

MINUTES
BASTROP COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

February 12, 2024

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 12th day of February, 2024, 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 members of the public: Sheryl Adamcik, Becky Minardi, Martha Granger, Doug Granger, Joe Frey, Pamela Cox, and Nick Textor; and Kathryn Garner and Megan Leissner of Allen Boone Humphries Robinson LLP ("ABHR").

Also attending the meeting by telephone were members of the public, Teri Mealy and Gary Stevens.

PUBLIC COMMENTS

Mr. Stevens addressed the Board regarding the use of District funds and the implementation of standby fees.

There being no other members of the public requesting to make public comment, the Board moved to the next agenda item.

DISCUSS BUDGET FOR FISCAL YEAR END SEPTEMBER 30, 2025

The Board discussed the budget for the fiscal year ending September 30, 2024, including the District's Rate Order, standby fees, the reservation of additional water capacity in the District, and ad valorem property tax values and exemptions.

The Board considered amending the District's Rate Order to update water rates and base fees. After discussion, Director Mealy moved to adopt an Amended Rate Order to reflect an increase of the minimum monthly charge per single family equivalent connection to \$60.00 and to implement a flat rate for water usage in the amount of \$7.08 per 1,000 gallons of metered water, and direct that the Amended Rate

Order be filed appropriately and retained in the District's official records. Director Tullis seconded the motion which passed by unanimous vote.

The Board discussed implementing standby fees, including the costs associated with applying to the Texas Commission on Environmental Quality for approval to assess standby fees on certain undeveloped property in the District, and the cost to hire a consultant to assist the Board on this matter. After discussion, the Board deferred action on this agenda item.

The Board discussed matters related to Aqua Water Supply Corporation ("Aqua") and reserving additional water capacity for undeveloped lots and future development in the District. Director Adamcik stated that two applications for feasibility studies were submitted to Aqua including a study for 85 Living Unit Equivalents ("LUEs") reserved for undeveloped lots in the District and a study for 100 LUEs reserved for future lots in the District. He stated that PGI Properties agreed to reimburse the District for the cost of the feasibility study related to the future lots. Discussion ensued regarding sending a letter to landowners in the District regarding details to reserve District water capacity for vacant lots in the District. After review and discussion, Director Tullis moved to authorize Ms. Garner to prepare a letter to landowners in the District regarding details to reserve District water capacity for vacant lots in the District. Director Patterson seconded the motion which passed with Director Adamcik and Director Mealy voting in favor and Director Sevier abstaining from voting.

Ms. Garner presented and reviewed a resolution concerning optional exemptions from taxation, including a general residential homestead exemption and a homestead exemption for disabled persons or persons over 65 years of age. After review and discussion, Director Adamcik moved to adopt a Resolution Concerning Exemptions from Taxation reflecting that the Board of Directors rejects all of the optional exemptions and to direct that the Resolution be filed appropriately and retained in the District's official records. Director Tullis seconded the motion, which passed with Director Patterson voting in favor, Director Sevier abstaining from voting, and Director Mealy voting against the motion.

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.

NEXT MEETING DATE

The Board agreed to hold the next meeting on March 1, 2024, 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 Sewer

Secretary Board of Directors