

MINUTES
BASTROP COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

April 1, 2022

The Board of Directors (the "Board") of Bastrop County Municipal Utility District No. 1 (the "District") met in regular session, open to the public, on the 1st day of April, 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.

Also present at the meeting were Nick Textor, resident of the District; Tammy Hargett of AWR Services, Inc. ("AWR"); and Kathryn Garner of Allen Boone Humphries Robinson LLP ("ABHR").

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 Bradley Loehr of Befco Engineering, Inc.; Hal Lanham of AWR; Terry Holland of Myrtle Cruz, Inc.; and Janet Swartz of ABHR.

PUBLIC COMMENTS

In response to an inquiry from Mr. Textor, Director Adamcik stated that the District is in the process of gathering data on water pressure on upper and lower ColoVista Drive for the District's engineer to review. He added that the review is to determine if any changes need to be made to the water line or valves to regulate the water pressure.

MINUTES

The Board considered approving the minutes of the March 4, 2022, regular meeting. Following review and discussion, Director Tullis moved to approve the minutes of the March 4, 2022, regular meeting. Director Patterson seconded the motion, which passed by unanimous vote.

REPORT ON CURRENT AND FUTURE DEVELOPMENT IN THE DISTRICT

Director Adamcik reported on development in the District. He thanked the Board members and Mr. Textor for the accomplishments over the last few years for the District. He discussed the services the District provides and the possibility of extending the services to include drainage facilities.

Director Adamcik stated that the development committee has requested to meet with representatives of Parliament Group, Inc. to discuss development plans.

Director Adamcik discussed working with the ColoVista Property Owners Association on community matters.

Director Adamcik discussed a line located on the back of a lot on Bobolink Street in the Meadows Section. After discussion, Director Tullis moved to authorize AWR to tap and identify the type of line located at the back of the lot on Bobolink Street. Director Sevier seconded the motion, which passed by unanimous vote.

DISCUSS COMMUNICATIONS WITH PROPERTY OWNERS AND RESIDENTS

There was no discussion on this agenda item.

REPORT ON AQUA WATER SUPPLY CORPORATION ("AWSC") STUDY

Mr. Lanham stated that the District has not received the feasibility study from AWSC.

DISCUSS AMENDMENT TO LARGE VOLUME SERVICE AGREEMENT WITH AWSC TO ACQUIRE ADDITIONAL WATER CAPACITY FOR CURRENT AND FUTURE DEVELOPMENT IN THE DISTRICT AND TAKE ANY NECESSARY ACTIONS

Ms. Garner stated that the District has not received the amendment to the Large Volume Service Agreement for the District's acquisition of additional water capacity being prepared by AWSC. Ms. Garner stated that the AWSC annual membership meeting is today at 2:00 p.m. at 4045 FM 535.

ENGINEERING MATTERS

Mr. Loehr reviewed the engineer's report submitted by Befco Engineering, Inc., a copy of which is attached. He updated the Board on the recoating of the water pressure tank. Mr. Loehr recommended approval of Pay Estimate No. 1 in the amount of \$19,000 to CFG for the recoating of the water pressure tank. Mr. Loehr stated that the contractor will perform a final cleanup at the water plant site.

Mr. Loehr discussed the current water pressure monitoring in the District.

Mr. Loehr stated that ditches that were enlarged and the pipe culverts were not enlarged in the Meadows Section of the District. Director Adamcik discussed the possibility of the District's engineer reviewing the stormwater flows in the area. The Board concurred to ask D.R. Horton and Parliament Group, Inc. for information on the matter.

After review and discussion, Director Tullis moved to (1) approve the engineer's report; and (2) approve Pay Estimate No. 1 in the amount of \$19,000 to CFG for recoating of the water pressure tank, based upon the District engineer's recommendation. Director Patterson seconded the motion, which passed by unanimous vote.

REPORT ON EMERGENCY PREPAREDNESS PLAN

Ms. Hargett stated that the Emergency Preparedness Plan has been submitted to the Texas Commission on Environmental Quality for approval. After discussion, Director Tullis moved to approve the report on the Emergency Preparedness Plan. Director Patterson seconded the motion, which passed by unanimous vote.

OPERATION OF DISTRICT FACILITIES

Ms. Hargett reviewed the operator's report, a copy of which is attached, and reviewed maintenance and repairs at the District's facilities. The report reflected 146 active connections in the District.

Ms. Hargett updated the Board on the recoating of the water pressure tank and stated that AWR replaced a valve to the hydro tank at the plant.

Ms. Hargett stated that the District received \$187,200 from D.R. Horton for the Aqua System Development Fee of \$3,900/LUE for the 48 homes it is constructing in the District.

Mr. Lanham recommended that the Board authorize AWR to evaluate the cost to change from the use of gas chlorine to liquid bleach at the wastewater treatment plant.

Mr. Lanham discussed AWR's responses to calls on grinder pumps.

Mr. Lanham stated that AWR has responded to the property owner who inquired about receiving sewer service from the District. He added that the cost to extend a sewer line to the home is \$17,250 and the tap fee will be \$6,200.

Ms. Hargett discussed replacing a check valve in the District which will necessitate the issuance of a "Boil Water Notice" to the residents. The Board concurred to postpone the replacement of the check valve.

Ms. Hargett reported that there was a 13% water loss in the District.

Ms. Hargett discussed the possibility of converting to the use of a cellular system. She added that AWR is evaluating cellular system options and will report to the Board at a later date.

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

After review and discussion, Director Tullis moved to (1) approve the operator's report; and (2) authorize AWR to evaluate the cost to change from the use of gas chlorine to liquid bleach at the wastewater treatment plant. Director Patterson seconded the motion, which passed by unanimous vote.

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

Ms. Hargett discussed an Annual Red Flag Compliance Report on the District's Identity Theft Prevention Program (the "Program"). She reported no significant incidents of identity theft detection. Ms. Hargett recommended that the Program be amended to remove the requirement that applications for service be notarized since they are processed over the internet. Following review and discussion, Director Tullis moved to (1) accept the annual report on the Program and direct that the report be filed appropriately and retained in the District's official records; and (2) adopt an Amendment to the Order Adopting an Identity Theft Prevention Program and Providing for the Implementation and Enforcement Thereof 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.

CONDUCT ANNUAL REVIEW OF DROUGHT CONTINGENCY PLAN

Ms. Hargett reviewed with the Board the District's current Drought Contingency Plan ("Plan"). She recommended that the Plan be amended to allow for communications to customers regarding drought matters to be sent electronically and be posted on the District's website. Following review and discussion, Director Tullis moved to adopt an Order Adopting Amended and Restated Drought Contingency Plan; Providing for Implementation and Enforcement Thereof; Providing for Penalties for Violations; and Containing Other Provisions Relating to the Subject, 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.

REPORT ON BASTROP COUNTY FEMA HAZARD MITIGATION ACTION PLAN

Director Sevier reported on Bastrop County Hazardous Mitigation Plan matters.

REPORT ON THE DISTRICT WEBSITE

Director Sevier stated she did not have a report on the District website.

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. After review and discussion, Director Tullis moved to approve the bookkeeper's report, investment report, and checks presented for payment. Director Patterson seconded the motion, which passed by unanimous vote.

BLUEBONNET ELECTRIC COOPERATIVE PROXY

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

REPORT FROM TAX ADVISOR

There was no report from the tax advisor.

2022 DIRECTORS ELECTION

Ms. Garner discussed procedures related to the 2022 Directors Election. She presented and reviewed a Resolution Adopting Voting System. After review and discussion, Director Tullis moved to adopt the Resolution Adopting System and direct that the Resolution be filed appropriately and retained in the District's official records. Director Patterson seconded the motion, which passed by unanimous vote.

Ms. Garner discussed that early voting rosters must be posted during the early voting period for the 2022 Directors Election. Following review and discussion, Director Tullis moved to authorize posting of the early voting rosters during the early voting period for the 2022 Directors Election, as required, and to direct that the rosters be filed appropriately and retained in the District's official records. Director Patterson seconded the motion, which passed by unanimous vote.

Ms. Garner stated that the District may contract with Bastrop County to conduct the District's 2022 Directors Election. She added that the Board previously approved an Agreement to Conduct Joint Election with Bastrop County and several other governmental entities. Ms. Garner stated that the District is in receipt of a Contract from the Bastrop County Elections Administrator for conducting the Directors Election. After review and discussion, Director Tullis moved to approve a Contract For Election Services and Agreement to Conduct Joint Election Between The Elections Administrator of Bastrop County and the District, and direct that the Agreement be filed appropriately and retained in the District's official records. Director Patterson seconded the motion, which passed by unanimous vote.

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

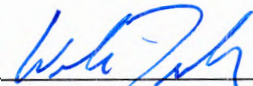
The Board did not convene in Executive Session.

NEXT MEETING DATE

The Board agreed to hold the next meeting on May 16, 2022, at 10:00 a.m. at the First National Bank, 489 Highway 71 West, Bastrop, Texas.

After discussion, the Board concurred to adjourn the meeting.





Secretary, Board of Directors

ATTACHMENTS TO THE MINUTES

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