

MINUTES
BASTROP COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

June 5, 2020

The Board of Directors (the “Board”) of Bastrop County Municipal Utility District No. 1 (the “District”) met on the 5th day of June, 2020, in regular session by teleconference, with access by telephone available to the public, pursuant to Texas Government Code Section 551.125 and Governor Greg Abbott’s emergency disaster declaration dated March 13, 2020, and the roll was called of the members of the Board being present by telephone:

Nick Textor	President
Linda Roberts	Vice President
William Tullis	Secretary
Jerry B. Patterson	Assistant Vice President
Jane T. Sevier	Assistant Secretary

and all of the above were present, thus constituting a quorum.

Also attending the teleconference were Terri Mealy, resident of the District; Terry Holland of Myrtle Cruz, Inc.; Hal Lanham and Amanda Rodriguez of AWR Services, Inc. (“AWR”); Bradley Loehr of Befco Engineering, Inc.; and Kathryn Garner and Janet Swartz of Allen Boone Humphries Robinson LLP (“ABHR”).

Ms. Garner reviewed certain recommended protocols for conducting the District’s meeting via teleconference. She announced that the meeting was being recorded and that consultant reports presented at the meeting were posted online and available to the public in the form of an “agenda packet” prior to the start of the meeting at <https://www.districtdirectory.org/agendapackets/bastropcmud1>.

PUBLIC COMMENT

Director Textor offered any members of the public attending the meeting by telephone the opportunity to make public comment. There were no comments from the public.

CONSIDER OPERATIONS AND SERVICE REQUIREMENTS RELATING TO COVID-19 EPIDEMIC AND RATIFICATION OF ANY EMERGENCY ACTIONS, IF NECESSARY

The Board concurred that there were no COVID-19 epidemic emergency actions for ratification.

MINUTES

The Board considered approving the minutes of the May 1, 2020, meeting. Following review and discussion, Director Tullis moved to approve the minutes of the May 1, 2020, meeting. Director Patterson seconded the motion, which passed by unanimous vote.

FINANCIAL AND BOOKKEEPING MATTERS AND TAX REPORT

Mr. Holland reviewed the bookkeeper's report, including the bills submitted for approval, transfers, investment report, energy report, and year-to-date budget, a copy of which is attached. He stated that a check to Bluebonnet Electric for the electricity bill is not reflected on the report. The Board reviewed the monthly tax report for May, 2020, from the Bastrop County Tax Office, a copy of which is attached. After review and discussion, Director Tullis moved to approve the bookkeeper's report, investment report, and checks presented for payment, including the check to Bluebonnet Electric. Director Patterson seconded the motion, which passed by unanimous vote.

OPERATION OF DISTRICT FACILITIES, HEARING ON TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS, AND AUTHORIZE TERMINATION OF SERVICE

Mr. Lanham reviewed the operator's report, a copy of which is attached, and reviewed maintenance and repairs at the District's facilities. He reported a water loss of 11% for the April reporting period and stated that there are 115 active connections in the District.

Mr. Lanham reported that AWR is working to schedule leak detection testing in the District.

Mr. Lanham stated there were no delinquent accounts.

Mr. Lanham stated that Tammy Hargett will join AWR as the CEO. He added that he will continue to be the AWR contact for the Board members and Ms. Hargett will be copied on all communications.

Mr. Lanham stated that the generator required maintenance and that the cost for a one-year maintenance plan for the generator in the District is \$1,440.

In response to questions from the Board, Mr. Lanham discussed the measurement of water flow by electronic meters.

After review and discussion, Director Tullis moved to (1) approve the operator's report; and (2) authorize AWR to arrange for a one-year maintenance plan for the generator at a cost of \$1,440. Director Patterson seconded the motion, which passed by unanimous vote.

APPROVE CONSUMER CONFIDENCE REPORT AND AUTHORIZE OPERATOR TO DELIVER CONSUMER CONFIDENCE REPORT AND FILE CERTIFICATE OF DELIVERY WITH THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ("TCEQ")

Mr. Lanham discussed the Consumer Confidence Report with the Board. Following review and discussion, Director Tullis moved to approve the Consumer Confidence Report and authorize the operator to deliver the Consumer Confidence Report, file the certificate of delivery with the TCEQ, and provide a copy to The Texas Network for posting on the District's website. Director Patterson seconded the motion, which passed by unanimous vote

CREATION AND MAINTENANCE OF THE DISTRICT WEBSITE

Director Sevier updated the Board on the creation of the District's website. She stated that AWR will monitor all forms submitted on the website to enable users to submit questions. Director Sevier stated she will work with AWR to review the forms received by the District. Director Textor stated he would also assist in the review of the forms. The Board determined that the remaining Board members would rotate with Director Textor to review the forms at a later date, and Director Sevier would create a schedule.

The Board discussed a revised description of the District's responsibilities to clearly state that the District is not responsible for drainage and roads.

Ms. Garner stated that a draft letter to District customers addressing the following subjects was sent to the Board for review: (1) the emergency disaster declaration by the Board; (2) an explanation of the District's and AWR's operations during the declared emergency; (3) contact information for AWR, who is deemed a contractor conducting essential services during the declared emergency; (4) information on telephonic Board meetings; (5) agendas and the agenda packet for telephonic Board meetings can be located at <https://www.districtdirectory.org/agendapackets/bastropcmud1>; (6) AWR's contact information for customers who are unable to pay water bills; and (7) agendas are posted at the designated posting place of the mailboxes located at ColoVista Parkway and ColoVista Ranch Road and at the mailboxes in the Valley. Ms. Garner stated that once the letter has been approved by the directors and ABHR, AWR can send it to the residents through the IRIS System and to The Texas Network to be posted on the District's website. After review and discussion, Director Tullis moved to approve the letter and authorize AWR to send the letter to the residents through the IRIS System, mail it to the residents, and send it to The Texas Network to be posted on the District's website, contingent upon non-substantive changes by ABHR and by Board members. Director Patterson seconded the motion, which passed by unanimous vote.

After discussion, Director Tullis moved to (1) approve the initial website once the District map on the website is revised and the description of the District's responsibilities

is updated on the website; (2) authorize the launching of the website; and (3) authorize AWR to announce the website to the residents through the IRIS System. Director Patterson seconded the motion, which passed by unanimous vote.

ENGINEERING MATTERS

Mr. Loehr reviewed an engineer's report submitted by Befco Engineering, Inc., a copy of which is attached.

2016 FEMA PROJECT

Mr. Loehr stated that he filed an extension with FEMA until December 2020 on the project for erosion control on the easement to maintain the road and wastewater line to the WWTP.

2017 FEMA PROJECT

Mr. Loehr stated he filed an extension with FEMA related to the 2017 FEMA project for erosion control, repairs, and relocation of the 3" water line located near the Townhomes.

Mr. Loehr reported that Befco Engineering, Inc.'s is working on easements in connection with (1) erosion control, repairs, and relocation of 3" water line located near the Townhomes; and (2) relocation of a 4" sewer line and 6" water line located near the Townhomes. Ms. Garner updated the Board on the easement acquisition.

RELOCATION OF 4" SEWER LINE AND 6" WATER LINE

Mr. Loehr updated the Board on the design for the relocation of a 4" sewer line and 6" water line located near the Townhomes. He stated that Parliament Group is reviewing the plans and the proposed easement.

RELOCATION OF 6" WATER LINE ALONG COLOVISTA DRIVE BETWEEN RIVER FOREST AND TALL FOREST

Mr. Loehr stated that the contract for relocation of the 6" water line along ColoVista between River Forest and Tall Forest is complete. He discussed a certificate of completion and recommended payment of an invoice in the amount of \$55,610 from Herschap Backhoe & Ditching, Inc. ("Herschap"). Mr. Loehr recommended approval of Change Order No. 1 to the contract with Herschap, resulting in a decrease of the contract amount by \$11,390. The Board determined that Change Order No. 1 is beneficial to the District.

After review and discussion, Director Tullis moved to (1) approve the engineer's report; (2) approve Change Order No. 1 to the contract with Herschap for relocation of the 6" water line along ColoVista between River Forest and Tall

Forest, resulting in a decrease of the contract amount by \$11,390, based upon the Board's finding that the change order is beneficial to the District, and based upon the District's engineer's recommendation; and (3) approve payment of an invoice in the amount of \$55,610 from Herschap for relocation of the 6" water line along ColoVista between River Forest and Tall Forest, based upon District's engineer's recommendation. Director Patterson seconded the motion, which passed by unanimous vote.

REPORT ON COUNTY ROAD WORK AND REQUEST FOR REIMBURSEMENT FOR REPAIR OF BROKEN WATER LINE

Ms. Garner noted this matter would be discussed later in the meeting.

DAMAGE CLAIM AGAINST BASTROP COUNTY AND CHASCO

Ms. Garner stated that ABHR has notified Bastrop County of the damage caused by its contractor, Chasco, to the District's 6" water line along ColaVista between River Forest and Tall Forest. She stated ABHR will send notice to Bastrop County regarding the damage to the water line and request that the District be reimbursed for the repair. Director Textor stated that he has also notified Commissioner Beckett of the damage to the water line. After discussion, Director Tullis moved to authorize ABHR to send notice of a claim to Bastrop County regarding the damage to the 6" water line and request that the District be reimbursed for the repair. Director Patterson seconded the motion, which passed by unanimous vote.

FEMA UPDATE, INCLUDING 2017 FEMA CLAIM AND FUNDING AND SCOPE OF WORK FOR 2017 REPAIR PROJECT

Updates to the Board on the FEMA claim were included in the engineer's report.

REPORT ON BASTROP COUNTY FEMA HAZARD MITIGATION ACTION PLAN

Director Textor stated that nothing had occurred regarding the Plan due to the COVID restrictions. Mr. Loehr discussed the possibility of adding a second water storage tank in the District to help resolve water pressure issues and supplement fire protection.

RATIFICATION OF EMERGENCY ACTION OR URGENT ACTIONS

Ms. Garner stated that there were no emergency or urgent actions requiring ratification.

REPORT ON DEVELOPMENT IN THE DISTRICT

There was no report on development.

NEXT MEETING DATE

Following discussion, due to the July 4 holiday, the Board agreed to hold the next meeting on July 6 or 8, 2020, at 10:00 a.m. by teleconference, with access by telephone available to the public, pursuant to Texas Government Code Section 551.125 and Governor Greg Abbott's emergency disaster declaration dated March 13, 2020.

FINANCIAL AND BOOKKEEPING MATTERS CONTINUED

The Board discussed authorizing Director Textor to sign checks for payment of the District bills that are received and need to be paid if the Board does not meet in July. After discussion, Director Tullis moved to authorize Director Textor to sign checks for payment of the District's bills if the Board does not meet in July. Director Patterson seconded the motion, which passed by unanimous vote.

/s/ William Tullis
Secretary, Board of Directors

(SEAL)



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