

MINUTES  
BASTROP COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

June 2, 2023

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 2nd day of June, 2023, 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:

William Tullis	President
Jerry B. Patterson	Vice President
Jane T. Sevier	Secretary
Krystal Mealy	Assistant Secretary
Steve Adamcik	Director

and all of the above were present, except Directors Sevier and Adamcik, thus constituting a quorum.

Also present at the meeting were residents of the District, including Barbara Lewis, David Lewis, BJ Long, Don Long, Jack Scheugrer, Martha Granger, Nick Textor, and Linda Roberts; Hal Lanham and Tammy Hargett of AWR Services, Inc. ("AWR"); and Kathryn Garner and Janet Swartz of Allen Boone Humphries Robinson LLP ("ABHR").

Also attending by telephone was Steve Adamcik of the Board of Directors of the District; residents of the District, Fran Sodalak, Gary Stevens, Carol Livaditis, and Tandy Adams; Bradley Loehr of Befco Engineering, Inc. ("Befco"); and Terry Holland of Myrtle Cruz, Inc.

PUBLIC COMMENTS

Mr. Adams addressed the Board regarding growth in Colovista and requested that the District and the Colovista Property Owners Association work together to improve the community.

MINUTES

The Board considered approving the minutes of the May 5, 2023, regular meeting. After review and discussion, Director Patterson moved to approve the minutes of the May 5, 2023, regular meeting. Director Tullis 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 Tullis stated that the Board will conduct a special meeting at a date to be determined by the Board with the District's consultants to review the proposed budget for the fiscal year ending September 30, 2024.

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

## REPORT ON CURRENT AND FUTURE DEVELOPMENT IN THE DISTRICT

There was no discussion on this agenda item.

## ADOPT RESOLUTION ESTABLISHING POLICIES AND PROCEDURES FOR COMMUNICATION BY THE BOARD OF DIRECTORS OF BASTROP COUNTY MUNICIPAL UTILITY DISTRICT NO. 1 WITH CERTAIN PERSONS AND ORGANIZATIONS

Ms. Garner reviewed a Resolution Establishing Policies and Procedures for Communication by the Board of Directors of Bastrop County Municipal Utility District No. 1 with Certain Persons and Organizations. She stated that the policy (1) requires a Director to seek Board approval for any communication made on behalf of the Board; (2) requires a Board member to describe in an open public meeting or closed meeting (if required by law) the topics to be discussed, the parties to be addressed and the approximate time period planned for the communication; (3) requires Board consideration and approval of the communication before it occurs; and (4) requires the Director to report either verbally or by written communication to the Board regarding the results of the communication at the next Board meeting following such communication. After review and discussion, Director Patterson moved to adopt a Resolution Establishing Policies and Procedures for Communication by the Board of Directors of Bastrop County Municipal Utility District No. 1 with Certain Persons and Organizations and direct that the Resolution be filed appropriately and retained in the District's official records. Director Mealy seconded the motion, which passed by unanimous vote.

REPORTS FROM DIRECTORS ON COMMUNICATIONS WITH PROPERTY OWNERS OF THE DISTRICT INCLUDING DEVELOPERS, DISTRICT RESIDENTS, AND FEDERAL, STATE AND LOCAL GOVERNMENT OFFICIALS AND AGENCIES

Director Tullis stated that Director Sevier and he met with certain residents in the District to discuss development matters.

ADOPT AMENDED RATE ORDER

Mr. Lanham reviewed a report on tap fee costs to the District and discussed amending the Rate Order. Director Tullis recommended that the District's annual operating costs and fees in the Rate Order be reviewed annually prior to the adoption of the budget.

The Board concurred that the Committee of Directors Sevier and Mealy would review the tap fee recommendations and make recommendations for amendments to the Rate Order. The Board tabled adoption of an Amended Rate Order.

REPORT ON BASTROP COUNTY HAZARD MITIGATION ACTION PLAN, INCLUDING REPORT FROM LANGFORD COMMUNITY MANAGEMENT SERVICES, INC. REGARDING GRANT PREPARATION, AUTHORIZE SECRETARY TO APPROVE INITIATION OF GRANT APPLICATIONS AND SAFEGUARDING TOMORROW REVOLVING STATE LOAN FUND

There was no discussion on this agenda item.

DISCUSS TAX RATE AND PRIORITIZATION OF PROJECTS

Director Adamcik reviewed a chart on Projected Cash Position, a copy of which will be filed appropriately and retained in the District's official records. He discussed the prioritization of capital improvement plan projects.

ENGINEERING MATTERS

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

Mr. Loehr discussed the 2017 FEMA project and estimates for the installation of steel casing of the District's line that crosses the canyon in the District. Mr. Loehr discussed an estimate for backfill of the District's easement and stated that he is obtaining additional estimates to backfill the eroded area.

Mr. Loehr updated the Board on water plant maintenance and stated that the survey has been completed in connection with increasing the pressure setting of the booster pumps and the purchase and installation of two pressure reducing valves to be located in the southwest corner of Riverwalk and near the Colovista Parkway and

Mountain Laurel intersection. He stated that once the capital projects committee has reviewed the plans, he will solicit bids for the project.

Mr. Loehr discussed soliciting bids for the new booster pump. Director Adamcik discussed the funding for the new booster pump and the rehabilitation of the wastewater treatment plant. Director Tullis stated that the costs related to the new booster pump will be discussed at the special meeting on the budget. Ms. Garner stated that the purchase of the new booster pump was approved by the Board at a prior meeting. Mr. Loehr stated that the new booster pump will increase capacity in the District's system, and Director Tullis stated that the District does not have the capacity to serve the lots currently platted in the District.

Director Tullis discussed the utility line crossing on Colovista Parkway and requested that Mr. Loehr add the information on new utilities to the map of the District's system.

Mr. Loehr reported on funding by the U.S. Army Corps of Engineers ("USACE") of a field study to address erosion issues caused by the Colorado River that impacts the District's infrastructure. Mr. Textor stated that a report on the field study will be sent by the USACE to the District on July 12, 2023, and he and Mr. Loehr will review the report.

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

OPERATION OF DISTRICT FACILITIES AND APPROVE CONSUMER CONFIDENCE REPORT AND AUTHORIZE OPERATOR TO DELIVER CONSUMER CONFIDENCE REPORT AND FILE CERTIFICATE OF DELIVERY WITH THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Ms. Hargett reviewed the operator's report, a copy of which is attached.

Ms. Hargett discussed the Consumer Confidence Report ("CCR") with the Board.

Ms. Hargett stated that due to a water leak on Colovista Parkway, AWR repaired a water line that originated at the 2" meter at the golf maintenance barn to the site of the leak. She added that the water line is owned by the owner of the golf course. Director Tullis requested that AWR present the invoice for the repair of the water line at the next meeting and the Board will consider sending the invoice to the property owner of the golf course for payment.

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) approve the CCR and authorize the operator to deliver the CCR, file the

certificate of delivery with the Texas Commission on Environmental Quality, and provide a copy to the Texas Network for posting on the District's website. Director Patterson seconded the motion, which passed by unanimous vote.

AUTHORIZE LETTER TO PGI PROPERTIES ON TAX EXEMPTIONS

The Board discussed sending a letter to PGI Properties regarding special use tax exemptions. After discussion, Director Tullis moved to authorize ABHR to prepare a letter for the Board's approval to PGI Properties regarding special use tax exemptions, if appropriate. Director Patterson seconded the motion, which passed by unanimous vote.

CONSIDER AUTHORIZING CERTAIN DISTRICT CONSULTANTS, INCLUDING THE DISTRICT'S LEGAL COUNSEL AND DISTRICT'S TAX ADVISOR, TO REVIEW AND ANALYZE DEVELOPMENT FINANCING AGREEMENT

Ms. Garner discussed conducting a special meeting to discuss a new Development Financing Agreement with PGI Properties. She added that she will contact Mr. David Patterson regarding additional information he had requested from the Bastrop Central Appraisal District on special use tax exemptions for prior years.

REPORT ON NOTICES RECEIVED FROM THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ON PERMIT APPLICATIONS RELATED TO BASTROP COUNTY

Director Adamcik reported on notices regarding permit applications related to Bastrop County received from the Texas Commission on Environmental Quality.

REPORT ON DISTRICT WEBSITE

Director Mealy discussed the possibility of posting notices to boil water on the District's website. The Board concurred that only District wide notices to boil water would be posted on the District's website. Mr. Lanham stated that the Texas Network will be added to the IRIS system notification list so they can post the District wide notices to boil water on the District's website.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTIONS 551.071 AND 551.074, 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.

PUBLIC COMMENTS CONTINUED

The Board discussed a flyer recently distributed that discussed District taxes. After discussion, Director Tullis moved to authorize ABHR to draft a letter to the residents and appoint a committee of Directors Mealy and Tullis to review the letter. Director Mealy seconded the motion, which passed by unanimous vote. The Board concurred to review and consider approval of the letter at the next meeting.

NEXT MEETING DATE

The Board agreed to hold the next meeting on July 7, 2023, 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.



*Jane Sevier*  
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Secretary, Board of Directors

ATTACHMENTS TO THE MINUTES

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