

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, September 19, 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
Scott Ferguson, Secretary
Sam Kier, Treasurer
Karen Pinard, Director

BCWCID #2 Staff/Other Professionals:

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

- 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
President O'Hanlon led the Pledge of Allegiance.
- 3.) Texas State Flag
President O'Hanlon 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.)
Chris Parachini owns the Copperas Creek Houston Toad Preserve and wanted to bring to the Boards attention that the Bastrop County Government is misleading the public about the ingress/egress road. He presented the Board with letters and documentation that he has presented to TVPOA, the Road Committee and all open records requested that he has submitted and received from the County.

Mr. Parachini also submitted a letter to the Board of Directors.

Jo Egitto gave a big shout out to the road crews and everyone that had anything to do with the roads because the roads are coming along pretty well.
- 5.) Discussion and possible action regarding scheduling of future meeting dates:
 - a. Regular Board of Director's Meeting scheduled for Thursday, October 17, 2019 at 6:30 p.m.

President O'Hanlon announced the meeting date for October.

- 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 August 15, 2019 Regular Meeting of the Board of Directors;
 - b. Approval of monthly financial report for August 2019; and
 - c. Approval of Release of Liens held by District on Real Property.

Alma Rodriguez stated there was on August Sheriff's Sale, 11 lots were sold and the District collected \$18,000 from the sale.

Motion: Scott Ferguson moved to approve the minutes from the August 15, 2019 Regular Meeting. Seconded: Sam Kier.

President O'Hanlon asked if the motion only included the minutes.

Director Ferguson amended his motion to include all consent agenda items. Seconded: Sam Kier. Vote: Three (3) in favor, Two (2) abstentions, motion carries.

- 7.) Discussion and possible action regarding items on the General Managers report
- a. Status of TTHM compliance:
During the week of September 9th, we had an engineer on-site running some tests with a membrane unit. We seemed to be getting some good water from the unit out of the methane well. We pulled 36 samples all together and will have to wait for the lab results to know if we are doing any positive with it.

I've visited with the Hydrologist in Round Rock again, discussing some options in our area. We have found a few places that we could make work for drilling a new well, if we end up going this route. I have been in touch with some property owners as well, taking all this into account, for when we are ready to make a decision.
 - b. Update on district water plants and lift stations:
No updates at this time.
 - c. Water/Wastewater maintenance & improvement projects update:
No updates at this time.
 - d. Roads maintenance & improvement projects update:
The County has finished all the 2017 & 2018 roads that were due to be paved. Here is a list of all completed roads:
Konahuanui Lane, Pahoiki, Kou, Kaliu, Kulua Court, Kimo Court, Ahumoa, Pahihi North, Kaena Lane, Awehi Lane, Kaenapapa, Papawai

Drive, Koae Court, Huelo Court, Upola Court, Haou, Makaka, Ohana Court, Paia Court and Puu Waa Waa had some drainage issues cleared up and is being paved as well.

The 2020 road projects were agreed upon on August 19th with the Purchasing Department and sent to the County for publishing and bidding, but as of print date, nothing has been published yet.

- e. Employee update:
We have finished taking applications for the open Water/Wastewater position. They have been reviewed and we are moving to hire a new employee at this time. **Update:** The new employee started this morning.
- f. Report on website updates
Mallorie has finished with the new website. We are waiting on the new email system to migrate at the end of the month so that the new contact forms and work order request forms, can be sent to the appropriate addresses once they are received. We are going to show and go thru the site here and we have an initial live date of September 30th for the new site.

Director Kier asked Paul Hightower to place an article in the Pine Post about how many homes now have a paved road with the completion of the road projects.

- 8.) Discussion and possible action regarding the Potential Sale of the old District administrative building and Land on which the building is located at 106 Conference Drive, Bastrop, Texas
Paul Hightower reviewed the Critical Date List with the Board. The sale is moving right along. The expiration for the feasibility period is October 21, 2019. Then close is scheduled for November 20, 2019.
- 9.) Discussion and possible action regarding Construction of New Office Building
Paul Hightower stated this is in a holding pattern we are just waiting on the sale of the building but has met with Director Ferguson to talk about building and hire a project manager. Mr. Hightower has talked to a few builders but hasn't pushed forward until the sale is final.

Director Ferguson asked if we are going to be able to lease the spot we are in now.

Paul Hightower responded yes we have an 18 month lease back and they will extend it if needed.
- 10.) Discussion regarding potential future revisions to retail water rates and fees for residential customers

Paul Hightower stated the District has not had a base rate change since 2014 and tier rate change since 2016. At minimum it is recommended that you review your rates every 2 years so we are a little bit behind schedule. We have an aging system and a lot of water loss.

Mr. Hightower stated he has met with Director Kier on developing a Capital Plan and currently the plan they have put together is right under \$8 million dollars over the next 10 years. We have several issues facing us right now like the THM issue.

Mr. Hightower reviewed a rate comparison in the area with the Board. The recommendation for water rate increases is that the base rate be increased by \$1.00 which will go up to \$33.50, 10% increase for tiers and a \$200 increase for capital which will go from \$7.50 to \$9.50 a month.

The Board also discussed taps fees and asked that next month we have an average cost of the installation of taps.

Tony Corbett advised the Board that taps fees cannot be 3 times the average cost of installation because then that would be considered an impact fee.

Tyler Walsh stated the average cost of a water tap is about \$1,800.

Director Kier stated that looking at the whole picture we should look at recovering our cost through our rates and capital through our capital fees and we have never had enough customers to do that and we need to do that with wastewater as well. This is the first time that the District has had a capital plan.

Director Kier also stated he has talked to Paul Hightower about the burnt lots with taps because after the fire we told customers that there would be no charge to reconnect service if the taps were put back in the same place but it has been 8 years since the fires and we still have several burnt lots. Maybe we should have a 2 tier charge to motive building.

Paul Hightower stated he has spoken with several builders about those lots and they stated the owners are still asking a lot for those lots.

Director Pinard stated that we should charge a new tap fee.

President O'Hanlon stated that what she is hearing is to advise staff to calculate cost for water taps and look at a tap fee for burnt lots.

- 11.) Discussion regarding potential future revisions to retail wastewater rates and fees for residential customers
Paul Hightower stated our system is much different from other systems. The District takes on all the responsibility. The current rate is \$86.00 per month and the

proposed rate is \$88.00 and wastewater taps are currently \$7,350 and the proposed increase is \$8,000. The District wastewater fees are a flat rate.

Director Kier stated he would like to look at this next month against the expenses and come up with a plan that is not going to show us in the negative maybe not next year but the year after.

Paul Hightower stated we can talk more about rates in the budget workshop that we will be scheduling.

Director Pinard suggested the pump maintenance fee be added to the bill as a separate item and also an increase in the pump maintenance fee.

Paul Hightower stated that if we had more customers on the wastewater system then rates could be lowered because the system would be able to sustain itself.

- 12.) Discussion and possible action regarding the establishment of the Reserves Committee relating to reserve property owned by the District
President O'Hanlon stated we received 6 application from people wanting to serve on the Reserve Committee so we will need to choose 2 applicants from the list.

Director Kier asked is there are reason why we don't just let everyone that applied serve on the committee. It is just nice that we had 6 people that want to serve on the committee.

Director Pinard stated all the applicants that applied all have good intentions.

Motion: Sam Kier moved to appoint everyone that applied to serve on the Reserve Committee. Seconded: Karen Pinard. Vote: Four (4) in favor, motion carries.

President O'Hanlon stated we now have a Reserve Committee of 10 members which consist of 2 members of the Board, 2 members from TVPOA and 6 residents. The committee can start having meetings.

- 13.) Discussion and possible action on setting date for budget workshop
Paul Hightower suggested having the budget workshop on Thursday, October 10th in the afternoon.

Director Ferguson stated he will not be able on October 10th.

Director Pinard suggested 4:30 p.m.

The Board set the date for the budget workshop for Thursday, October 10th at 4:30 p.m. meeting locations is at the Bastrop Convention Center.

- 14.) Discussion and possible action regarding approval of Interlocal Agreement with Bastrop County relating to 2019/2020 road improvement projects
Paul Hightower stated the District did receive the Interlocal Agreement from the County and Judge Pape has signed the agreement but we will need to discuss this item in Executive Session with our attorney.

After Executive Session the Board authorizes the General Manger to meet with the County and work through the difference in the language between what the District seeks and what the County seeks. It is our desire to get this resolved as quickly as possible so we can move on with road for the next year.

Commissioner Hamner stated the current Interlocal Agreement expires on September 30th and the soonest you could get another Interlocal Agreement before Commissioner Court would be the end of October. This Interlocal Agreement also has contracting included so that will be held up as well.

President O'Hanlon commented the end of October will be the target date to get this before Commissioner Court.

- 15.) Discussion and possible adoption of an Order Approving an Employee Pay Scale
Paul Hightower stated the District needs to establish a proper pay scale that will help us in budgeting and as a guideline. The information from was gathering from the TRWA salary survey. This item will need to be discussed in Executive Session with our attorney.

After discussing this item in Executive Session. The following motion was made.

Motion: Scott Ferguson moved to approve the adoption of an Order No. 2019-0919-01, Approving an Employee Pay Scale. Seconded: Sam Kier. Vote: Four (4) in favor, motion carries.

- 16.) Discussion and possible action regarding matters related to the Road Committee

- a) Receive Monthly meeting update

Jo Egitto stated the committee had a great meeting last week, some of the discussion was on the density study and we decided to hold off until the spring. Another discussion was about drainage studies in Units 2 and 4 and private roads and additional access to property being marked by property owners.

Paul Hightower stated it was a good meeting.

Commissioner Hamner stated he was at a City Council meeting last week and they passed a bond to do a study of water sheds. The two (2) water sheds were Riverside and Copperas Creek water sheds. Mr. Hamner stated he will get more information.

President O'Hanlon announced at 8:15 p.m. that the Board will meet in Executive Session regarding the following items.

- 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 Agenda Item Nos. 14 and 15 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.

The Board Adjourned Executive Session at 9:09 p.m.

No action or decisions were made in Executive Session.

- 18.) Discussion and possible action regarding matters discussed in Executive Session
President O'Hanlon stated the Board will go back to Items 14 and 15 on the agenda.
- 19.) Board suggestions on future agenda items
President O'Hanlon asked for an agenda item regarding Paul Hightower's One (1) Year Performance Evaluation.
- 20.) Adjourn

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

MEETING ADJOURNED AT 9:11 P.M.



Board Director

10-17-2019

Date