

## PUBLIC NOTICE OF REGULAR MEETING

TAKE NOTICE THAT A REGULAR MEETING OF THE  
Board of Directors of Travis County Water Control and Improvement District Point Venture  
was held at the WCID Office located at:  
18606 Venture Drive, Point Venture, TX 78645  
In Travis County, Texas, commencing on March 17, 2018 @ 9:00 a.m.  
To consider and act upon any or all of the following:

### MINUTES

1. **Call to Order.** Board President Fred Marshall called the meeting to order at 9:00 a.m.
2. **Roll call of Directors.** Jean Cecala called roll. Present were President Fred Marshall, Vice-President Carolyn Cook, Secretary-Treasurer Brian Probst, Assistant Secretary-Treasurer Barry Pasarew, Assistant Secretary-Treasurer Cindy Clemons, Chief Operations Manager Cristin Cecala, and Technical Manager Richard Welcher.

3. **Citizen comments:**

This is an opportunity for citizens to address the Board of Directors concerning an issue of community interest that is not on the agenda. In accordance with the Open Meetings Act, Board of Directors is prohibited from acting on or discussing (other than factual responses to specific questions) any items brought before them that are not on the agenda. There is a three (3) minute time limit on any communication.

Resident Zane Cannaday addressed the Board about his frustration of the cable into his home getting damaged throughout the waterline improvement project. He estimated only having sixty percent of this service. He wanted to know when the project is estimated to be completed. He was also disappointed with the aesthetics of final paving.

Resident Larry Ryden also addressed the Board with a request to please wash the streets that have a layer of loose rocks and caliche dirt from the waterline improvement project. This is for safety reasons.

4. **February 10, 2018 Regular Meeting Minutes and February 17, 2018 Regular Meeting Minutes.** Vice-President Carolyn Cook made the motion to approve the February 10, 2018 Regular Meeting Minutes and the February 17, 2018 Regular Meeting Minutes. Assistant Secretary-Treasurer Barry Pasarew seconded the motion. All approved. Motion passed.
5. **Water Line Improvements, Pay Estimate #10, Prota Construction Inc & Prota Inc, JV.** Trihydro engineer, Scott Swiderski, reported that February's weather caused a reduction in progress for the waterline replacement. One side of Venture Drive between Deckhouse Drive and Venture Blvd. South is complete and tie-ins have begun. The second crew is doing these tie-ins. He drew the Board's attention to an additional \$7,500 to expedite paving on Phase 2 'A' for which Prota is asking to mobilize the paving subcontractor to mill and pave Venture Drive from Deckhouse Drive to Venture Blvd. South. He is trying to get that fee waived by the subcontractor as additional asphalt work is needed in Phase 1 to complete it correctly. Board members suggested a workshop with Village officials to work in connection with their road improvement plan. Residents would like to see the paving completed now rather than wait. Secretary-Treasurer Brian Probst moved to approve the Water Line Improvements, Pay Estimate #10, Prota Construction Inc & Prota Inc, JV in the amount of \$43,651.81. Vice-President Carolyn Cook made the second. All approved. Motion passed.
6. **Water Treatment Plant Expansion, Pay Estimate #8, Keystone Construction.** Trihydro engineer, Swiderski, also reported on the progress by Keystone Construction on the Water Treatment Plant Expansion. The job is 47 percent complete and Keystone is still on schedule. The pay estimate this month is mostly for materials. Secretary-Treasurer Probst made

the motion to approve Water Treatment Plant Expansion, Pay Estimate #8 in the amount of \$164,032.11. Vice-President Cook seconded the motion. All approved. Motion passed.

**7. Water Treatment Plant Expansion, Change Order #4, Keystone Construction.**

A change order for replacement of the existing clearwell with a new tank and baffles was submitted by Trihydro on behalf of Keystone Construction. Board members agreed in a previous meeting to spend the money to purchase the new tank and baffles versus reconditioning the old tank. Secretary-Treasurer Brian Probst made the motion to approve the Water Treatment Plant Expansion, Change Order #4, Keystone Construction for \$58,000.00. Vice-President Carolyn Cook seconded the motion. All approved. Motion passed.

**8. Engineering Fees.**

Trihydro engineer provided an itemized cost overage for engineering fees for the Water Treatment Plant Expansion Project. They are requesting approximately \$80,000 in additional engineering fees from the W.C.I.D. Board members agreed that the following items were additional items requested after the project began (Items A-H) – Barge System Analysis – Raw Water Hose, Stairway Design, MCC Panel Modifications, Emergency Generator Sizing, High Service Pump Analysis, Clearwell Modification, SCADA – addition systems control, and CT Study. Board Secretary-Treasurer felt the Board is responsible for these items and payment should be made to Trihydro for those services. Questions about two additional items (I and J) – Additional Contractor Oversight and Under-budgeted Services came under Board scrutiny. Engineer Swiderski from Trihydro said these two sections involved several problems. He felt some of the drawings by the original engineers were not as clear as they should have been; therefore, engineers have to answer more questions by Keystone than originally anticipated. He added that he also feels his predecessors didn't fully understand the complexity of the work and under budgeted engineering fees. Secretary-Treasurer Probst suggested the Board move forward with paying Items A-H now then address the final two items – I and J at the completion of all 2016 Bond Projects. Probst then made a motion to authorize Trihydro to present a change order including items A-H for Engineering Fees in the amount of \$27,059 for approval at the regular April Board meeting. Vice-President Carolyn Cook seconded the motion. All approved. Motion passed.

**9. Wet Weather Storage and Golf Course Irrigation.**

Chief Operations Manager Cristin Cecala was happy to report that tank levels were below 3 million gallons and still dropping. Golf course personnel is manning and monitoring the roughs watering between 5 a.m. and 1 p.m. District employees monitor watering the roughs between 1 and 3 p.m. An arrangement with the golf course and Property Owners' Association (POA) has been made to water 100,000-150,000 gallons on the course every three days rather than the daily 55,000 gallon demand. She added that once the tanks reach the 2.5 million gallon mark, the demand for watering will stop. The roughs are also being watered over the weekend for four hours by golf course personnel. Resident and POA board member, Frank Engels, suggested a possible workshop in the summer between the District and POA and begin watering the roughs in October. COM Cecala wanted it to go on the record that the District did not force the golf course to close recently, but that was a decision made exclusively by the POA.

**10. Financials.**

Secretary-Treasurer Brian Probst gave the financial report. Debt Service Fund is close to being on target for the entire project. In the operating fund, the District is showing a profit of \$11,810.48 which is better than the projected budget. This profit signifies the District is right on target to meet its 2017-18 budget. Secretary-Treasurer Probst made a motion to accept the February Financials. Vice-President Carolyn Cook seconded the motion. All approved. Motion passed.

## **11. Managers' Report.**

### **a. water flow**

- At this time the water plant is treating 177,000 gallons a day
- with the ability to treat 500,000 gallons a day

### **b. sewer flow**

- The sewer plant is treating 56,700 gallons a day
- with the ability to treat 100,000 gallons a day.

### **c. effluent tank**

- Effluent tank 1 – 14 feet
- Effluent tank 2 – 52 feet
- Total storage is at 2,792,000 gallons

### **d. pond levels**

- Pond level – 5 ft. 0 in.
- Current inflow vs irrigation discharge average is at -47,659 gallons per day.

Technical Manager Richard Welcher reported that the men are working on installing new services. The District is still behind in installing these services. POA lift station went down and was repaired by WCID employees. Chief Operations Manager Cristin Cecala reported that Robert Franklin has been hired to help in the WCID field as well as Animal Control Officer for the Village. Several of the men have been going to TCEQ training to get additional certifications.

Board President Fred Marshall announced that the Board was about to enter into closed Executive Session to Consult with Attorney. He wanted to first read previous public statements made by the Board wanting them officially recorded in the minutes. They are as follows:

#### **2016 Audit Statement:**

"The District has evaluated subsequent events through July 1, 2017, the date which the financial statements were available to be issued. Subsequent to the audit period, the District's bookkeeper was terminated for cause. The District's internal investigation discovered that certain transactions were processed and paid but do not appear to be authorized or reimbursed properly to the District over a period of time. While the amounts for these transactions were significant, at this time the District does not expect the transactions that are the subject of the internal investigation to have a material adverse effect on the District's operations or financial condition. The types of transactions reviewed by the District with assistance of the District's attorney include medical insurance premiums, telephone charges, legal fees, and other expenses purchased on the District's credit card and other transactions. The review is ongoing. The District is not aware of any other subsequent events that materially impact the financial statements."

#### **Public Statement 1: August 18, 2017**

"The Board of Directors and District staff discovered accounting discrepancies on various Travis County WCID Point Venture accounts to which office manager, Chance Chatham, had access. A hearing was held to discuss the discrepancies and Ms. Chatham was invited to attend but she did not attend that hearing. The Board of Directors terminated the employment of Ms. Chatham. There is a continuing investigation into the discrepancies which is being handled by the attorney for the District."

#### **Public Statement 2: November 18, 2017**

"The Board of Directors for Travis County WCID Point Venture has agreed to enter into a Settlement Agreement and General Release (the "Agreement") with former employee, Chance Chatham, regarding the return of disputed funds. Upon execution of the Agreement by Ms. Chatham, the Board has authorized Board President Fred Marshall to finalize the Agreement which will result in a final payment to the District of \$35,252.39 from Ms. Chatham and an additional \$10,000 recovery from our insurance provider within ninety (90) days. After a full

investigation into the matter, it was determined that this amount represents the bulk of what was owed to the District. The Board has determined that it is in the best interest of the District and its citizens to accept this Agreement in order to maximize the net recovery to the District and avoid the uncertainties and expenses of litigation."

**2017 Audit Statement:**

"During the audit period, the District's bookkeeper was terminated for cause. The District's internal investigation discovered that certain transactions were processed and paid but do not appear to be authorized or reimbursed properly to the District over a period of time. The amounts for these transactions were significant for improper calculation of medical insurance premium reimbursement, improper reimbursement of telephone charges for family members, improper reimbursement for personal legal fees, and non-reimbursement of personal expenses purchased on the District's credit card and other transactions. The District has entered into a pre-litigation settlement agreement with the former employee for repayment of funds owed to the District in the amount of \$35,252."

**Public Statement 3: March 17, 2018**

"Travis County WCID Point Venture has received all compensation due from former employee, Chance Chatham, under the terms of a Settlement Agreement and General Release involving the return of disputed funds dated November 28, 2017. The District received \$35,252.39 due from Ms. Chatham and an additional \$10,000 recovery from its insurance provider. Ms. Chatham was released from all civil claims related to the return of disputed funds, but Travis County WCID Point Venture has retained its right to pursue all other available legal remedies."

Residents questioned the Board whether criminal charges would be brought against Ms. Chatham. President Marshall said no decision on that matter has been made, but the District has two years from discovery to pursue that course of action. A resident also asked if any other employees were investigated in the misuse of these funds. Response was that a thorough investigation was made and Ms. Chatham was solely responsible for these misappropriated funds. Several residents expressed their desire and frustration that Ms. Chatham has not been prosecuted with criminal charges. The Board's response was the primary goal was to recover the money for the District, but the Board still has over a year to pursue this avenue of recourse.

Regular session was adjourned at 10:46 a.m. for closed Executive Session - Consultation with attorney

Regular session reconvened at 11:38 a.m.

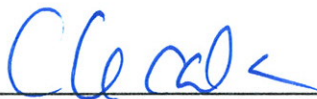
No action will be taken today, next month there will be an agenda item to discuss possible additional action regarding former employee, Chance Chatham.

**12. Adjourn the meeting.**

Assistant Secretary-Treasurer Cindy Clemons made a motion to adjourn the meeting. Secretary-Treasurer Brian Probst seconded the motion. All approve. Meeting adjourned at 11:45 a.m.

This facility is wheelchair accessible and accessible parking spaces are available. The Board of Directors reserves the right to adjourn into closed executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code Sections 551.071 (Consultation with Attorney), 551.074 (Personnel Matters), 551.072 (Deliberations about Real Property). Travis County WCID Meetings will follow Open Meeting Rules. Be advised that a quorum of the Village of Point Venture Council may be present at these meetings.

ATTEST:



Cristin Cecala, Chief Operations Manager

  
Fred Marshall, Board President