

MINUTES
BASTROP COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

January 24, 2022

The Board of Directors (the "Board") of Bastrop County Municipal Utility District No. 1 (the "District") met in special session, open to the public, on the 24th day of January, 2022, at the First National Bank, 489 Highway 71 West, Bastrop, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

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.

Due to the COVID-19 virus epidemic emergency and the high threat level warnings issued by various governments and agencies, the District established a telephone option for members of the public to listen to the meeting and to address the Board.

Also attending by telephone were Hal Lanham and Tammy Hargett of AWR Services, Inc. ("AWR"); Mark Huff and Winfred Frazier, residents of the District; Bradley Loehr of Befco Engineering, Inc.; and Kathryn Garner and Janet Swartz of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

There were no comments from the public.

DISCUSS AMENDMENT TO LARGE VOLUME SERVICE AGREEMENT WITH AQUA WATER SUPPLY CORPORATION TO ACQUIRE ADDITIONAL WATER CAPACITY FOR CURRENT AND FUTURE DEVELOPMENT IN THE DISTRICT

Director Adamcik reviewed a report from the Development Committee including proposed amendments to the Large Volume Service Agreement between the District and Aqua Water Supply Corporation ("AWSC"). Mr. Lanham discussed the District's request to AWSC for additional water and the engineering review and feasibility study conducted by the engineering firm, Steger Bizzell for AWSC. Mr. Lanham stated that the District received a copy of the feasibility study and a Preliminary Cost Summary from AWSC. The Preliminary Cost Summary included a system development fee of \$3,900/LUE for the additional water capacity and \$1,000 for legal fees to move forward on the request for additional water. In addition, the discussion with AWSC included the

payment of a reservation fee of \$600/LUE to reserve additional capacity for the future beyond the capacity being currently requested by the District. Director Adamcik discussed the possibility of invoicing current owners of vacant lots for the Aqua System Development Fee that is required by AWSC. The Board discussed payment of \$1,000 to AWSC for legal fees associated with the amendment to the Large Volume Service Agreement. The Board discussed requesting the Aqua System Development Fee from D.R. Horton ("DRH") for \$3,900/LUE for each of the 49 homes it is constructing in the District. Discussion ensued. The Board concurred that water capacity for 60 LUEs should be requested and allocated to the 49 homes being construction by DRH and additional capacity for 11 lots for future homes to be built on platted lots in the District and that the \$3,900/LUE for the 49 DRH homes would be invoiced to DRH and that the \$3,900/LUE for the additional 11 lots would be paid by the District and allocated to homes in the order requests for capacity are received together with the payment of \$3,900/LUE by the requestor. After review and discussion, Director Tullis moved to approve the terms offered by AWSC to provide the additional water requested by the District equal to 60 LUEs, including an Aqua System Development Fee of \$3,900/LUE. Director Patterson seconded the motion, which passed by unanimous vote. The Board tabled for later consideration of the reservation fee of \$600/LUE to reserve additional water capacity for the remaining platted lots in the District for a period of 10 years. The Board concurred to authorize the Development Committee and the District's consultants to continue discussions with AWSC to secure the terms offered and approved by the Board.

After review and discussion, Director Tullis moved to authorize payment to AWSC in the amount of \$1,000 for legal fees associated with the amendment to the Large Volume Service Agreement. Director Patterson seconded the motion, which passed by unanimous vote.

After review and discussion, Director Tullis moved to authorize AWR to send an invoice to DRH for \$3,900/LUE for the 49 homes it is constructing in the District for the Aqua System Development Fee required by AWSC for additional capacity to serve these homes. Director Patterson seconded the motion, which passed by unanimous vote. The Board concurred that the District will not make a payment to AWSC for the Aqua System Development Fee of \$3,900/LUE until the payment from DRH for \$3,900/LUE for the 49 homes is received by the District.

AMENDED RATE ORDER

Ms. Garner discussed an amendment to the Amended Rate Order, including the addition of an Aqua System Development Fee as an additional fee to be paid by Users for connection to the District's System. After review and discussion, Director Tullis moved to approve the amendment to the Amended Rate Order as described by Ms. Garner, and direct that the Order be filed appropriately and retained in the District's official records. Director Patterson seconded the motion, which passed by unanimous vote.

DISCUSS COMMUNICATIONS WITH PROPERTY OWNERS AND RESIDENTS

Director Adamcik discussed a letter to be sent to residents and property owners regarding development matters. A draft of the letter was provided to the directors. After review and discussion, Director Roberts moved to approve the letter to the residents and property owners communicating information included in the draft letter and discussed by Director Adamcik, including Director Sevier's comments. Director Patterson seconded the motion, which passed by unanimous vote.

After discussion, the Board concurred to adjourn the meeting.



Secretary, Board of Directors

(SEAL)

