Minutes of the Regular Board Meeting for
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, August 20, 2026, beginning at 6:30 p.m. The meeting was held at the District office, located at 112 Corporate Drive.

Present BCWCID #2 Board Members:
Mary Beth O'Hanlon, President
Scott Ferguson, Vice-President
Michele Plummer, Secretary
Ron Whipple, Director
Ruth Bullock, Treasurer

BCWCID #2 Staff:
Paul Hightower, General Manager
Patricia Lujan, District Administrator
Darrel Culberson, Comptroller
Tyler Walsh, Senior Field Operations
Adam Brown, Field Manager

Absentees

Remote Participation
Tony Corbett, Attorney

1.) Call to Order and Establish a Quorum – O'Hanlon

By: MaryBeth O'Hanlon Time: 6:30PM

2.) Salute to Flags – O'Hanlon

3.) Public Comments/Announcements:

No public comments.

4.) Discussion and possible action regarding schedule of future meeting dates:
a. Regular Board of Director's Meeting scheduled for Thursday, September 17, 2026 at 6:30 p.m.

Mrs. O'Hanlon stated that the District's next board meeting was on September 17th. All Board present Members stated they could attend, except for Ron Whipple that will be absent.

No further comments or suggestions.

Approved

5.) CONSENT AGENDA:

a. Approval of minutes from the July 16, 2026 Meeting of the Board of Directors;
b. Approval of monthly financial reports for July 2026; and
c. Approval of Release of Liens held by District on Real Property.

No comments regarding the Board Meeting minutes.

Darrel Culberson presented the District's financials as shown in the packet.

Paul Hightower read the Release of Liens as shown in the packet.

Board expressed no issues or concerns.

Mrs. O'Hanlon called the question.

Motion: Scott Ferguson moved to approve the Consent Agenda.

Second: Ron Whipple

Vote: Five (5) in favor, motion carries.

6.) Discussion regarding the following items to be presented in the General Manager's report:

a. Update on District facilities, water plants and lift stations
b. Update on Water/Wastewater Maintenance & Improvement projects
c. Employee & Administrative Update

Mr. Hightower read the GM report as shown in the Board packet. Mr. Hightower added that the District was recovering from the boil water notice that went out, due to the 2 main line leaks. All samples had been submitted and passed along with everything being filed with TCEQ. Well 3 had been replaced, along with all the cable and wiring down-hole, to get the station running again. The District is looking at adding a pressure monitoring device in the system to help prevent future issues.

No further comments or discussion.

7.) Discussion related to Capital Improvement Projects to be funded with bond proceeds– Hightower

Jon Schmelling with SPI gave the Board a presentation regarding the elevated tower. The contractor is working on the construction plans and will hopefully present them at the September meeting. The grant application had been turned in and was accepted.

No further comments or discussion.

Approved

8.) Discussion and possible action related to a Water System Interconnect Interlocal Agreement with the City of Bastrop - Hightower

No comments at this time.

9.) Discussion and possible action regarding 2025 Fiscal Year Audit– Hightower

Kent Willis with Patil, Brown and Hill CPA presented the FYE 2025 audit. Mr. Willis shared that there was nothing negative to report and that they were satisfied with the results and sharing from Cherry Beckheart.

Board expressed no issues or concerns.

Mrs. O'Hanlon called the question.

Motion: Scott Ferguson moved to approve the Consent Agenda.

Second: Ruth Bullock

Vote: Five (5) in favor, motion carries.

No further comments or suggestions.

10.) Discussion Only: Report from Arbitrage Compliance regarding 2016 Bond Note – Hightower

Mr. Hightower shared the 2016 Bond Note Arbitrage Compliance document with the Board indicating that it was a clean report with no negative findings and no rebate due.

No further comments or suggestions.

11.) Discussion and possible action regarding a Leak Adjustment Policy Insurance – Servline Staff

Jenna Hazelet with Servline presented their Leak Insurance policy to the Board. It was presented that it would cost customers $2.34 a month on their bill with the option to opt-out. After Board discussion, staff recommended approving the leak insurance policy for customers to use.

Mrs. O'Hanlon called the question.

Motion: Ron Whipple moved to approve the insurance policy as presented.

Second: Michele Plummer

Vote: Five (5) in favor, motion carries.

No further comments or suggestions.

Approved

12.) Discussion regarding the selling of BCWCID2 lots or property- Hightower

Mr. Hightower shared the list with the Board, of the properties that the District owns and stated that we were looking at liquidating these lots, to reduce our liability. Mr. Hightower explained that the longer the District owns the lots that we don't need, that we are putting the District at risk, due to the liability. Attorney Tony Corbett mentioned that we needed to make sure we follow the law on posting or advertising the lots for sale and that the District must seek the Fair Market Value on them. Tony suggested that the District hire an appraiser to attain the correct values. Board discussed the lots in detail and wanted to make sure we ironed the list out, make sure what the City or County does or doesn't need, then staff is to bring a completed list back to the Board for a formal vote.

No further comments or discussion.

13.) Board suggestions on future agenda items

Suggestion to keep the lots for sale as a running item until it was decided on and Mary Beth reminded the Board the budget previews will star in September for our standard 3-month preview. Staff shared that we are doing a rate review, so that will come up as a future discussion item as well.

14.) Adjourn: 8:20 PM

Mrs. O'Hanlon called the question.

Motion: Michele Plummer moved to adjourn.

Second: Ruth Bullock

Vote: Five (5) in favor, motion carries.

Paul Hightower
Digitally Signed & Certified
September 29, 2026 @ 0822 hours
Kofax Power PDF Solutions

Authorized Signature

Approved