

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, November 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
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
Joseph Willrich, BEFCO Engineering
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.)

None.
- 5.) Discussion and possible action regarding scheduling of future meeting dates:
 - a. Regular Board of Director's Meeting scheduled for Thursday, January 16, 2020 at 6:30 p.m.

President O'Hanlon announced there will be no December Board meeting and next meeting will be on Thursday, January 16, 2020.

Paul Hightower stated there will a Reserve Committee meeting on Wednesday, December 4th at 3:30 p.m. We are trying to reserve the Fire Station for the meeting.
- 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 October 17, 2019 Regular Meeting of the Board of Directors;
- b. Approval of monthly financial report for October 2019; and
- c. Approval of Release of Liens held by District on Real Property.

Alma Rodriguez stated the road construction financials have been updated from what was in the Board packets there was a posting error.

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

- 7.) Discussion and possible action regarding request to have 2018 Road Fees, late and lien fees waived on Unit 02 Block 16 Lots 1528 and 1529

Motion: Karen Pinard moved to deny customers request to have fees waived. Seconded: Butch Carmack. Vote: Four (4) in favor, motion carries.

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

- a. Status of TTHM compliance:

We have reviewed the official report from the Pilot Study. I don't see enough conclusive results, to know that spending \$180k will net us any solid, positive results. We got some decent rates of removal, but in my opinion, not enough to spend this kind of money, on something that is always changing, i.e.; the ground water.

At one test rate and method, we had a 63% removal. On the other rate and method, we had close to a 60% removal. These were averages on the combined removal rates on the 4 compounds; which is the Bromoforms and Chloroforms. The main thing we must remember is that if the water characteristics change more than 10%, it will affect the outcome. If we have more bromoform leach out of the ground through the water through the filter membrane, it will decrease the efficiency and increase the THMs. This single factor is why I'm not comfortable moving forward with this unit.

We are talking to several drilling companies getting prices on exploration for a new water well. Even if we must pump the water 1-2 miles, if we get good water, it makes it 100% worth it to us.

- b. Update on district water plants and lift stations:

Once we finalize and approve our 2020 budget, I will be bringing a contract back to approve for the polyurethane lining in our south storage tank and pressure tank at Station #1.

- c. Water/Wastewater maintenance & improvement projects update:
No updates currently.

d. Roads maintenance & improvement projects update:

We are still working with the County and attorneys, to come up with a solution for an ILA on chip sealing.

Out of the 10-plan request, we received 6 bids for our 2019/2020 road projects. We will be reviewing those shortly with our engineer.

e. Employee update:

The only update we have at this time, is that Freida has submitted her resignation. Her last day will be December 3rd. We will have a small luncheon/finger food grab for her on that day, at the office for customers and Board Members to come by and wish her well.

f. Report on website updates

No major updates. Waiting on IT company to make the change over. There has been a couple delays due to software then weather.

Paul Hightower recognized Alma Rodriguez for her 20 years of service.

9.) Discussion and possible action regarding awarding contract for construction of 2019 – 2020 Road Improvement Projects

Joseph Willrich with BEFCO Engineering stated bid openings for the Bastrop County WCID No. 2 October 2019 - September 2020 Roads project was held on Friday, November 8, 2019. The bid documents were provided to approximately ten contractors as well as five plan rooms. The project was also advertised to bid in the Bastrop Advertiser newspaper on 10/24/2019 and 10/31/2019. The District received five (5) bids for the project ranging from \$351,415.89 to \$1,262,575.04 for the total base bid Groups A-E (Items 1-64) (Option 1). Please note that Travis Paving & Excavating did not sign their bid proposal; however, after consultation with the Mr. Hightower and the District's Legal Counsel, this is an irregularity that can be waived or corrected. This bidder did not provide their insurance certificate and would be required to provide this if awarded the project. There was one additional bidder; however, their bid submittal was deemed nonresponsive due to missing pages from the bid schedule at the bid opening.

The base bid was for the construction of all groups of roads (A, 8, C, D and E) totaling approximately 2.8 miles. It is specifically noted that BCWCID #2 will be providing all base material and pipe material for this project and this material cost is not included in the bid tabulation. There were several alternate bid items for the project. Option 2 includes the base bid items plus alternate items associated with ribbon curbs and concrete curbs (ALT# 1,8,14, 15,21,28). Option 3 includes the base bid items plus alternate items associated with ribbon curbs, concrete curbs and installation of turf reinforcement mat (ALT #1,2,8,14,15,21,22,28,29). Option 4 includes the base bid items plus alternate items associated with ribbon curbs,

concrete curbs, installation of turf reinforcement mat and installation of 2-course surface treatment (ALT# 1-34). Please see attached Bid Tab Summary.

After reviewing the pricing, past work experience and recent work experience with BCWCID #2, the most advantageous base bid (Option 1) was submitted by WJC Constructors Services, LLC in the amount of \$351,415.89. WJC Constructors Services, LLC is also the most advantageous bidder for Options 2 and 3. Travis Paving & Excavating, Inc. is the low bidder for Option 4. In an effort to enhance the project with curbs at selected street intersections and minimize erosion, BEFCO recommends awarding Option 3. It is unknown at this time whether Bastrop County will perform the 2-course surface treatment; therefore, awarding Option 4 is not recommended.

BEFCO does not have past work experience with WJC Constructors Services, LLC; however, BEFCO understands that WJC Constructors Services, LLC has recent successful completion of roads for BCWCID No. 2 which have also been accepted by Bastrop County and Commissioner Hamner. WJC has also completed projects for Commissioner Beckett and she was very pleased. Based on this recent successful experience with BCWCID #2 and pricing, BEFCO recommends that Bastrop County WCID No. 2 award the contract, in the amount of **\$403,137.89 (Option 3) (Group A-E Base Bid Items No. 1-64 + Additive Alternate Items No. 1,2,8,14,15,21,22,28,29)**, to **WJC Constructors Services, LLC**.

Mr. Willrich stated he also spoke with William from WJC and he stated the reason for his pricing was that he has very low overhead.

The Board had discussion about awarding the contract since the District does not have an Interlocal Agreement with the County for chip sealing.

Tony Corbett stated you cannot change the contract after the bidding process and moving forward, Mr. Corbett stated we need to send the County a letter of our intentions and give the County a number of days to respond to the letter because what happens at the end of the project when it comes time for acceptance of the roads. The Board can award the contract subject to the County.

President O'Hanlon stated they all agree the Board needs to do what is right for our community and we need to keep moving forward and cannot let this keep us in a holding state because of the Interlocal Agreement.

Paul Hightower stated at this point I do not see any movement on the Interlocal Agreement at this point.

President O'Hanlon stated her opinion is that we award Option 4 or award Option 3 with the understanding that we will have to rebid the chip seal.

Mr. Corbett stated if we will know in 2 weeks about the status of the Interlocal Agreement we can award the contract at that time.

Mr. Hightower stated he feels Commissioner Hamner is not going to agree to the chip sealing portion. This Commissioner wants the District to meet current subdivision standards but that is not what our statute states.

Motion: Sam Kier moved to (i) award the contract for construction of the roads including Option 4 to WJC Construction and to authorize the Notice of Award to be issued December 16, 2019 provided Bastrop County has not formally indicated that it will chip seal the roads by that date; and (ii) in the event the County does respond by December 16, 2019 and agree to seal the project roads, then the District Engineer is directed to not issue the Notice of Award. Seconded: Butch Carmack. Vote: Four (4) in favor, motion carries.

10.) 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 the buyer asked for an extension to December 31, 2019.

11.) Discussion and possible action regarding Construction of New Office Building
Paul Hightower stated there is no update on this item.

12.) Discussion and possible action regarding adoption of Order Establishing new water and wastewater rates and fees for residential customers

President O'Hanlon stated this is the 3rd meeting we have talked about rates and we have compared the rates for other areas. We directed Mr. Hightower to bring this back tonight in a summary form so we can decide if we are going to adopt the rates.

Paul Hightower stated the proposed rates were posted on the website and at the office.

Mr. Hightower reviewed the rates with the Board and recommends approval of the rates effective January 1, 2020.

Motion: Sam Kier moved to approve the Order Establishing new water and wastewater rates and fees for residential customers. Seconded: Karen Pinard. Vote: Four (4) in favor, motion carries.

13.) Discussion and possible action regarding adoption of Order Setting Road Fees for 2020

Paul Hightower stated he is recommending that there is no increase in road fees.

Alma Rodriguez stated there is a Resolution in your packet that covers items 13 and 16.

Motion: Sam Kier moved to keep the road fees at \$204 for the year 2020.

After Board discussion Director Kier amended his motion to include the Resolution for Establishing the Road Fee for 2020 and Exemptions. Seconded: Butch Carmack. Vote: Four (4) in favor, motion carries.

- 14.) Discussion and possible action regarding adoption of Resolution Approving Budget for Fiscal Year 2020
Paul Hightower presented the 2020 Budget and stated that we will be looking at some small grants for some of the projects and for Road Construction the bottom line will change depending on weather we get an Interlocal Agreement with the County.

Motion: Sam Kier moved to approve the Resolution for Approving the Fiscal Year Budget for 2020. Seconded: Karen Pinard. Vote: Four (4) in favor, motion carries.

- 15.) Discussion and possible action regarding approval of Interlocal Agreement with Bastrop County relating to 2019/2020 road improvement projects
President O'Hanlon stated this item will be discussed in Executive Session.

Paul Hightower stated he was told that the Interlocal Agreement was cancelled by Commissioner's Court but that is incorrect the Commissioner's Court would like the District and the County come to a resolution.

- 16.) Discussion and possible action regarding adoption of Resolution Approving 2020 Road Fee Exemptions
This was approved with Item # 13.

- 17.) Discussion and possible action regarding eliminating the monthly allocation to water from Standby funds collected
Paul Hightower recommends that the monthly allocation from the Standby fund to Water be eliminated since we are no longer assessing Standby fees.

Motion: Karen Pinard moved to eliminate the monthly Standby allocation to Water. Seconded: Sam Kier. Vote: Four (4) in favor, motion carries.

- 18.) Discussion and possible action regarding annual review and approval of the District Investment Policy and Investment Strategies
Paul Hightower stated this is an annual review of the District's Investment Policy and the District is still using Municipal Accounts for bookkeeping purposes and as its Investment Officers and he recommends continuing using Municipal Accounts.

Motion: Karen Pinard moved to approval of the District Investment Policy and Investment Strategies. Seconded: Sam Kier. Vote: Four (4) in favor, motion carries.

- 19.) Discussion and possible action regarding Engagement Letter from West, Davis and Company to prepare the District's audit for 2019 Fiscal Year

Paul Hightower recommends accepting the Engagement Letter from West, Davis and Company to prepare the District's audit for 2019 Fiscal Year.

Mr. Hightower stated the audit went very smoothly and was completed in a timely matter.

Motion: Sam Kier moved to accept the Engagement Letter from West, Davis and Company to prepare the District's audit for 2019 Fiscal Year. Seconded: Butch Carmack. Vote: Four (4) in favor, motion carries.

- 20.) Discussion and possible action regarding Order Declaring the 2009 Ford F250 as Surplus Property and Authorizing Disposition Thereof
Paul Hightower stated this is the oldest vehicle in our fleet and the repairs would cost more than the truck is worth.

Motion: Karen Pinard moved to approve the Order Declaring the 2009 Ford F250 as Surplus Property and Authorizing Disposition Thereof. Seconded: Sam Kier. Vote: Four (4) in favor, motion carries.

- 21.) Discussion and possible action regarding filing liens on all delinquent road fee and standby accounts as of December 31, 2019
Alma Rodriguez requested the Board approve the filing of liens on all delinquent accounts.

Motion: Karen Pinard moved to approve filing liens on all delinquent accounts not paid by the January Board meeting. Seconded: Sam Kier. Vote: Four (4) in favor, motion carries.

- 22.) Discussion and possible action regarding the Road Committee

a) Receive Monthly Committee update,
Paul Hightower stated there was a Road Committee meeting this month. Some items that were discussed was replacing some mailboxes that have not been done yet, an issue on Ulupau that needs barricades, concerns about the egress/ingress roads and how it will compact the District and our responsibilities on the those roads, discussion on FEMA Projects, FEMA requested additional information, we also discussed density counts and the County is doing a drainage study in Unit 2 and we discussed about having a drainage study in Unit 4.

Mr. Hightower stated the District has joined with the County on Hazard Mitigation Grants. We will have more information about grant in future meetings.

- 23.) Discussion and possible action regarding the Reserve Committee

a) Receive Monthly Committee update,

President O'Hanlon stated a Reserve Committee Meeting is scheduled for December 4th.

- 24.) Discussion and possible action regarding compensation for General Manager
President O'Hanlon stated we will discuss this item in Executive Session last month when we did the evaluation of the General Manager, but we need to ratify the pay increase that the Board agreed to.

Motion: Scott Ferguson moved to ratify the pay increased for the General Manger that was discussed last month. Seconded: Sam Kier. Vote: Four (4) in favor, motion carries.

President O'Hanlon announced at 8:22 p.m. that the Board will meet in Executive Session regarding the following items.

- 25.) 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. 15 and 25;
 - b. Pursuant to Section 551.074 of the Texas Open Meetings Act, the Board will deliberate the evaluation and performance 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 9:00 p.m.

No action or decisions were made in Executive Session.

- 26.) Discussion and possible action regarding matters discussed in Executive Session
President O' Hanlon stated that in Executive Session the discussion was regarding the Interlocal Agreement with the County and the direction they will be giving to Mr. Hightower will be to reach out to Senator Watson since he if familiar with the Road District.

President O'Hanlon will be drafting a letter to Alma Rodriguez regarding the General Manager's salary increase.

- 27.) Board suggestions on future agenda items
- 28.) Adjourn

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

MEETING ADJOURNED AT 9:02 P.M.

Mary Beth O'Hanlon
Board Director

January 14, 2020
Date