

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 08, 2018, beginning at 6:30 p.m. at the Conference Center, 106 Conference Drive, Bastrop, TX. 78602.

Present BCWCID #2 Board Members:

John Creamer, President
Victor Gonzalez, Vice President
Mary Beth O' Hanlon, Secretary
Sam Kier, Treasurer
Karen Pinard, Director

BCWCID #2 Staff/Other Professionals:

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

- 1.) Call to Order and Establish a Quorum
President Creamer called the meeting to order at 6:30 p.m. A quorum of Board members was present.
- 2.) Pledge of Allegiance
President Creamer led the Pledge of Allegiance.
- 3.) Texas State Flag
President Creamer led the Pledge of Allegiance to the Texas Flag.
- 4.) 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 for Thursday, April 19, 2018 at 6:30 P.M.
 - b. Public Road Meeting for Saturday, March 24, 2018 at 9:00 A.M.

President Creamer announced the upcoming meeting dates.

Jim Ouellet stated the road committee meeting will be held on Tuesday, March 20, 2018 at 6:00 P.M.
- 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 February 15, 2018 Regular meeting of the Board of Directors; and
- b. Approval of monthly financials report for February 2018

Motion: Sam Kier moved to approve the consent agenda items. Seconded: Karen Pinard. Vote: Four (4) in favor, motion carries.

- 7.) Discussion, possible action and updates by General Manager

Jim Ouellet reported on the following items:

Repairs on Koolua Drive and Awehi Lane landslide

The steel pilings are in and the roads are open at Koolua and Awehi. Koolua Drive is completed as of today and Awehi should be completed by the end of the week.

Road Maintenance Activities

Attached is a listing of road maintenance activities which have taken place in recent weeks. We have implemented a new form for road maintenance activities.

Storage Tank Construction

Tank site survey was completed and information is being prepared to submit to the City for the zoning variance.

New Office Building

The possible need for a certain size storm water pond has delayed the selection of an architect. Preliminary layout design plans has suggested a certain size storm water pond is needed and site configurations are being evaluated. An adjacent lot owner has been contacted to see if they wish to sell a lot that may be used for a retaining pond. The land in question cannot be built upon and would be ideal to be used for storm water for the entire area.

Sale of Existing Office Building

The contract with the realtor expired on February 22. A meeting was held with Kevin White who is the realtor for the property which abuts the office building. He expressed that his client's desire to sell their property is elevated and he would like to see something accomplished relatively soon.

A concept worth discussing is to sell the 1.35 acres (known as 126 Olaa Ct) as a separate entity. The advantage of such is that it can be easily sold for building lots and it will then reduce the price of the existing office building to make it more attractive to potential buyers.

At this time we need to secure a new realtor and also decide if we wish to sell the parcels independently.

President Creamer stated the city rezoned the area around Olaa Ct. to residential.

Director Kier suggested that Jim Ouellet contact some commercial realtors and bring the information back to the Board at the next meeting.

Water Quality

The latest round of TTHM testing indicates the levels have been dramatically reduced through the installation of treatment and better management of the water sources. There have been some discolored water calls the past week but we have been opening some closed valves. This will go back to normal soon.

Election of Officers

The election process is moving forward. Alma Rodriguez has been maintaining communications with the Election Commission. A process to determine which candidates name would be placed first on the ballot for each respective position was held.

Director Pinard stated we need to publicize voting locations and times.

Website Update

The website is being finalized. Erika McDonald has been a great help and Alma quickly learned how to navigate behind the scenes to make changes and update.

Road Construction Status

Bids are due on March 9 for improvements to the roads scheduled for 2018 construction season. We plan on having more firmed up numbers before the March 24th meeting.

SCADA System

The SCADA system has been completed at water well 2 and 3. We can now operate certain aspects of the plants from a computer system in the office. We will eventually have mobile capability to observe conditions in the system from a distance.

Director Kier asked if there was another Phase to installing the SCADA System.

Mr. Ouellet stated the next phase would be for wastewater to add all the lift stations.

Road Committee Members

Notice was sent via an email blast and on the website informing residents of openings on the Road Committee. The present openings are for a unit 2 and a unit 5 resident. We received five responses. Of the five, Jo Anne Egitto resides in Unit 2 and Kathleen Newton resides in Unit 5. Pursuant to the Road Committee Resolution, the residents from the vacant units would be appointed to the committee.

- 8.) Discussion and possible action regarding adoption of Order Approving District Investment Policy and Investment Strategies
Jim Ouellet stated this is revised Investment Policy that Tony Corbett prepared for the District.

Director O'Hanlon stated these are very conservative investments and this policy is put in place to protect the District.

Motion: Sam Kier moved to adopt the Order Approving District Investment Policy and Investment Strategies. Seconded: Mary Beth O'Hanlon. Vote: Four (4) in favor, motion carries.

- 9.) Road Committee Matters:

- a. Discussion and possible action regarding modification of existing policies for appointment of members to the Road Committee; and
- b. Discussion and possible action regarding appointment of new member(s) to Road Committee.

President Creamer stated the big issue that concerns him is there is a person on the road committee that hasn't been to a meeting in quite some time and some action should be taken.

Mr. Ouellet stated there is reference to that in the policy.

Director Kier suggested the policy just be managed.

Director Gonzalez suggested creating an At Large Position.

Director O'Hanlon agreed with Director Gonzalez since there are a lot of people that are willing to help.

Director Pinard stated we should talk to the legal counsel on this matter.

Kathleen Newton was not present. The Board welcomed Jo Anne Egitto to the Road Committee.

Motion: Karen Pinard moved to appoint Jo Anne Egitto to serve as the Unit 2 Road Committee Member. Seconded: Sam Kier. Vote: Four (4) in favor, motion carries.

Motion: Karen Pinard moved to appoint Kathleen Newton to serve as the Unit 5 Road Committee Member. Seconded: Sam Kier. Vote: Four (4) in favor, motion carries.

- 10.) Discussion and possible action regarding Interlocal Agreement with Bastrop County relating to completion of 2017 Road Improvement Projects and 2018 Road Improvement Projects

Mr. Ouellet stated we have an Interlocal Agreement signed by Judge Pape to chip seal the roads that we constructed this past year and at this point that is all the County will commit to.

Motion: Karen Pinard moved to approve the Interlocal Agreement with Bastrop County relating to chip sealing the roads completed in 2017. Seconded: Sam Kier. Vote: Four (4) in favor, motion carries.

- 11.) Discussion and possible action relating to draft presentation materials for the March 24, 2018 road meeting
Jim Ouellet presented a draft of the presentation for the road meeting on March 24, 2018.

President Creamer asked the Board to send any suggestions to Jim or Director Kier.

Director Kier stated this year he added some roads that were in the vicinity and BEFCO brought over the maps for us to review. This plan does not included an increase is road assessment fees.

No Action Taken.

- 12.) Discussion and possible action on developing specific delineation on responsibilities between Board and Staff
Jim Ouellet stated this is something that he will have legal counsel work on just so we are in compliance with Texas law. Tony Corbett is preparing the documents and once it is available they will be presented to the Board.

No Action Taken.

- 13.) Discussion and possible action regarding revisions to the District's Employee Handbook
Jim Ouellet stated last month I presented some changes and Tony Corbett stated it could be condensed. The condensed version is in your packet.

Motion: Karen Pinard moved to approve the revision to the District's Employee Handbook regarding the Job Application Process and Appointment. Seconded: Sam Kier. Vote: Four (4) in favor, motion carries.

- 14.) Discussion and possible action regarding road maintenance and standby fees:
- a. Update on actions taken with respect to Ms. Sheila Boyland request for Standby fee refund.
Jim Ouellet stated he met with Director Pinard and Alma Rodriguez and there is no real policy regarding contiguous lots.

Mr. Ouellet stated he left Ms. Boyland a message that the District would write off any balances on her account.

- 15.) Board suggestions on future agenda items-
 - a. Commercial water and sewer rates; and
 - b. Other future agenda items.

Jim Ouellet stated we are going to have an agenda item regarding expanding our EFT activities.

Director Kier suggested an item regarding a capital plan for the 600k in escrow and warranty periods on the roads.

Director Kier also stated he did not receive his road bill by email.

Alma Rodriguez stated she will find out why he didn't receive an email for his road bill.

Director Pinard stated she would like a status update on the installation of the radio reads meters.

- 16.) Discussion and possible action regarding Release of Liens held by District on Real Property
Alma Rodriguez presented the Release of Liens.

Motion: Karen Pinard moved to the Release of Liens. Seconded: Sam Kier. Vote: Four (4) in favor, motion carries.

- 17.) Discussion and possible action regarding engagement of special litigation counsel. President Creamer stated this item was covered at the Special Meeting.

No Action Taken.

- 18.) The Board of Directors will meet in a closed/executive session pursuant to Texas Government Code, Chapter 551 (Texas Open Meetings Act), to discuss the following:

- A.) Section 551.071 – The Board may go into closed/executive session to consult with the District's legal counsel concerning the following: (1) to seek the advice of legal counsel regarding (a) pending or contemplated litigation; or (b) a settlement offer; or (2) on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act:
 - i. Sale of District property within Pine Forest Unit 6 Subdivision.

B.) Section 551.072 - Deliberate the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the District in negotiations with a third person; and
i. Unit 6 Lots owned by the District

C.) Section 551.074 – Deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of public officers or employees

President Creamer announced at 7:27 p.m. that the Board will meet in Executive Session regarding Section 551.074 only, the other items were discussed at the Special Meeting on Monday.

19.) The Board of Directors will reconvene into open session to discuss, consider, and/or take any actions related to the executive session noted herein, or regular agenda items.

The Board Adjourned Executive Session at 8:20 p.m.

No action or decision made in Executive Session.

Director Kier stated that No Action will be taken for Section 551.074.

20.) Discussion and possible action regarding the potential sale and conveyance of real property within Pine Forest Unit 6 Subdivision:

- a. Adoption of Order Declaring Property to be Surplus and Authorizing Sale;
- b. Discussion and possible action regarding approval of contracts for sale and conveyance of property; and
- c. Discussion and possible action regarding February 27, 2017 demand letter by legal counsel for Pine Forest Investment Group, LLC.

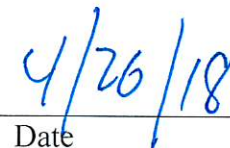
Jim Ouellet stated this Item was addressed on Monday. No Action Needed.

21.) Adjourn

Motion: Karen Pinard moved to adjourn. Seconded: Sam Kier. Vote: Four (4) in favor, motion carries.

MEETING ADJOURNED AT 8:20 P.M.


Board Director


Date