

MINUTES
BASTROP COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

November 4, 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 4th day of November, 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
William Tullis	Vice President
Jerry B. Patterson	Assistant Vice President
Jane T. Sevier	Secretary
Krystal Mealy	Assistant Secretary

and all of the above were present, thus constituting a quorum.

Also present at the meeting were Carol Livaditis and Elias Livaditis, residents of the District; Tammy Hargett of AWR Services, Inc. ("AWR"); and Nancy Phan of Allen Boone Humphries Robinson LLP ("ABHR").

Also attending by telephone were Bradley Loehr of Befco Engineering, Inc. ("Befco"); Hal Lanham of AWR; Chris Linn of Myrtle Cruz, Inc.; and Kathryn Garner of ABHR.

PUBLIC COMMENTS

There were no comments from the public.

MINUTES

The Board considered approving the minutes of the October 7, 2022, regular meeting. Following review and discussion, Director Tullis moved to approve the minutes of the October 7, 2022, regular meeting. Director Patterson seconded the motion, which passed by unanimous vote.

REPORT ON CURRENT AND FUTURE DEVELOPMENT IN THE DISTRICT

Director Adamcik discussed development in the District and updated the Board on the construction of new homes in the District.

DISCUSS COMMUNICATIONS WITH PROPERTY OWNERS AND RESIDENTS

Director Adamcik stated that a letter to the property owners and residents of the District was sent in the last water bill.

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

Director Adamcik noted that the Board previously approved the Second Amendment to the Large Volume Service Agreement with AWSC, contingent upon the development committee's and ABHR's final review.

FINANCIAL AND BOOKKEEPING MATTERS AND TAX REPORT

Ms. Linn 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.

ENGINEERING MATTERS

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

Mr. Loehr updated the Board on the contract for the relocation of a 4-inch wastewater line to the wastewater treatment plant ("WWTP") and stated that once the contract is executed, a pre-construction meeting will be scheduled.

Mr. Loehr stated that representatives from AWR and Befco met with the vendor for the booster pump to discuss controls and pressure settings.

Mr. Loehr noted that Mr. Textor has taken steps to renew the FEMA System for Award Management (SAM) Registration.

Mr. Loehr stated that there was an additional cost of \$63.20 for the shipping of the alarm system by Macaulay Controls Company.

After review and discussion, Director Tullis moved to (1) approve the engineer's report; and (2) approve payment in the amount of \$63.20 to Macaulay Controls Company. 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.

Ms. Hargett updated the Board on D.R. Horton Homes connections to the District's system.

The Board requested that AWR check the water pressure on Oak Court and Pine Street.

Ms. Hargett discussed the rental of a container to store grinder pumps and spare parts. She stated that the cost for the purchase of a small metal building is \$11,500. After discussion, Director Sevier moved to table approval of the purchase of a small metal building. Director Tullis seconded the motion, which passed by unanimous vote. The Board requested that AWR provide additional information on a small metal building.

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

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

CONSIDER AND DISCUSS THE IMPACT OF POSSIBLE DEVELOPMENT OF AGGREGATE PROCESSING PLANT ON LAND ADJACENT TO THE DISTRICT

Director Adamcik stated that Befco is preparing information on the proposed aggregate processing plant and a map indicating the location of the District and the proposed plant and which will be sent to the Texas Senator Schwertner representing the District.

After review and discussion, Director Adamcik moved to approve a letter from the Board to Bastrop County requesting that the County provide notice to the District and all data concerning any new aggregate processing plant applications made to the County and direct that the letter be filed appropriately and retained in the District's official records. Director Sevier seconded the motion, which passed by unanimous vote.

The Board discussed the engagement of environmental and land development attorneys to represent the District. After review and discussion, Director Adamcik moved to authorize Ms. Garner to obtain proposals from environmental and or land development attorneys to represent the District. Director Patterson seconded the motion, which passed by unanimous vote.

The Board discussed the engagement of an independent engineering firm to audit HH reports and models submitted by companies developing aggregate processing plants. After review and discussion, Director Adamcik moved to obtain proposals from independent engineering firms to audit HH reports and models submitted by companies developing aggregate processing plants. Director Tullis seconded the motion, which passed by unanimous vote.

The Board discussed the organization, Texans for Responsible Aggregate Mining.

REVIEW AND DISCUSS DROUGHT CONTINGENCY PLAN AND TAKE ACTION RELATED TO SAME, IF NECESSARY

This agenda item was tabled.

REPORT ON BASTROP COUNTY FEMA HAZARD MITIGATION ACTION PLAN

There was no discussion on this agenda item.

REPORT ON THE DISTRICT WEBSITE

Director Mealy discussed updates to the District's website.

REVIEW ARBITRAGE REBATE REPORT FOR THE SERIES 2012 REFUNDING BONDS

Ms. Garner stated that OmniCap LLC has completed the Interim Excess Earnings Report on the District's Series 2012 Refunding Bonds (the "Report"). She added that the Report reflects that no yield reduction payment is due to the Internal Revenue Service. After review and discussion, the Board concurred to accept the Report and direct that the Report be filed appropriately and retained in the District's official records.

CONDUCT ANNUAL REVIEW OF INVESTMENT POLICY AND ADOPT RESOLUTION REGARDING ANNUAL REVIEW OF INVESTMENT POLICY

The Board conducted an annual review of the District's Investment Policy and concurred that no changes were necessary at this time. Following review and discussion, Director Tullis moved to adopt a Resolution Regarding Annual Review of Investment Policy reflecting that the current policy will remain in effect 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.

REPORT FROM TAX ADVISOR

There was no report from the tax advisor.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE TO SEEK ADVICE OF ITS ATTORNEY REGARDING PENDING OR CONTEMPLATED LITIGATION OR TO SEEK AND RECEIVE LEGAL ADVICE BY THE DISTRICT'S ATTORNEY

The Board did not convene in executive session.

NEXT MEETING DATE

The Board agreed to hold the next meeting on December 2, 2022, at 10:00 a.m. at the First National Bank, 489 Highway 71 West, Bastrop, Texas.

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



Jane Sevier

Secretary, Board of Directors

ATTACHMENTS TO THE MINUTES

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