidding.

We had a bid opening this past month for the Tahitian line that went well. BEFCO will be making a presentation shortly on that, along with a recommendation for a contractor.

We have several other small projects from the loops and extensions group, that we are lining out to get started soon with separate contractors.

7d. Road maintenance & improvement projects update:

19/20 Road Construction: County started oiling & chip-sealing last week. The massive downpour we received kind of pushed it all back a few days, but they are moving ahead. Should be completed within the next few weeks.

20/21 Roads: The team is on schedule and have a few roads already completed. Walk-through's have been made, compaction tests completed and passed and the roads and the roads that passed are in que for chip sealing this year. We will provide a more complete update next month.

7e. Employee update:

No major updates. We are finally in the process of hiring the last fulltime for the vacant road position. With this addition, we will be up to full staff.

7f. General Office Update:

New Maintenance Facility: The new shop is 99% completed. Crews have started some small move in projects. The remainder of the utilities are being added in along with general property clean-up, some drainage to be completed and small to-dos. They should be ready to fully move in by the 1st of November. We will be into the Jan/Feb timeline for getting the office moved into the old maintenance building after some cleanup is done.

- 8.) Discussion and possible action regarding the Road Committee:
a. Receive Monthly Committee Update

Paul Hightower stated there are no updates at this time.

- 9.) Discussion and possible action regarding awarding contract for construction of Tahitian Water Line Project
Joseph Willrich from BEFCO Engineering stated the District had bid openings for the Tahitian Drive Water Line Improvements project on Friday, October 1, 2021. The bid documents were provided to approximately twelve contractors as well as six plan rooms. The project was also advertised to bid in the Bastrop Advertiser newspaper on 9/16/2021 and 9/23/2021. The District received four (4) bids for the project ranging from \$930,713.00 to \$157,790,795.92 for the total base bid (Items 1-42). Please note that the high bidder had multiple conflicts between numerical and written word unit prices causing the bid amount to be adjusted. You do not even know what their real bid is because there are some many discrepancies. The next highest bidder was in the amount of \$1,522,241.93.

The base bid was for the construction of the 16-inch water line from Water Plant #1 to Mauna Kea, cased service bores across Tahitian Drive just south of Mauna Kea and a 10-inch water line from Makaha Drive to Kaanapli Lane. Additive alternate bid items to steel case bore driveway crossings in lieu of uncased bores were included. This additive alternate would add approximately \$43,640 to the low base bid. Based on current funding this does not appear to be a necessary additive alternate to accept since these are driveways and not streets. A deductive alternate was provided for uncased service bores in lieu of cased service bores for the service bore locations south of Mauna Kea. The cost savings is approximately \$4,000. This

is not a significant reduction in cost, and it is recommended to keep the casing on these service bores. These service bores cross Tahitian Drive and from a maintenance perspective it would be best to keep these crossings cased should the service line have to be replaced in the future. Please see attached Bid Tab Summary for the base bid, additive alternates, and deductive alternate from the various bidders.

After reviewing the pricing and past work experience, the most advantageous base bid was submitted by Qro Mex Construction Company, Inc. in the amount of \$930,713.00. Qro Mex is also the most advantageous bidder for the additive and deductive alternates. BEFCO has past work experience with Qro Mex Construction, and they have successfully completed those projects. They also have significant water line construction experience. Assuming the District has available funding, BEFCO recommends that Bastrop County WCID No. 2 award the contract, in the amount of \$930,713.00 Base Bid Items No. 1-42, to Qro Mex Construction Company, Inc.

Mr. Willrich stated that their cost of the project was estimated at \$700k but after talking to this contractor and several others over the last month or two there has been a 50% increase in material cost and of course we have no idea with the pricing in pipe is going to be in the future.

Director Carmack asked how soon do we plan and starting on this project due to price increases?

Mr. Willrich responded once you accept the bid you are locked into that price of the project.

Director Kier stated we need to be careful on future projects due to price increases.

Mr. Willrich stated projects need to be prioritized maybe do the elevated storage tank next.

Paul Hightower stated we can push compliance items and hold off on maintenance items.

Motion: Sam Kier moved to accept the bid from Qro Mex Construction in the amount of \$930,713.00 Base Bid Items No. 1-42 for the Tahitian Water line project. Seconded: Butch Carmack. Vote: Four (4) in favor, motion carries.

- 10.) Discussion and possible action regarding approving contract for information and technology (IT) Services

Paul Hightower stated we went out for bids for IT Services and received two bids. One from our current IT company, Visual Edge for \$1395/month and the other bid was from Interdev for \$2540/month. This is for a year contract.

Mr. Hightower recommends approving the contract with Visual Edge.

Director Kier suggested talking to Visual Edge to see if we could get longer terms for a price break.

This item was tabled until the November 18, 2021 Board meeting.

11.) Discussion regarding water and wastewater rates

Paul Hightower stated rates are also a difficult subject to talk about. Looking at increases ranging from 3 to 5%. Looking at a 4% increase falls in line with our budget numbers but we will discuss this at the budget meeting next week. We can look at increase in the base rate or adjusting our tier rates. The plan is to have a 5-year rate plan in place to go in line with our capital improvements projects but with so many unknowns in the world it is so hard to plan currently.

Director Kier stated that with a 4% increase that would be \$8 a year per customer.

Mr. Hightower stated he was going to do more of a comparison with other District's in the area and not from the cities because they are tax subsidies.

Director Kier stated he had a discussion with Paul Hightower about putting charts and graphs on the water page about what you are paying for.

President O'Hanlon stated no one likes to talk about rates but we do have an aging system and we need to keep the system up and running and safe. We will be looking at this item again next month.

Paul Hightower reviewed the water tap fees and stated at this time we are going with the fees that is charged but we will continue to monitor the rates.

As far as wastewater rates, we have a unique system because the District maintains the entire system and out rates have to reflect that. The current rate for wastewater is \$88 a month and wastewater taps are \$8500. We are looking at a \$2 increase on the wastewater rate and wastewater taps have been hit hard and may have to consider increasing wastewater taps to \$9,000.

This item will be discussed more at the budget meeting.

12.) Discussion and possible action regarding District monthly board meetings

President O'Hanlon polled the Board to see who would be available for the upcoming meetings.

Director Carmack stated he will not attend the meeting on Tuesday but would attend the November board meeting in person.

Director Ferguson will be remote for both meetings.

Director Kier stated he would attend the meeting Tuesday in person but would be remote at the November Board meeting.

Director Whipple will attend both meetings in person.

- 13.) Discussion and possible action regarding renewal of District's employee dental, vision, and other employee insurance benefits

Paul Hightower stated last month the Board voted on the medical and dental portion for employees and then the next day Alma Rodriguez received an email from the insurance representative from Unum offer nice comparable offer with a better plan on the dental insurance if we group the vision and dental with Unum. Unum manages our life policies.

Alma Rodriguez stated the policy with Unum was going to increase 8% but if we made the decision to move the dental and vision insurance to Unum the rate would stay at the current rate. If we decide to go with Unum the savings would be roughly \$1,800 for the year. We compared the coverages, and the vision is exactly the same and the dental plan with Unum is a better plan.

Paul Hightower reviewed the coverages with the Board and asked the Board to amend the motion from last month.

Motion: Butch Carmack moved to amend the motion from last month and to approve the quotes from Unum for life, dental and vision. Seconded: Scott Ferguson. Vote: Four (4) in favor, motion carries.

- 14.) Discussion and possible action to adopt Resolution approving the EVS 6110 Voting System by use by Bastrop County, Texas

Alma Rodriguez requested the Board to approve the Resolution for the EVS 6110 Voting System that was in the Board Packet.

Ms. Rodriguez stated this is required since we contract with the County for our District's Election and the County adopted this Resolution at the Commissioner's Court meeting on September 27, 2021.

Motion: Sam Kier moved to approve the Resolution as stated for the EVS 6110 Voting System. Seconded: Butch Carmack. Vote: Four (4) in favor, motion carries.

- 15.) Discussion and possible action regarding evaluation for General Manger
This item will be discussed in Executive Session.

After Executive Session President O'Hanlon stated the Board will retain Paul Hightower as General Manger and they will discuss compensation after they finalize the budget.

President O'Hanlon announced at 7:59 p.m. the Board will meet in Executive Session.

- 16.) Executive Session-

- a. Pursuant to Section 551.074 of the Texas Open Meetings Act, the Board will deliberate the evaluation and performance of the General Manager; and
- b. The Board may also discuss in Executive Session any other 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.

17.) Discussion and possible action regarding matters discussed in Executive Session

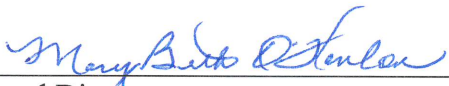
The Board adjourned Executive Session and 8:29 p.m.
No action or decisions were made in Executive Session.

18.) Board suggestions on future agenda items
None


19.) Adjourn

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

MEETING ADJOURNED AT 8:30 P.M.



Board Director



Date