

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 21, 2019, beginning at 6:30 p.m. at the Bastrop Convention Center, 1408 Chestnut Street, Bastrop, TX. 78602.

**Present BCWCID #2 Board Members:**

Mary Beth O'Hanlon, President  
Butch Carmack, Vice President  
Sam Kier, Treasurer  
Scott Ferguson, Secretary  
Karen Pinard, Director

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

Tony Corbett, Attorney  
Paul Hightower, General Manager  
Tyler Walsh, Operations Manager  
Alma Rodriguez, District Administrator

\*\*\*Please note the meeting was recorded but nothing was on the recording\*\*\*

- 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  
The Pledge was not recited due to the fact the flags were not setup.
- 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. Annual Public Road Meeting scheduled for Saturday, March 30, 2019 at 9:00 a.m.
  - b. Regular Board of Director's Meeting scheduled for Thursday, April 18, 2019 at 6:30 p.m.

President O'Hanlon announced the upcoming meeting dates and stated all future meetings will be held at the Bastrop Convention Center.
- 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 21, 2019 Regular Meeting of the Board of Directors;
- b. Approval of monthly financial report for January 2019; and
- c. Approval of monthly financial report for February 2019.

**Motion: Sam Kier moved to approve the Consent Agenda Items. Director Kier stated there are some revenue issues on the road construction side that need to be fixed but the numbers are reasonable. Seconded: Karen Pinard. Vote: Four (4) in favor, motion carries.**

- 7.) Discussion and possible action regarding the following items on the General Managers report-

Paul Hightower reported on the following items:

- 7a. Installation of radio read water meters  
As of 3/1/2019 we have approximately 30 left for install. These are scheduled for major work due to curb stops or other parts needed, that makes it not an easy install.
- 7b. Status of TTHM compliance:  
We took the 3rd round of tests on March 11th. We are currently waiting for these results. The 2nd set that was initially thought to be bad, ended up being confirmed by the first set in showing that a minimum chlorination is getting the best results, without the need for a pre-chlorination or heavy aeration to strip the precursors. This 3rd set is to confirm the results so that we can move forward with a proposed plan.  
  
Mr. Hightower added the test results came back today and we may have to call for a Special meeting to discuss this issue.
- 7c. Update on district water plants and lift stations:  
No major projects or updates needed at this time.
- 7d. Update on fencing at the maintenance building:  
The project was completed on March 7th. It is a very solid structure and a very nice addition to the property. It has 2- double swing gate openings on the north and east sides, along with a double sliding gate assembly on the south side, which will be the main entrance. The address to the maintenance building has been changed to 120 Corporate Drive. Deliveries using the Park Drive address has always caused a lot of confusion with deliveries going to other places in the county.
- 7e. Overall FEMA update:  
Projects are 100% complete. The few larger projects are being planned out currently which require concrete and flow-able fill to be added.

7f. Water, wastewater, road repairs, maintenance & improvement projects update:  
No major updates at this time.

7g. Employee updates:

The person we hired for our senior road position, did not show up. The day he was due to arrive, I got an email saying that he accepted a position in the oil field. We have moved Cody into that position temporarily so that we could move forward with some much needed road repairs. We have received some good reports and many "thanks" from customers so far.

Matt Bumstead has left our employment for the 3rd and final time. He turned in his 2-week notice last month.

Both positions have been re-advertised.

7h. Inter-Connects with Local Water Suppliers:

Still a pending item. Aqua Water's engineering department is still working on this.

7i. Update from Unit 5, Lot 942:

We made a check into the property to make sure the District would be free & clear on any liens against this property. We made an offer on March 6th to the property owner. We received her paper work in the office on March 19th and are in the process of it all.

7j. Update from past liens and County Tax Sale:

We were notified earlier this month of the most recent county tax lien sale being upwards of a \$105k total that applied to our area. We received \$35,305 in proceeds from this sale.

7k. TWDB Update:

I have been working with TWDB trying to get reimbursed the \$36k from the mixer system project put in the McAllister Station last year. As of right now, we are not eligible to get reimbursed. SUEZ did not follow the proper procedures to obtain the US Steel compliance certification necessary for the project to be refunded. It qualifies on a state level, but the monies providing that fund, were federally mandated, so it falls under federal rules. Our TWDB rep is exploring other ways to see if we can qualify to get it reimbursed. Report on installation of replacement water meters.

Mr. Hightower also stated we have a new supplier for the E One Pumps. Russell Creamer who was the sales rep for EI<sup>2</sup> has taken over the sale of the E One Pumps. His company name is Hydro Services, Inc. The pumps that were purchased last year are secured with EI<sup>2</sup>. They will deliver pumps as needed.

- 8.) Discussion and possible action regarding Information Technology (IT) Services  
President O'Hanlon stated last month the Board voted to change the District IT Services to Systemverse but we learned that we entered into a perpetual renewable contract with our current provider and we missed our window of opportunity to rumination the contract therefore the contract renewed automatically for a year. The Board will be discussing this item in Executive Session.

After Executive Session the following motion was made.

**Motion: Karen Pinard moved to direct General Manager to contract for additional IT Services as requested. Seconded: Scott Ferguson. Vote: Four (4) in favor, motion carries.**

- 9.) Discussion and possible action regarding Office Building Renovation or Construction of New Building, including Potential Sale or Development of the District Land on which the building is located  
Paul Hightower stated President O'Hanlon, Director Pinard and himself went to look at new utility office in Fayette County and received quite a bit of information on the building.

This item will be discussed in Executive Session then the Board will come back to this item for more discussion.

President O'Hanlon stated there are a lot of decisions that need to be made so we can figure out how to proceed. We need to narrow our options.

After Executive Session the following motion was made.

**Motion: President O'Hanlon made a motion to eliminate the option of repairing the existing building due to the cost and the unknown factors. Seconded: Karen Pinard. Vote: Four (4) in favor, motion carries.**

**Motion: President O'Hanlon made a motion to direct the General Manager to pursue an architect to come up with a design for the new building. Seconded: Karen Pinard. Vote: Four (4) in favor, motion carries.**

- 10.) Discussion and possible action regarding Commercial Wastewater Rates  
Paul Hightower asked to Table this item until next month he is waiting on some additional information from PUC and TRWA.

**Motion: Karen Pinard moved to table Item # 10 until the April Board Meeting. Seconded: Sam Kier. Vote: Four (4) in favor, motion carries.**

- 11.) Discussion and possible action regarding investment of District Funds

Paul Hightower stated this item was discussed last month and Tony Corbett suggested that the District look into Tex Pool so in your packet is the information to sign for Tex Pool.

**Motion: Sam Kier moved to sign up for a Tex Pool account and put the reserve for the TWDB loan in that account. Seconded: Karen Pinard. Vote: Four (4) in favor, motion carries.**

- 12.) Discussion and possible action regarding approval of Interlocal Agreement with Bastrop County relating to 2019/2020 road improvement projects  
Paul Hightower stated this Interlocal Agreement will be for the 2019/2020 road improvement projects. Mr. Corbett has reviewed the agreement this agreement will also help the District with cost because we will be using the County for the bidding process.

**Motion: Sam Kier moved to accept the Interlocal Agreement with Bastrop County for the 2019/2020 road improvement projects. Seconded: Scott Ferguson. Vote: Four (4) in favor, motion carries.**

- 13.) Discussion and possible action regarding approval of Interlocal Agreement with Bastrop County relating to Ulupau Road Improvements  
Paul Hightower stated this interlocal agreement is for 3/10 of a mile on Ulupau from 3-lot road to Riverside Drive and this will complete that area and make that road safe. The District will be responsible for replacing the culverts, surveying and engineered plans.

**Motion: President O'Hanlon moved to accept the Interlocal Agreement with Bastrop County for the Ulupau Road Improvements. Seconded: Butch Carmack. Vote: Three (3) in favor, One (1) Opposed, Sam Kier recused himself from voting, motion carries.**

- 14.) Discussion and possible action regarding Reversal of Late Payments Fees and Interest on customer accounts  
Paul Hightower presented the request from Mohammad Hameed to waive late and lien fees since he did not receive his statement.

**Motion: Karen Pinard moved to deny the request from Mohammad Hameed to waive late and lien fees. Seconded: Butch Carmack. Vote: Four (4) in favor, motion carries.**

- 15.) Discussion and possible action regarding 10-year Capital Plan committee meeting  
Paul Hightower stated he met with Director Kier to discuss and prioritize and start strategizing a plan for long term items and how we can finance these items.

Director Kier stated this is a wish list and its about 9 million dollars over 10 years and he thinks we need to reach out to Chris Lane with SAMCO about financing options and grants and bring this back to the Board.

- 16.) Discussion and possible action to retain SamCo as financial consultants to work thru financing alternatives relating to item 15  
Director Kier stated this item goes along with what was discussed in Item 15.

**Motion: Sam Kier moved to retain Chris Lane with SamCo as the District's financial consultants to work thru financing alternatives relating to Item 15.  
Seconded: Karen Pianrd. Vote: Four (4) in favor, motion carries.**

- 17.) Executive Session-

- a. Pursuant to Section 551.071 of the Texas Open Meetings Act, the Board will consult with its attorney in Executive Session to seek legal opinion and advice regarding the roles, responsibilities and authority of individual members of the Board of Directors, including interactions with District staff and third parties relating to District business;
- 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.

President O'Hanlon announced at 7:39 p.m. that the Board will meet in Executive Session regarding the listed items in Agenda item #17.

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

The Board Adjourned Executive Session at 8:40 p.m.

No Action or decisions were made in Executive Session.

President O'Hanlon stated they will go back to the items they put on hold for discussion for executive Session.

- 19.) Discussion and possible action regarding the following matters related to the Road Committee –

- a) Monthly meeting update; and
- b) Review Road Presentation

Director Ferguson stated The Road Committee met last Tuesday and it was a very positive and productive meeting. The road presentation has been updated and is available for your review. We still have an opening on the committee for a Unit 4 Representative.

- 20.) Board suggestions on future agenda items-
- a. Establish advisory committee with representatives of the Property Owners Association and the District relating to future uses or disposition of reserve properties
  - b. Other future agenda items.

No additional items were added.

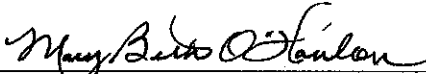
- 21.) Discussion and possible action regarding Release of Liens held by District on Real Property  
Alma Rodriguez presented the Release of Liens.

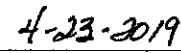
**Motion: Sam Kier moved to approve the Release of Liens. Seconded: Karen Pinard. Vote: Four (4) in favor, motion carries.**

- 22.) Adjourn

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

MEETING ADJOURNED AT 8:56 P.M.

  
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Board Director

  
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Date