

Minutes of the Board Work Session of the  
BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT #2

A work session of the Board of Directors of Bastrop County Water Control and Improvement District #2 was held on Thursday, October 10, 2019, beginning at 4:30 p.m. at the Bastrop Convention Center, 1408 Chestnut Street, Bastrop, TX. 78602.

**Present BCWCID #2 Board Members:**

**Professionals:**

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

**BCWCID #2 Staff/Other**

Paul Hightower, General Manager  
Alma Rodriguez, District Administrator

**Absent:**

Scott Ferguson, Secretary

AGENDA

- 1.) Call to Order and Establish a Quorum  
President O'Hanlon called the meeting to order at 4:30 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.

*Items 4, 5 and 6 were discussed as a whole*

- 4.) Discussion of District Capital Improvement Projects  
Paul Hightower stated we are trying to develop a Capital Improvement Plan so everything is rolled into the plan. The high priorities are the line replacement on Tahitian Drive, loops, valves and water tank maintenance. A lot of this information stems from BEFCO's report. Some loops and valves were done this year. To rehab the tanks it is about a 1/3 of the cost of a new tank. This will also improve water taste and smell. The other big ticket item is the THM issue. We are still doing research on the TTHM issue. We have money left from the TWDB loan that we will be using on this issue. If we strictly go by the plan then within the next 3 years we will have done all items on the BEFCO Report. We will have a meter replacement rotation of 7 to 9 years. We will be looking into short term and long term financing for some of the larger items starting in year 3 of the plan. Once this plan is approved Director Kier and Paul Hightower will be meeting with Samco about our options and bring that back to the Board.

Mr. Hightower reviewed the District's finances and stated we would like to have 6 months of cash for operating. Currently, we have 1.2 million on available cash. According to the plan we need a total of 7.8 million to complete the

projects.

President O'Hanlon commented that she really likes this plan and everything that was on the BEFCO report is on the plan without breaking the bank.

Director Kier stated this plan is a conservative view because it doesn't include rate increases or new homes.

Paul Hightower stated we are going to move on to Item #7.

- 5.) Discussion of District operational improvements
- 6.) Discussion of prioritization of District capital improvement projects and operational projects
- 7.) Discussion regarding renewal of the District's employee medical, dental and vision benefit plans  
Paul Hightower stated the medical renewal came in at a 7% increase. He looked at other comparisons but their rates were much higher. The current plan has a \$3,000 deductible.

President O'Hanlon stated she was in favor of not passing the cost on to employees.

Mr. Hightower also stated vision changed only a little and the District pays 100% of the vision plan for employees and dependents and for dental insurance the employees pay a flat rate. Currently, the dental insurance is under Dental Select but after a discussion with employees we are looking at making a change of dental insurance. Mr. Hightower reviewed the dental options with the Board. Ameritas seems to be the better plan for employee coverage.

Director Kier recommends that we keep the budget amount as \$7,000 and then research the plans a little more and discuss this with the employees.

- 8.) Discussion regarding Fiscal Year 2020 preliminary budget including potential capital improvement projects and operational projects to be included in the proposed budget  
Paul reviewed the proposed budget with the Board and asked for their comments, suggestions or any revisions. This budget ties back to the Capital Plan and this also has projected new rates for water and wastewater. The budget for Road Construction does not have any rate increases.

Director Kier suggested that the Board have a discussion about doing away with the monthly allocation amount from Standby to Water.

- 9.) Adjournment

**Motion: Sam Kier moved to adjourn the meeting. Seconded: Karen Pinard. Vote: Three (3) in favor, motion carries.**

MEETING ADJOURNED AT 6:41 P.M.

  
Board Director

  
Date