

MINUTES  
BASTROP COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

January 8, 2021

The Board of Directors (the “Board”) of Bastrop County Municipal Utility District No. 1 (the “District”) met on the 8th day of January, 2021, 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:

Steve Adamcik	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 Winfred Frasier, resident of the District; Terry Holland of Myrtle Cruz, Inc.; Hal Lanham and Tammy Hargett 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

Ms. Garner 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 December 4, 2020, regular meeting. Following review and discussion, Director Patterson moved to approve the minutes of the December 4, 2020, regular meeting. Director Roberts 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.

The Board reviewed the monthly tax report for December, 2020, from the Bastrop County Tax Office, a copy of which is attached. After review and discussion, Director Patterson moved to approve the bookkeeper's report, investment report, and checks presented for payment. Director Roberts seconded the motion, which passed by unanimous vote.

## ANNUAL DISCLOSURE STATEMENTS

Ms. Garner stated that in accordance with the District's Investment Policy, Ms. Jarmon and Mr. Holland, as the District's bookkeeper and Investment Officer, are required to execute disclosure statements that disclose any relationships with banks and brokers who seek to sell investments to the District. She added that the Disclosure Statements will be filed with the Texas Ethics Commission. After review and discussion, Director Patterson moved to accept the Disclosure Statements pursuant to the District's Investment Policy and the Public Funds Investment Act and direct that the statements be filed appropriately and retained in the District's official records. Director Roberts seconded the motion, which passed by unanimous vote.

## REPORT FROM TAX ADVISOR

There was no report from the tax advisor. Ms. Garner stated that the tax advisor is working on the implementation of the District's website for the purpose of posting information required by Section 26.18, Tax Code.

## RATIFICATION OF EMERGENCY OR URGENT ACTIONS

The Board concurred that there were no emergency or urgent actions for ratification.

## ANNUAL REPORT REGARDING POST-ISSUANCE COMPLIANCE POLICY

Ms. Garner reported on the District's compliance activities during the prior calendar year related to bond financings. She stated that no corrective action is required

at this time. After discussion, Director Patterson moved to accept the annual report regarding the District's post-issuance compliance policy. Director Roberts seconded the motion, which passed by unanimous vote.

#### ANNUAL CYBERSECURITY TRAINING

Ms. Garner presented a memorandum to the Board regarding Chapter 2054, Texas Government Code, annual cybersecurity training requirements for certain local government employees and elected officials, a copy of which is attached. She stated that Board members must select a training program that is certified by the Texas Department of Information Resources. Ms. Garner added that according to the Texas Department of Information Resources, the training should be completed by June 14th of each year.

#### AMENDED ORDER ESTABLISHING A RECORDS MANAGEMENT PROGRAM AND DESIGNATING A RECORDS MANAGEMENT OFFICER

Ms. Garner stated that the Texas Local Government Records Act provides that all local governments must establish an active and continuing records management program that contains policies and procedures that promote cost-effective and efficient recordkeeping. She stated that the District's current records management program requires that all District records be retained permanently. Ms. Garner reviewed with the Board an Amended Order Establishing a Records Management Program and Designating a Records Management Officer that amends the District's records management program to adopt the recommended retention schedules published by the Texas State Library and Archive Commission ("TSLAC"), which will allow the District to periodically dispose of records once the applicable retention period for that specific information has expired. After review and discussion, Director Roberts moved to adopt an Amended Order Establishing a Records Management Program and Designating a Records Management Officer, authorize submission of the Amended Order to TSLAC, and direct that the Amended Order be filed appropriately and retained in the District's official records. Director Patterson seconded the motion, which passed by unanimous vote.

#### OPERATION OF DISTRICT FACILITIES AND DISCUSSION REGARDING DELINQUENT ACCOUNTS AND TERMINATIONS

Mr. 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 119 active connections in the District.

Mr. Lanham stated there were no delinquent accounts. He requested approval to write off three uncollectible accounts totaling \$958.53. After discussion, Director Adamcik moved to authorize AWR to write off three accounts totaling \$958.53. Director Roberts seconded the motion, which passed by unanimous vote.

Mr. Lanham stated that the pump in the digester and valves on blowers no. 1 and no. 2 were replaced the wastewater treatment plant ("WWTP").

Mr. Lanham stated that Mr. Textor will install a single-door lockbox to be utilized only by the District for posting of agendas in the Valley area of the District.

Mr. Lanham discussed the electronic meters pilot program. He stated AWR will make a presentation on the electronic meters at the next meeting.

Mr. Lanham updated the Board on AWR's COVID-19 response plan.

Mr. Lanham stated that water loss in the District was 6%.

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

#### REPORTS REGARDING DISTRICT WATER QUALITY AND FINANCIAL CONCERNS

There was no report or discussion on this agenda item.

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

Ms. Garner stated that the Parliament Group, Inc. ("PGI"), has agreed to a reimbursement in the amount of \$16,135 for broken sewer mains that were damaged by a contractor hired by PGI.

In response to questions from Director Adamcik, Ms. Garner stated that PGI is reviewing the District's request for a utility easement in connection with the relocation of the 4" and 6" water line located near the Townhomes.

Ms. Garner reviewed a Release of Claims between PGI and the District. Ms. Garner stated that Director Adamcik executed the Release of Claims on behalf of the District. After review and discussion, Director Patterson moved to ratify approval of the Release of Claims and the execution by Director Adamcik and direct that the Release be filed appropriately and retained in the District's official records. Director Roberts seconded the motion, which passed by unanimous vote.

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

Ms. Garner stated that in connection with a demand letter that was sent to the County requesting reimbursement in the amount of \$6,238.25 and rejected by the County, additional information on the matter was submitted to the County and is being considered by County officials.

## ENGINEERING MATTERS

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

Mr. Loehr stated that the necessary paperwork was submitted to Cohn Resnick on behalf of the District to authorize Director Adamcik to have access to the Texas Department of Emergency Management ("TDEM") and FEMA websites.

### 2016 FEMA PROJECT

Mr. Loehr discussed the project for erosion control on the easement to maintain the road and wastewater line to the WWTP and the relocation of wastewater line to WWTP and required wastewater line easement. He stated that the District will need FEMA approval on this project.

### 2017 FEMA PROJECT

Mr. Loehr stated he did not have an update on the 2017 FEMA project for erosion control, repairs, and relocation of the 3" water line located near the Townhomes and water line easements.

### 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.

Mr. Loehr reviewed a spreadsheet of 2016 and 2017 FEMA projects.

### REPORT ON AMENDED UTILITY EASEMENT

Ms. Garner stated that PGI had approved the Amended Utility Easement and signed documents were expected in early January, 2021.

### WWTP AND WATER PLANT MAINTENANCE AND REPAIRS

Mr. Loehr discussed the interior coating system of the water plant pressure tank. He stated that \$75,000 can be added to the budget for future maintenance of the pressure tank, ground storage tanks, and above ground piping. Director Adamcik stated he would discuss the water plant maintenance items in more detail with Mr. Loehr.

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

REPORT ON COUNTY FEMA HAZARD MITIGATION ACTION PLAN

Mr. Loehr stated he did not have an update on the progress of the FEMA Hazard Mitigation Plan.

MAINTENANCE OF THE DISTRICT WEBSITE

Director Sevier stated she did not have an update on the District's website. She reported erosion she noticed on ColoVista Parkway and stated she will report it to the Property Owners Association.

REPORT ON DEVELOPMENT IN THE DISTRICT

Director Adamcik reported on development in the District. He stated AWR provided an estimate to a property owner on Riverwalk for the relocation of a valve.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE, TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY

The Board convened in Executive Session at 11:21 a.m., pursuant to Section 551.071, Texas Government Code, to conduct a private consultation with its attorney.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION REGARDING MATTERS CONSIDERED IN EXECUTIVE SESSION

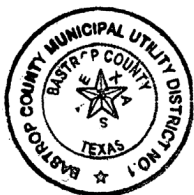
The Board reconvened in open session at 11:46 a.m. The Board took no action.

NEXT MEETING DATE

Following discussion, the Board agreed to hold the next meeting on February 5, 2021, 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.

After discussion, Director Patterson moved to adjourn the meeting. Director Roberts seconded the motion, which passed by unanimous vote.

/s/ William Tullis  
Secretary, Board of Directors



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