

MINUTES
BASTROP COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

April 9, 2021

The Board of Directors (the “Board”) of Bastrop County Municipal Utility District No. 1 (the “District”) met on the 9th day of April, 2021, in regular session by Zoom videoconference and teleconference, 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 videoconference or 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, thus constituting a quorum.

Also attending the videoconference or teleconference were Gary Stevens, Steve Phillips, Mark Huff, Cheryl Adamcik and Becky Minardi, residents of the District; Brett Lanham of Lanham Consulting; Michelle St. Clair of Parliament Group; Terry Holland of Myrtle Cruz, Inc.; Bradley Loehr of Befco Engineering, Inc.; Hal Lanham of AWR Services, Inc. (“AWR”); and Kathryn Garner, Janet Swartz, and John Martinez of Allen Boone Humphries Robinson LLP (“ABHR”).

Ms. Garner reviewed certain recommended protocols for conducting the District’s meeting via teleconference and 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 videoconference or telephone the opportunity to make public comment. There were no comments from the public.

RATIFICATION OF EMERGENCY OR URGENT ACTIONS, IF ANY, AND
RATIFICATION OF COVID-19 EPIDEMIC RELATED EMERGENCY ACTIONS, IF
NECESSARY

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

MINUTES

The Board considered approving the minutes of the March 5, 2021, regular meeting. Following review and discussion, Director Adamcik moved to approve the minutes of the March 5, 2021, 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.

Director Adamcik requested AWR prepare a report on water usage by customers and the amount of average water consumption. He added that he will coordinate with Mr. Hal Lanham and Mr. Holland to create a report on water usage to add to the bookkeeper's report.

The Board reviewed the monthly tax report for March, 2021, 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. Director Roberts seconded the motion, which passed by unanimous vote.

REPORT FROM TAX ADVISOR

There was no report from the tax advisor.

WINTER STORM RECOVERY MATTERS

There was no discussion on this agenda item.

OPERATION OF DISTRICT FACILITIES AND 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 113 active connections in the District. Mr. Hal Lanham stated that AWR has created a list of customer calls made in the District for grinder pump repairs to include in the monthly report. He stated that the grinder pump fee is currently \$35.00 a month and the Board may want to consider charging customers a fee for unauthorized disposal of waste into the system that causes failure of the grinder pump.

The operator's report did not reflect any delinquent accounts.

Mr. Hal Lanham reported that AWR prepared a summary of tap fees charged by entities in the Austin and Bastrop areas.

Mr. Hal Lanham stated that the single-door lockbox to be utilized only by the District for posting of agendas in the Valley area has been installed.

Mr. Loehr reported on an upcoming inspection of the water plant by the Texas Commission on Environmental Quality.

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

RESOLUTION ADOPTING POLICY AND PROCEDURES FOR FEBRUARY 2021 FREEZE EVENT LEAK ADJUSTMENT CREDITS

Mr. Hal Lanham discussed a possible policy for February 2021 freeze event leak adjustment credits with the Board. He stated that leak adjustments could be made based on the customer's water consumption last year. The Board concurred to appoint Director Adamcik to a committee to work with AWR on a policy for February 2021 freeze event leak adjustment credits. The Board tabled adoption of the Resolution Adopting Policy and Procedures for February 2021 Freeze Event Leak Adjustment Credits.

REPORT ON FILING OF WATER LOSS AUDIT

Mr. Hal Lanham stated that the water loss audit for the District will be submitted by May 1, 2021, to the Texas Water Development Board.

CONDUCT ANNUAL REVIEW AND RECEIVE REPORT FROM OPERATOR ON IDENTITY THEFT PREVENTION PROGRAM AND ADOPT IDENTITY THEFT PREVENTION PROGRAM AMENDMENT

The Board tabled discussion on this agenda item.

ENGINEERING MATTERS

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

2016 FEMA PROJECT

Mr. Loehr stated he has requested a time extension until June 8, 2021 from FEMA for the 2016 FEMA project.

2017 FEMA PROJECT: EROSION CONTROL, REPAIRS AND RELOCATION OF 3" WATER LINE LOCATED NEAR TOWNHOMES

Mr. Loehr stated he has requested a time extension until August 3, 2021 from FEMA for the 2017 FEMA project.

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

CONSIDER ADOPTION OF POLICY FOR COMBINATION OF ADJACENT LOTS FOR HOMESITES

Ms. Garner discussed a policy for the combination of adjacent lots for homesites. She stated that the policy would be added to the District's Rate Order. Ms. Garner stated that when a resident of the District owns two or more lots and combines those lots for the site of one residence, the District will assign each lot an account and will invoice each account for the minimum monthly water and sewer fees, regardless of whether the residence has more than one meter and more than one grinder pump. AWR will determine the criteria for the number of meters and grinder pumps required for combined adjacent lots. After discussion, Director Tullis moved to authorize ABHR to prepare a policy for the combination of adjacent lots for homesites for addition to the Rate Order effective April 9, 2021. Director Roberts seconded the motion, which passed by unanimous vote. Ms. Garner stated that an Amended Rate Order will be presented for consideration at the next Board meeting.

ADOPT AMENDED RATE ORDER

Ms. Garner stated that information on neighboring district's tap fees and water and sewer rates are being reviewed prior to the adoption of an Amended Rate Order. Director Adamcik stated that the District's costs need to be covered for making taps. The Board tabled adoption of an Amended Rate Order.

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

Ms. Garner discussed the demand letter that was sent to the County requesting reimbursement in the amount of \$6,238.25 and rejected by the County. She stated that the District will continue to request reimbursement from the County.

REPORT ON COUNTY FEMA HAZARD MITIGATION ACTION PLAN

There was no discussion on this agenda item.

MAINTENANCE OF THE DISTRICT WEBSITE

There was no discussion on this agenda item.

CYBERSECURITY TRAINING REMINDER

Ms. Garner reviewed 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 reminded the Board members that they 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.

REPORTS REGARDING DISTRICT WATER QUALITY AND FINANCIAL CONCERNS

There was no report or discussion on this agenda item.

REPORT ON CURRENT AND FUTURE DEVELOPMENT IN THE DISTRICT

Director Adamcik stated that he has had communications with representatives of the Parliament Group on development of lots in the District. He recommended the Board appoint a committee to discuss development plans with the Parliament Group and any potential buyers of land in the District. After discussion, Director Tullis moved to appoint Directors Adamcik and Roberts to a committee to discuss development plans with the Parliament Group and potential buyers of land in the District. Director Patterson seconded the motion, which passed by unanimous vote.

ADOPT RESOLUTION IN SUPPORT OF HOUSE BILL NO. 1410 AND SENATE BILL NO. 1959

Ms. Garner stated that the Texas State Legislature is considering House Bill No. 1410 and Senate Bill No. 1959 which relate to the provision of parks and recreational facilities by water districts. The Board tabled action on this agenda item.

BLUEBONNET ELECTRIC COOPERATIVE PROXY

Ms. Garner reviewed a proxy from Bluebonnet Electric Cooperative. The Board took no action on the proxy.

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

The Board did not convene in Executive Session.

NEXT MEETING DATE

Following discussion, the Board agreed to hold the next meeting on May 7, 2021, at 10:00 a.m. by videoconference and teleconference, with access by videoconference and 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, the Board concurred to adjourn the meeting.



/s/ William Tullis
Secretary, Board of Directors

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