

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, October 17, 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.)
Susan Barrie resides at 146 Pahoiki Lane stated she attended the meeting in August and was informed that the unfinished road work would be done and still hasn't been completed and wanted an updated on completion.

Tyler Walsh stated they are moving forward it should be within the next week to week and a half.
- 5.) Discussion and possible action regarding scheduling of future meeting dates:
 - a. Regular Board of Director's Meeting scheduled for Thursday, November 21, 2019 at 6:30 p.m.

President O'Hanlon announced the meeting date for November.

- 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 September 19, 2019 Regular Meeting of the Board of Directors;
 - b. Approval of minutes from the October 10, 2019 Work Session of the Board of Directors;
 - c. Approval of monthly financial report for September 2019; and
 - d. Approval of Release of Liens held by District on Real Property.

Alma Rodriguez stated on the September financials the wastewater taps were unstated and the water bores were overstated so Municipal Accounts will be making the revision to the financials. Wastewater taps should be \$22, 516 and water bores should be \$3,350.

Motion: Butch Carmack moved to approve the Consent Agenda items with the revisions stated by Alma Rodriguez. Seconded: Sam Kier. Vote: Four (4) in favor, motion carries.

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

Paul Hightower reported on the following:

a. Status of TTHM compliance:

We received the tests back from the lab and so far, it's not showing the results that they were expecting. The engineers have them and are preparing an official report for us.

After several conversations with the GWCD and the hydrologist, I feel very confident that leaning towards a new well is going to be our way to go. The water we are getting currently, is too unknown. The characteristics of the water is changing too rapidly. In the end this means, one or more treatment methods may not be the best suitable, at all times for treatment. For example, our last round of state sampling was done the same as the time before, and we had zero samples come back out of range. The time before, we had 3 if memory serves.

The water from this well, even from the Hydrologist view, is going to be hard to try and treat unless we have a live online monitoring system. In general, groundwater should have to be pumped out, chlorinated and sent to the customers.

b. Update on district water plants and lift stations:

On one of the water tanks the roof is caving in. This item is on the Capital Improvements list.

c. Water/Wastewater maintenance & improvement projects update:

No updates at this time.

d. Roads maintenance & improvement projects update:

The District's Interlocal Agreements with the County have officially expired. We have worked out the details for the Interlocal Agreement regarding the equipment, so that will be discussed later in this meeting.

The 2017/2018 roads listed below have below have been accepted by the County at the Commissioners Court meeting this week:

- Lamaloa Lane from 181 to 246
- Kokomo Lane
- Haliimaile Lane
- East and West Maunalua Drive
- Papaloa Drive
- Pele Court
- North and South Kanio Drive
- North and South Kaupo Drive
- Paia Lane.

The 2019/2020 roads are being advertised for bids now. This has to be ran and published for 2 weeks. The timeline for bids is October 24 & October 31 publishing, November 8 Bid openings and at the November 21 Award Bid at Board Meeting, if all goes as planned.

e. Employee update:

Alma Rodriguez recognized Tyler Walsh on his 16 years of Service.

f. Report on website updates

The District will be going thru a server and computer upgrade next week. With this, all the Districts email, will be up and down at times. Once finished, everyone will have to log back in to gain access. Once this is done, we will tie the email system into the new website contact forms and the website will be launched on October 31st or November 1st tentatively. We will be sending out notices letting everyone know the new site is up and tips on navigating it.

- 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 stated we are still in a holding pattern the Feasibility Study ends on October 21st and closing date is November 20th.
- 9.) Discussion and possible action regarding Construction of New Office Building
Paul Hightower stated there is no update at this time.
- 10.) Discussion regarding potential future revisions to retail water rates and fees for residential customers
Paul Hightower stated last month the Board requested to see a break down on water tap fee. The current cost is \$1,529 and the not to exceed 3 times the cost would be \$4,587.

Director Carmack commented we are currently charge \$2,400 for a residential water tap.

Director Kier asked if we are still contracting taps.

Tyler Walsh stated there was about 10 taps contracted this year.

Mr. Hightower stated the proposed water rate increase is a \$2.00 base rate increase and an 8% increase on volumetric measuring and a \$1.00 on capital reserve fee.

The Board suggested that the proposed rates be put on the website.

Tony Corbett stated he will prepare a Proposed Rate Order for next month's meeting.

- 11.) Discussion regarding potential future revisions to retail wastewater rates and fees for residential customers
Paul Hightower stated he is proposing a \$2.00 increase to the base rate. Currently the wastewater rate is \$85.25 with a \$0.75 pump maintenance fee, he asked the Board if they wanted to keep the pump maintenance fee or eliminate it.

Director Kier stated we should eliminate the pump maintenance fee but he feels the customers need to understand why the rate is what it is because about \$70 is interest and depreciation and the rest is for infrastructure.

Director Pinard responded as we discussed in the budget meeting if we had more customers the rates could decrease.

Mr. Hightower stated on wastewater taps the current cost for the District is about \$5,405 for residential new construction and the not to exceed 3 times the cost would be \$16,215 and for existing homes the cost to install a tap is \$6,525 and the not to exceed 3 times the cost would be \$19,577. The proposed wastewater tap for new construction is \$8,000 and for existing homes would be \$9,025.

Director Kier stated we need to add the houses that were in the fire as new construction to the rate order.

Director Pinard suggested the wastewater taps for new construction and existing homes be set at \$8,500.

Director Carmack asked how many existing homes are put on wastewater a year.

Tyler Walsh stated we had 3 last year.

- 12.) Discussion and possible action regarding approval of Interlocal Agreement with Bastrop County relating to 2019/2020 road improvement projects
Paul Hightower stated we are still in discussions about the Interlocal Agreement, we can discuss this with our attorney in executive session but have not reached an agreement as of yet.
- 13.) Discussion and possible action regarding approval of Interlocal Agreement with Bastrop County relating to 2019/2020 road equipment
Paul Hightower stated we have reached an agreement on the Interlocal Agreement regarding the road equipment. This agreement includes a water truck as part of the equipment and we have extended the agreement until December 31, 2020.

Mr. Hightower stated Tony Corbett has reviewed the Interlocal Agreement and recommends that the Board approve the Interlocal Agreement.

Motion: Karen Pinard moved to approve the Interlocal Agreement regarding the road equipment. Seconded: Sam Kier. Vote: Four (4) in favor, motion carries.

- 14.) Discussion and possible action regarding renewal of the District's employee medical, dental and vision benefits
Paul Hightower stated we discussed the renewal of benefits at the work session and we received some updated information regarding the dental insurance.

Paul Hightower recommends the renewal of medical insurance with BlueCross Blue Shield and vision insurance with Humana and to make the change from Dental Select to Ameritas for dental insurance. The Ameritas plan will cost the \$6,805 after the employees portion is taken out which is about \$200 under budget. Ameritas is also a national plan and covers more procedures.

Motion: Butch Carmack moved to accept the staff recommendations for medical, dental and vision benefits for employees. Seconded: Sam Kier. Vote: Four (4) in favor, motion carries.

- 15.) Discussion and possible action regarding adoption of Order Relating to Employee and District Contributions to TCDRS employee retirement plan
Paul Hightower stated last year when the Board joined TCDRS it was stated that employees contributions would start off at 5% then the following go to 7% but we are proposing that we make this a gradually increase for 2020 the employee contribution be increased to 6% and then 2021 it will increase to 7%. The District rate will 8.53%.

Mr. Hightower recommends the Board approve the Order Relating to Employee and District Contributions to TCDRS employee retirement plan.

Motion: Karen Pinard moved to approve the Order Relating to Employee and District Contributions to TCDRS employee retirement plan. Seconded: Scott Ferguson. Vote: Four (4) in favor, motion carries.

- 16.) Discussion and possible action regarding matters related to the Road Committee
a) Receive Monthly Committee update,

Jo Egitto stated there was no meeting this month. The next meeting will be on Tuesday, November 12, 2019.

- 17.) Discussion and possible action regarding matters related to the Reserve Committee
a) Receive Monthly Committee update,

Paul Hightower stated there has not been a meeting scheduled.

Alma Rodriguez will get a Reserve Meeting scheduled.

- 18.) Discussion and possible action regarding One (1) Year Performance Evaluation for General Manager – O’Hanlon

After Executive Session the following motion was made.

Motion: Butch Carmack moved to approve the evaluation of Paul Hightower. Seconded: Karen Pinard. Vote: Four (4) in favor, motion carries.

Jo Egitto stated that Paul Hightower is also looking at the best value for our money whether it is regarding roads, water or wastewater and that just speaks volume.

President O’Hanlon stated the Board agrees.

President O'Hanlon announced at 7:17 p.m. that the Board will meet in Executive Session regarding the following items.

- 19.) 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. 12, 13 and 18;
 - b. Pursuant to Section 551.074 of the Texas Open Meetings Act, the Board will deliberate the evaluation of the General Manager; and
 - c. 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.

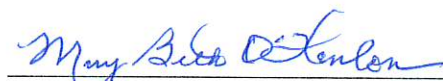
The Board Adjourned Executive Session at 8:30 p.m.

No action or decisions were made in Executive Session.

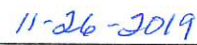
- 20.) Discussion and possible action regarding matters discussed in Executive Session
- President O'Hanlon stated there will be no additional discussion on Item # 12 and the Board will go back to Item # 18.
- 21.) Board suggestions on future agenda items
Director Carmack requested an agenda item on the agenda regarding the General Manager's compensation
- 22.) Adjourn

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

MEETING ADJOURNED AT 8:32 P.M.



Board Director



Date