

MINUTES
BASTROP COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

October 2, 2020

The Board of Directors (the "Board") of Bastrop County Municipal Utility District No. 1 (the "District") met on the 2nd day of October, 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 except Director Tullis, thus constituting a quorum.

Also attending the teleconference were Brett Lanham of Lanham Consulting, LLC; Terry Holland of Myrtle Cruz, Inc.; Hal Lanham of AWR Services, Inc. ("AWR"); Bradley Loehr of Befco Engineering, Inc.; David Patterson of Assessments of the Southwest, Inc. ("ASW"); 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

Ms. Garner offered any members of the public attending the meeting by telephone the opportunity to make public comment. Mr. Brett Lanham presented information to the Board on his departure from AWR. In response to Mr. Brett Lanham's request for the minutes of the September 4, 2020, meeting, Ms. Garner stated that the minutes will be posted on the District website once approved by the Board.

Mr. Hal Lanham responded to the subject of AWR personnel issues described by Mr. Brett Lanham.

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 September 4, 2020, meeting. Following review and discussion, Director Patterson moved to approve the minutes of the September 4, 2020, meeting. Director Sevier 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 he has not received the monthly tax report for October, 2020, from the Bastrop County Tax Office. After review and discussion, Director Patterson moved to approve the bookkeeper's report, investment report, and checks presented for payment. Director Sevier seconded the motion, which passed by unanimous vote. Mr. Holland discussed the budget and payments received from Bastrop County.

REPORT FROM TAX ADVISOR

Mr. David Patterson stated that he submitted the District's Order Levying Taxes and tax-related information to Bastrop County tax office. After review and discussion, Director Patterson moved to approve the tax advisor's report. Director Sevier seconded the motion, which passed by unanimous vote.

OPERATION OF DISTRICT FACILITIES, DISCUSSION REGARDING DELINQUENT ACCOUNTS AND TERMINATIONS

Mr. Hal Lanham reviewed the operator's report, a copy of which is attached, and reviewed maintenance and repairs at the District's facilities. He stated that there are 116 active connections in the District.

Mr. Hal Lanham reported on operations at the water plant. He discussed water sampling that was conducted in the District and stated that the certified notification to the Texas Commission on Environmental Quality was completed.

Mr. Hal Lanham stated that the blower at the wastewater treatment plant ("WWTP") was repaired.

Mr. Hal Lanham stated there were no delinquent accounts.

Mr. Hal Lanham reported on AWR's responses to customer calls.

Mr. Hal Lanham discussed the possible purchase and installation of a two-inch bypass line that would enable the District to receive water directly from Aqua Water Supply Corporation ("Aqua WSC") and supply it to customers. He stated that the cost of the bypass line would be \$4,152.00.

Mr. Hal Lanham stated that water loss in the District was 16%. He added that Aqua WSC installed a new master meter. Mr. Hal Lanham stated that the previous master meter may have attributed to water loss and that he will evaluate the water loss next month to determine if the installation of the new master meter decreased water loss.

Mr. Hal Lanham discussed the possibility of AWR sending a letter to customers requesting updated phone numbers and email addresses for District notifications.

Director Textor stated that the District received a request for a waiver of the minimum water bill from the owner of an empty lot located at 108 Elm Court that is adjacent to his home. He added that the previous owner had a water tap activated on the empty lot due to water pressure issues on the occupied lot. Director Textor stated that if the meter is left in place, the District will charge the minimum fee for water. He added that if the owner requests removal of the meter and pays for the removal, the District will no longer charge the minimum fee for water on the empty lot. Mr. Hal Lanham stated he will contact the owner to convey this information. After discussion, Director Patterson moved to authorize AWR to discontinue charging the owner of 108 Elm Court the minimum monthly fee for water on the empty lot if the meter is removed at the owner's expense. Director Sevier seconded the motion, which passed by unanimous vote.

Mr. Hal Lanham discussed the IRIS notification system used to notify residents of District communications.

Mr. Brett Lanham inquired about the boil water notice issued when the new Aqua WSC master meter was installed. Director Textor stated that the vault that held the previous master meter was not large enough to accommodate the new master meter and the removal and replacement of the master meter took longer than expected. Mr. Hal Lanham stated that because the installation took longer than expected, the District experienced low water pressure.

The Board instructed AWR to use the full IRIS notification system except between 9:00 p.m. and 7:00 a.m.

Mr. Brett Lanham discussed his familiarity with the District's system and the benefits that Lanham Consulting LLC can provide to the District due to his knowledge of the system.

After review and discussion, Director Patterson moved to approve the operator's report. Director Sevier seconded the motion, which passed by unanimous vote.

After discussion, Director Patterson moved to authorize AWR to purchase and install a bypass line at the water plant for a cost of \$4,152.00. Director Sevier seconded the motion, which passed by unanimous vote.

RECEIVE TESTING RESULTS AND REPORTS REGARDING DISTRICT WATER QUALITY

Ms. Garner stated that the District has received the reports requested from AWR and nothing in the reports were out of the ordinary.

Mr. Brett Lanham stated the Board may want to ask AWR for time card data.

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 discussed the project for erosion control on the easement to maintain the road and wastewater line to the WWTP. He stated that he received comments from Cohn Resnick on the District's request that FEMA approve an improvement project to relocate the wastewater line to the WWTP to the opposite side of the road and away from the eroded high bank of the Colorado River. Mr. Loehr stated that the request to FEMA for a time extension will be revised.

Mr. Loehr stated that FEMA has informed him that the \$20,452.00 originally approved for the improvements due to the water line blowout in the gully on ColoVista Drive between River Forest and Tall Forest will decrease to \$18,327.00. The Board requested that Mr. Loehr present FEMA's written request to the District for the return of the funds when it is received. The Board concurred that the return of the funds to FEMA or an appeal can be then be discussed.

2017 FEMA PROJECT

Mr. Loehr stated that the 2017 FEMA project for erosion control, repairs, and relocation of the 3" water line located near the Townhomes had cleared the FEMA review process.

Mr. Loehr stated he can advertise for bids for the project once ColoVista Townhomes Property Owners Association conveys an easement to the District. He added that the District has received a time extension through February 2021 for the project from FEMA.

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 the District is waiting to receive comments from Parliament Group, Inc., on a utility easement requested by the district.

WWTP REPAIRS

Mr. Loehr stated he is meeting with a contractor this month to obtain an estimate on repairs at the WWTP. He added he is evaluating the possible recoating of the facilities at the WWTP. Mr. Loehr stated that he will also evaluate the condition of the pressure tank at the water plant.

After discussion, Director Patterson moved to approve the engineer's report. Director Sevier seconded the motion, which passed by unanimous vote.

REPORT ON PARLIAMENT GROUP, INC., DRAINAGE WORK AND REQUEST FOR REIMBURSEMENT FOR REPAIR OF BROKEN SEWER MAIN

Ms. Garner stated that a demand letter was sent to the Parliament Group, Inc., requesting reimbursement in the amount of \$20,122.88, for a broken sewer main that was damaged by a contractor hired by Parliament Group, Inc. She stated Parliament Group, Inc., is reviewing the claim.

REPORT ON BASTROP COUNTY ROAD WORK AND REQUEST FOR REIMBURSEMENT FOR REPAIRS AND REPLACEMENT OF AIR RELIEF VALVE AND RELATED SERVICES

Ms. Garner stated that a contractor for Bastrop County was working in the District and damaged the District's air relief valve. She added that a demand letter has been prepared to send to Bastrop County requesting reimbursement in the amount of \$6,238.25. After discussion, Director Patterson moved to authorize ABHR to send a demand letter to Bastrop County, requesting reimbursement in the amount of \$6,238.25 for the District's cost to repair the air relief valve. Director Sevier seconded the motion, which passed by unanimous vote.

REPORT ON BASTROP COUNTY FEMA HAZARD MITIGATION ACTION PLAN

Mr. Loehr discussed a list of projects that could be funded by the Hazard Mitigation Plan. He added a SCADA system for both plants was added to the list of projects.

MAINTENANCE OF THE DISTRICT WEBSITE

Director Sevier updated the Board on the District's website.

Director Sevier suggested adding a link to the District's website on the water bill. Ms. Garner discussed the notice related to the November 3, 2020, Directors Election that will be posted on the website.

Director Textor requested AWR purchase a box to hold the agenda and install the box in the District.

RATIFICATION OF EMERGENCY ACTION OR URGENT ACTIONS

There was no discussion on this agenda item.

2020 DIRECTORS ELECTION

Ms. Garner discussed the November 3, 2020, Directors Election and the posting of the early voting roster on the District's website. After discussion, Director Patterson moved to authorize posting of a notice on the District's website that contains a link to the Texas Secretary of State Election Website for access to the early voting roster. Director Sevier seconded the motion, which passed by unanimous vote.

REPORT ON DEVELOPMENT IN THE DISTRICT

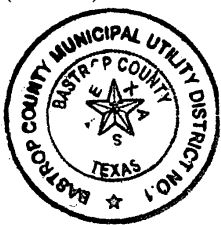
There was no report on development.

NEXT MEETING DATE

Following discussion, the Board agreed to hold the next meeting on November 17, 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.

/s/ William Tullis
Secretary, Board of Directors

(SEAL)



ATTACHMENTS TO THE MINUTES

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