

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, January 20, 2022, beginning at 6:30 p.m. The meeting was held at the Bastrop Convention Center.

Present BCWCID #2 Board Members:

Mary Beth O'Hanlon, President
Scott Ferguson, Vice President
Ron Whipple, Secretary

Videoconference

Sam Kier, Treasurer
Butch Carmack, Director
Tony Corbett, Attorney

BCWCID #2 Staff/Other Professionals:

Paul Hightower, General Manager
Tyler Walsh, Sr. Operations Manager
Alma Rodriguez, District Administrator

MEETING DISCUSSION TOPICS

- 1.) Call to Order and Establish a Quorum
President O'Hanlon called the meeting to Order at 6:30 p.m. and announced there was a quorum of the Board in person. Director Kier and Director Carmack as well as Tony Corbett are attending the meeting remotely.
- 2.) Pledge of Allegiance
President O'Hanlon led the Pledge of Allegiance.
- 3.) Texas State Flag
President O'Hanlon led the Pledge to the 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.)
Branson Beck stated he has lived in Tahitian Village for 30 years and he is also a builder and would like the Board to revisit the proposed rate increases for taps.
- 5.) Discussion and possible action regarding scheduling of future meeting dates:
 - a. Regular Board of Director's Meeting scheduled for Thursday, February 17, 2022 at 6:30 p.m. at the Bastrop Convention Center
 - b. Annual Public Road Meeting scheduled for Saturday, March 26, 2022 at 9:00 a.m. at the Bastrop Convention Center

President O'Hanlon stated the next scheduled Board Meeting will be held on Thursday, February 17, 2022 at 6:30 p.m. at the Bastrop Convention Center and the

Annual Public Road Meeting is scheduled for Saturday, March 26, 2022 at 9:00 a.m. also being 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 November 18, 2021 Regular Meeting of the Board of Directors;
 - b. Approval of monthly financial report for November 2021
 - c. Approval of monthly financial report for December 2021; and
 - d. Approval of Release of Liens held by District on Real Property.

President O’Hanlon asked if there were any questions or comments regarding the minutes and financial reports.

There were no comments or questions.

Alma Rodriguez reviewed the release of liens with the Board.

**Motion: Sam Kier moved to approve the Consent Agenda items as presented.
Seconded: Scott Ferguson. Vote: Four (4) in favor, motion carries.**

- 7.) Discussion regarding the following items to be presented in the General Manager’s report:

Paul Hightower reported on the following items:

a. Status of TTHM compliance:

Unit has been constructed and is in the final phase of pressure testing. It is set for a mid-February delivery. Once on-site, the piping and plumbing will start.

b. Update on District water plants and lift stations:

No updates at this time.

c. W/WW Maintenance & Capital Improvements update:

No major updates. We are currently working with BEFCO to get the two priority groups (compliance & maintenance) lined out.

Neptune Meters project: We have had a pre-con meeting with the contractor that will be installing the meters. We have a schedule worked out for the installation. All residential meters are on-site, have been inventoried and are ready to go. Orders are in for the larger meters that we need for the system and should be here by the end of the residential installation. Once this is all completed, the system will be 100% remote read on Neptune and Badger will be decommissioned.

Alma Rodriguez stated Tyler Technologies has completed the mass meter setup for the new meters.

Director Kier asked what happens to the old meters and do we have insurance on the new meters.

Paul Hightower stated we will sell the old meters and yes, the new meters are in our possession and are insured.

d. Road maintenance & improvement projects update:

20/21 Roads: Ending the year left us with one group of roads un-paved. These will be added to the 2022 schedule for paving.

21/22 Roads: Engineering has started on these, and we are moving forward. We have conducted two pre-construction meetings with the County and Engineers, working the details of each road out. The WCID crews have put door hangers out for Group A roads. Updates to come as we move forward.

The 21/22 Road Projects have been grouped as follows:

Group A

1. Honopu Dr.- 1,100 ft.
2. KeaKeo Ct.- 620 ft.
3. Kula Ct.- 610 ft.

Group B

1. Ewa Ct.- 325 ft.
2. E. and W. Keamuku Ct.- 675 ft.

Group C

1. E. Okoe Ct.- 505 ft.
2. Onini Ct.- 960 ft.
3. Kolo Ct.- 275 ft.

Group D

1. Kahalulu Dr.- 2,400 ft.
2. Kipahulu Dr. – 3,500 ft.
3. Iao Ct.- 320 ft.
4. Otani Ct.- 430 ft.
5. Nakalele Ln.- 927 ft.

Group E

1. Koali Dr.- 1,200 ft.
2. Pulehu Ct.- 320 ft.

e. Employee update:

Moving through December and into January, was challenging for us. We had several employees out due to sickness and covid at various times. This affected both the field and office crews. We finally got back up to a full crew mid-January. We are taking as many pre-cautions as possible, disinfecting and distancing, when possible, to try and keep the employees as safe as we can. We are spraying the offices and vehicles daily with MicroBan disinfectant.

f. General Office Update:

We had several issues moving into 2022 with both Incode billing and meters in general. We had errors in December with Incode, processing the bills and getting them out on time, which caused several days of delay, in getting bills out timely. This month, we had an issue with the old Badger meter reading software. Somewhere in the process of a software upgrade that Incode did, it has thrown several things off in the system. We are collaborating with them, as much as

possible, to get things back up to 100%. As of right now, meter readings can be read in the system with the laptop, but they have to be manually entered in the billing system, to process bills, which is a very time-consuming process.

President O'Hanlon asked if we are having group meetings with residents for road construction.

Tyler Walsh stated we are using the door hangers and are having individual meetings with anyone that has concerns. The one-on-one meetings seem to work out better.

Director Kier asked how the progress is on the new office building and how are things working at the new maintenance building.

Paul Hightower responded the contractor is moving right along on the office building, the air conditioning has been installed, and we are probably a month away from completion and at the maintenance building they put in the flex base around the maintenance building.

- 8.) Discussion and possible action regarding the Road Committee:
a. Receive Monthly Committee Update

Paul Hightower stated we had a very brief meeting, we only had one committee member attending the meeting. Updates we given on roads work progress. An email was sent to the committee members on Monday, and in speaking with Greg Stigall about the work the committee has done, road densities and the 5-year road plan moving forward densities are probably a moot point.

President O'Hanlon stated that she agrees with Mr. Hightower because she has often heard from people saying that once densities change roads keep getting moved on the list so last year, we made the decision not to take someone off the list.

Paul Hightower stated we do take into consideration bus routes.

Greg Stigall stated there were about 118 new homes constructed last year.

Director Kier stated his concern is the ending balance in the cash account and has had conversations with Mr. Hightower regarding this. His concern is running out of cash as we get towards the end of next year. We may have to look at raising rates new year just to keep things moving.

Paul Hightower thanked TVPOA for their generous donations of \$50,000 for roads.

Director Kier asked if there was any update on FEMA funds because that could be your answer in funding the projects.

- 9.) Discussion and possible action regarding retaining a bookkeeping firm to prepare the District's monthly financials

Paul Hightower stated we have contacted all the firms that were suggested to us, and some did not even respond, and the rest are not taking on new clients. Request for Proposals ads were placed so hopefully we can get some proposals. The accounts payable are going to be processed through Bill.com.

Tony Corbett stated there are larger firms in the Houston area that does bookkeeping for hundreds of municipalities.

Paul Hightower stated he will contact Chris Lane.

- 10.) Discussion regarding water and wastewater rates, including possible adoption of a Rate Order amending the District's retail water and sewer rates, fees, and charges

Paul Hightower stated we will not be making a decision tonight; this is for review again. Meters rates have not been increased in 3 years and there have been many price increases, but we will revisit tap fees.

RESIDENTIAL WATER:

<u>Tiers/Structure</u>	<u>Current</u>	<u>Proposed</u>
0-3,000	\$4.73	\$4.87 per 1,000 gallons
3,001 - 5,000	\$5.53	\$5.70 per 1,000 gallons
5,001 - 10,000	\$6.10	\$6.28 per 1,000 gallons
10,001 - 20,000	\$7.06	\$7.27 per 1,000 gallons
20,001 - 30,000	\$7.53	\$7.76 per 1,000 gallons
30,001 - 40,000	\$7.94	\$8.18 per 1,000 gallons
40,001 & over	\$8.32	DELETE THIS RATE
Water Tap Fee	\$3,000	\$4,000
3/4 x 5/8" Res. Rate:	\$34.50	\$35.53
3/4" Base:	\$45.00	\$46.35
1" Base:	\$112.50	\$118.13
1.5" Base:	\$225.00	\$236.25
2" Base	\$360.00	\$378.00

RESIDENTIAL WASTEWATER:

<u>Tiers/Structure</u>	<u>Current</u>	<u>Proposed</u>
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WW Rate	\$88.00	\$90.00
WW Tap Fee	\$8,500.00	\$9,500.00

RESIDENTIAL & COMMERCIAL W/WW BORE FEE:

Flat Rate	\$850	\$1250
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COMMERCIAL 5/8 x 3/4 WATER: (20 current)

Tiers/Structure	Current	Proposed
0-3,000	\$3.83	\$4.02 per 1,000 gallons
3,001 - 5,000	\$4.32	\$4.54 per 1,000 gallons
5,001 - 10,000	\$4.75	\$4.99 per 1,000 gallons
10,001 - 20,000	\$5.29	\$5.55 per 1,000 gallons
20,001 - 30,000	\$5.72	\$6.01 per 1,000 gallons
30,001 - 40,000	\$6.10	\$6.41 per 1,000 gallons
40,001 & over		\$6.48 DELETE THIS RATE
Water Tap Fee	\$3,000	\$4,000
3/4 x 5/8" Comm. Rate:	\$35.00	\$36.75

COMMERCIAL 1" WATER: (3 current)

Tiers/Structure	Current	Proposed
0-7,500	\$3.50	\$3.68 per 1,000 gallons
7,501 - 12,500	\$3.90	\$4.10 per 1,000 gallons
12,501 - 25,000	\$4.25	\$4.46 per 1,000 gallons
25,001 - 50,000	\$4.70	\$4.94 per 1,000 gallons
50,001 - 75,000	\$5.10	\$5.36 per 1,000 gallons
75,001 - 100,000	\$5.40	\$5.67 per 1,000 gallons
100,001 & over		\$5.70 DELETE THIS RATE

Water Tap Fee	\$2,940	\$4,000
3/4 x 5/8" Comm. Rate:	\$87.50	\$91.88

COMMERCIAL 1.5" WATER: (2 current)

Tiers/Structure	Current	Proposed
0-15,000	\$3.50	\$3.68 per 1,000 gallons
15,001 - 25,000	\$3.90	\$4.10 per 1,000 gallons
25,001 - 50,000	\$4.25	\$4.46 per 1,000 gallons
50,001 - 100,000	\$4.70	\$4.94 per 1,000 gallons
100,001 - 150,000	\$5.10	\$5.36 per 1,000 gallons
150,001 - 200,000	\$5.40	\$5.67 per 1,000 gallons
200,001 & over	\$5.70	DELETE THIS RATE

Water Tap Fee	\$3,450	\$4,650
1.5" Comm. Rate:	\$175.00	\$183.75

COMMERCIAL 2" WATER: (3 current)

Tiers/Structure	Current	Proposed
0-24,000	\$3.50	\$3.68 per 1,000 gallons
24,001 - 40,000	\$3.90	\$4.10 per 1,000 gallons
40,001 - 80,000	\$4.25	\$4.46 per 1,000 gallons
80,001 - 160,000	\$4.70	\$4.94 per 1,000 gallons
160,001 - 240,000	\$5.10	\$5.36 per 1,000 gallons
240,001 - 320,000	\$5.40	\$5.67 per 1,000 gallons
320,001 & over	\$5.70	DELETE THIS RATE

Water Tap Fee	\$4,000	\$4,850
2" Comm. Rate:	\$280.00	\$294.00

COMMERCIAL WASTEWATER: (14 current)

Tiers/Structure	Current	Proposed
WW Rate	\$96.00	\$100.00
WW Tap Fee	\$8,500.00	\$9,500.00

General Fee Schedule

Type of Fee	Current	Proposed
Water/Wastewater Bore	\$850	\$1,250
Irrigation Permit	\$30	\$75
Pool Permit	\$55	\$75
Driveway/culvert Permit	\$40	\$75
Returned Check/NSF	\$30	\$30
Service Trip Charges	\$50	\$75
Administration Fee (Disconnects)	\$50	\$75
Cut lock fee	\$40	\$250
Move meter charge	\$500	\$750
Fire Hydrant Installation	\$3,000	\$4,250

Hourly Fee Schedule

Type of Fee	Current	Proposed
W/WW Personnel w/o equipment*	\$0.00	\$75.00 per hour/person
W/WW Personnel w/ equipment*	\$0.00	\$150.00 per hour/person

**Equipment to be defined as backhoe, track loader, roller, excavator, grader, or anyother large piece of equipment, which has to be driven or trailered to the work site.*

Paul Hightower stated if the Board approves this next month this will be effective as of April 1, 2022.

- 11.) Discussion and possible action regarding maintenance fees for grinder pumps
 Director Carmack stated he wanted to revisit this grinder pump situation again, we have talked about it in the past and Tony advised that since it is something we have been doing all along there is probably nothing we can do about having customers pay for grinder pumps. How can we get out of replacing grinder pumps for free?

Tony Corbett commented that different utilities have different policies about responsibility for the grinder pumps and whether it is part of the public utility

system, or a private plumbing improvement owned and in the responsibility of the customer and there's pros and cons to both approaches, for sure, and including costs. At some point, the District, or it may have arisen out of the LCRA's practices before you acquired the system. But my understanding is at some point, the District, either LCRA put this in place, a policy that said the grinder pumps were part of the water system assets, the public water system or I guess wastewater that was owned by LCRA and then they sold those assets to you or subsequent to that acquisition. The District made that determination and I do not know either, but I am not sure if it matters, but in any event, a decision was made so, those are public assets of the district.

So, when you say, can we change our policy? What that means about responsibility, one party cannot just say, throw up their hands and say, well, we owned it, but somehow, we are going to convey that to you. It is your property, not ours. You cannot convey property unless the other party accepts it and so I do not know how you could contact every customer and say, will you please take ownership and responsibility of the existing grinder pump that we previously owned and we are responsible for. And if any customers agreed, I do not think many of them would. And then you say, would it be viable going forward for us to change our policy, so that for any new service connections, those are private plumbing improvements owned by the customer, not by the district. And the answer to that legally would probably be yes but I would say, in terms of administering that, that would be a true nightmare for your staff to try to keep track of one grinder pump is the responsibility of the district, And the neighbor next door is not, and so, whenever that original decision was made, it's very difficult to change that because you're the Owner of Property and to change that decision, you'd have to somehow transfer ownership to a party that probably doesn't want it. So, hopefully that gives you kind of some insight of where I am coming from, but in order to change that practice, you would have to get customers to agree to take on ownership and responsibility. And you unilaterally cannot do that takes the customer's agreement.

Director Whipple asked what about adding a grinder replacement fee?

Tony Corbett responded through its fee authority, the District can certainly add a grinder pump fee.

Director Carmack stated we have to do something.

Tyler Walsh stated it was LCRA that originated that in the contract.

President O'Hanlon stated she is on the wastewater system and the monthly cost associated with the system is high to incorporate the repairs fees and if you charge a grinder pump fee customers are going to ask what are you going to do about my monthly service fee.

Paul Hightower stated that when he first was hired there was a grinder pump maintenance fee but my first rate analysis the Board decided to incorporate that grinder pump fee into the monthly rate. Keep in mind the pumps are costing close

to \$2000 and if a pump goes out, we are asking customers to pay for that pump, and they do not have the money then we run into issues with overflowing sewer.

Director Kier stated I think we are kind of stuck where we are because we will run into issues with overflowing sewage, but I think if we can put in place something if we can prove that the homeowner destroyed the pump maybe we can charge a penalty.

Paul Hightower stated we do have a policy in place for billing customers.

Tyler Walsh stated we have given one warning then we charge a customer for repairs.

Director Kier what is the cost?

Mr. Walsh stated we charge the cost of repairs.

Director Kier stated he thinks in the past the rates were not high enough to cover repairs and we are now at the point where rates are covering repairs. New taps have always helped to cover expenses.

Director Carmack asked is this hourly service fee that you are talking about on your rates of \$75 an hour per person would that cover changing pumps?

Paul Hightower stated that is strictly for someone that hit a main line or damages caused by customer or contractor.

Director Kier stated it sounds to him like the issue is not necessarily in changing the process but enforcing the rules that we have.

Mr. Hightower stated that was the reason that we established the policy that we did so that we could effectively have the right to charge customers for repairs.

Director Carmack said this was a good discussion.

Director Kier suggested tracking repairs on how much is normal repairs and how much malicious repairs.

Mr. Hightower stated we can track it, but you will see a significant decrease in repairs.

12.) Discussion and possible action regarding requesting Tahitian Village Property Owners to promote the Dark Skies Initiative

Director Whipple stated he provided some resource information regarding the Dark Skies Initiative and trying to get a handle on light pollution. He moved to the subdivision in 2014 and was amazed at the night sky, you could see the Milky Way now most of the dark sky in the past last few years are disappearing. With all the new construction the light pollution is getting crazy, our dark skies are

disappearing. I have a project going on with Bluebonnet Electric trying to find a shield to reduce the light pollution.

Director Whipple is proposing that the Board take initiative, suggest and support the Dark Sky Initiative to the TVPOA to consider taking some steps to reduce light pollution and I am going to propose an agenda item for future meeting, not as a board member, but also private residents of the village that they put it on the agenda, to adopt some of the Dark Sky Initiative. I believe we might be able to propose some type of deed restrictions and building restrictions. This solution is easy and inexpensive.

Director Ferguson stated that the TVACC is in the audience tonight and I think they would probably have to add this to the building guidelines and maybe we can get some feedback from them.

Greg Stigall stated he will bring it up to the committee.

Motion: Ron Whipple proposed a resolution from the Board to recommend to the TVPOA and TVACC to consider adopting the Dark Sky Initiative to the extent they feel appropriate. Seconded: Scott Ferguson.

Director Kier asked if this is part of our Charter? What is the benefit of the WCID #2 who is in charge of water, wastewater and roads making the resolution? I am trying to understand the purpose. I am not against it. I just do not think we should be a part of this as a governmental entity.

Director Whipple stated we are just suggesting.

Vote: Three (3) in favor, Two (2) opposed, motion carries.

13.) Election Matters-

- a. Consider and take action regarding Adoption of Order Calling Director Election for May 7, 2022;
Considerar la adopción de una Orden de Elección de Directores a celebrarse el 7 de mayo de 2022 y actuar al respecto;
- b. Approve Appointment of Election Agent;
Aprobar la designación del Agente Electoral;
- c. Consider and take action regarding Approval of Election Services Contract and Joint Election Agreement with Bastrop County; and
Considerar la aprobación del Contrato de Servicios Electorales y del Convenio de Elecciones Conjuntas con el Condado de Bastrop y actuar al respecto; y

- d. Authorize such other action as may be necessary or convenient to proceed with Director Election.
Autorizar toda otra medida que sea necesaria o conveniente para proceder con la Elección de Directores.

Alma Rodriguez stated in the board packet there is an Order Calling for an Election on May 7, 2022. The District has three places that terms expire in May and that is Place 1 Director Kier, Place 2 Director Carmack and Place 3 President O'Hanlon. The deadline to file for a Place on the ballot is February 18, 2022. Included in the packet is the contract for a joint election and the cost of the election is \$5,200.

Motion: Scott Ferguson moved to approve Adoption of Order Calling Directors Elections for May 7, 2022.

Alma Rodriguez asked Director Ferguson if his motion was just for the Order Calling the Elections or all items under Election Matters.


Director Ferguson amended his motion to approve all items under Elections Matter.

Seconded: Sam Kier. Vote: Four (4)in favor, motion carries.

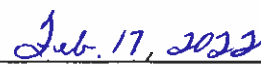
- 14.) Discussion and possible action regarding District monthly board meetings
President O'Hanlon stated this item is to make sure we have a quorum on site for the monthly meetings after polling the Board members there will be quorum for the February meeting with Directors, Ferguson, Carmack and Whipple attending in person.
- 15.) Board suggestions on future agenda items
Director Kier asked an item on the agenda to begin joint meetings with the TVACC and TVPOA.
- 16.) Adjourn

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

MEETING ADJOURNED AT 8:22 P.M.



Board Director



Date