

MINUTES  
BASTROP COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

December 1, 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 1<sup>st</sup> day of December, 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, thus constituting a quorum.

Also present at the meeting were residents of the District, including Adam LaGesse, Sheryl Adamcik, and Nick Textor; Tammy Hargett of AWR Services, Inc. ("AWR"); and Kathryn Garner, and Megan Leissner of Allen Boone Humphries Robinson LLP ("ABHR").

Also attending the meeting by telephone were Martha Granger, a resident of the District; and Terry Holland of Myrtle Cruz, Inc.

Ms. Garner reviewed (i) the District's Policy on Public Comment and Public Testimony and (ii) the Board of Directors Code of Conduct.

PUBLIC COMMENTS

There were no comments from the public.

MINUTES

The Board considered the revised minutes of the October 6, 2023, regular meeting. Director Adamcik offered additional revisions to the October meeting minutes.

The Board then considered the minutes of the November 3, 2023, regular meeting.

Following review and discussion, Director Mealy moved to (1) approve the minutes of the October 6, 2023, regular meeting with the revisions discussed by the

Board; and (2) approve the minutes of the November 3, 2023, regular meeting as presented. Director Tullis seconded the motion which passed by unanimous vote.

Discussion ensued regarding reports from consultants and consultant attendance at meetings so that they are available for questions from the Board. Following discussion, the Board took no action.

#### FINANCIAL AND BOOKKEEPING MATTERS, AND TAX REPORT

Mr. Holland reviewed the bookkeeper's report, including the invoices submitted for approval, transfers, investment report, energy report, and year-to-date budget. A copy of the bookkeeper's report is attached.

Mr. Nick Textor, resident of the District, entered the meeting.

Discussion ensued regarding the invoices submitted for payment by the consultants of the District. Following discussion, the Board requested that District consultants include detailed descriptions of the services the consultant provided to the District for the associated invoices submitted for payment.

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.

#### EMINENT DOMAIN REPORT

Ms. Garner reported that ABHR will file the District's Eminent Domain Authority Annual Report with the Comptroller of the State of Texas pursuant to Section 2206.154, Texas Government Code. The Report will state that the District has not used its eminent domain authority in calendar year 2023.

#### ANNUAL REVIEW OF OPERATING COSTS AND DISCUSS ANY NECESSARY AMENDMENTS TO THE AMENDED RATE ORDER

The Board concurred that they would discuss this agenda item during the special budget meeting in February 2024.

#### CERTIFIED TAX ROLL

Ms. Garner reviewed with the Board the request received from the Bastrop County Tax Assessor/Collector to approve the Tax Roll for the 2023 tax year. After review and discussion, the Board concurred to postpone taking action on this agenda item.

## REPORT FROM TAX ADVISOR

Ms. Garner stated that the District's tax advisor, David Patterson of Assessments of the Southwest, was unable to attend the District's December meeting but will attend the January meeting.

## DISTRICT COMMUNICATIONS

Director Sevier stated that she spoke with representatives from PGI Properties LP ("PGI") regarding the use and development of the lots owned by PGI in the District. The Board considered scheduling a meeting with PGI in 2024 to discuss this matter. Following discussion, the Board took no action.

## ENGINEERING MATTERS

Director Tullis reviewed the engineer's report prepared by BEFCO Engineering, Inc., a copy of which is attached, and updated the Board on projects included in the report.

Discussion ensued regarding the water plant and the installation of the new pump. After review and discussion, Director Tullis moved to approve the engineer's report. Director Adamcik 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 updated the Board on operation and routine maintenance of District facilities.

Ms. Hargett reviewed photos of the District's water pumps, changes in the identification of the pumps, and recent repairs made to the pumps. Discussion ensued regarding invoices from AWR associated with multiple repairs made to pump no. 2 following the pump's installation by Zone Industries. Following discussion, Director Tullis stated that he would work with the District's engineer to resolve the recurring issue with the pump and discuss pricing with Zone Industries for future repairs of the pumps.

Ms. Hargett stated that Stage 2 Mandatory Water Restrictions will continue until the replacement for pump no. 1 is installed. She stated that the first of three water conservation brochures prepared by the Texas Water Development Board was included in this month's statement to customers.

Ms. Hargett stated that the insurance claim related to the pump failures and costs for the water plant work and pump installations is in process.

Ms. Hargett reported on grinder pump calls. She stated that AWR is waiting on a response from D.R. Horton, Inc. ("DRH") regarding the invoice sent by AWR to DRH

for the cost to repair the broken discharge lines on homes DRH constructed in the last year. She stated that AWR will draft a grinder pump installation guide intended to prevent more broken discharge lines and provide it to the Board subcommittee for review before presenting it the Board.

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

#### AQUA WATER SUPPLY CORPORATION MATTERS

Director Adamcik reported that he and Director Patterson attended the last meeting of the Board of Directors of Aqua Water Supply Corporation ("Aqua"). He stated that the Aqua Board did not approve resuming the processing of feasibility study requests and approval of requests for additional water capacity. Discussion ensued regarding the District's process for purchasing additional water capacity from Aqua and sending a letter to landowners in the District regarding details to reserve District water capacity for vacant lots in the District. Following discussion, Director Sevier moved to send a letter to landowners in the District with information regarding the reservation of water capacity for undeveloped lots in the District. Director Mealy seconded the motion, which passed by unanimous vote.

Director Adamcik left the meeting.

#### DISCUSS WATER TAPS IN THE DISTRICT AND AUTHORIZE APPROPRIATE ACTION

There was no discussion on this agenda item.

#### REPORT ON DISTRICT WEBSITE

Ms. Garner reported that the District's website manager, Texas Network, is increasing its monthly rate starting in January 2024. Following discussion, Director Mealy moved to approve the increased monthly rate to Texas Network starting in January 2024. Director Tullis seconded the motion which passed by unanimous vote.

#### REPORT ON HAZARD MITIGATION PLAN

Mr. Textor stated that he met with representatives from the Texas Department of Emergency Management ("TDEM") to discuss the Federal Emergency Management Agency ("FEMA") grant opportunities available to the District through TDEM that were discussed at the last meeting. He presented a report regarding the FEMA grant opportunities, a copy of which is attached. Discussion ensued regarding the Hazard Mitigation committee and future communication with the TDEM representatives. Following discussion, the Board took no action.

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 convened in executive session at 12:10 p.m. pursuant to Section 551.071 Texas Government Code to conduct a private consultation with its attorney to discuss pending or contemplated litigation, or a settlement offer.

RECONVENE IN OPEN SESSION

The Board reconvened in open session at 12:34 p.m.

Discussion ensued regarding available water capacity for vacant lots in the District. Following discussion, Director Tullis moved to rescind the prior motion by the Board to send a letter to landowners in the District regarding additional capacity for undeveloped lots in the District until the Board has the necessary information from Aqua. Director Mealy seconded the motion which passed by unanimous vote.

NEXT MEETING DATE

The Board agreed to hold the next meeting on January 5, 2024, at 10:00 a.m. at the First National Bank, 489 Highway 71 West, Bastrop, Texas.

There being no further business to come before the Board, the meeting adjourned.



*Jane Sevier*  
Secretary, Board of Directors

ATTACHMENTS TO THE MINUTES

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