

MINUTES  
BASTROP COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

March 1, 2024

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 March, 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 residents of the District, including Sheryl Adamcik, Pamela Cox, Doug Granger, Martha Granger, Adam LeGessee, Robert D. Lewis, Becky Minardi, Emanuele Minardi, and Brian Thornton; Tammy Hargett of AWR Services, Inc. ("AWR"); and Kathryn Garner, and Haley Maddox of Allen Boone Humphries Robinson LLP ("ABHR").

Also attending the meeting by telephone were members of the public: Tandy Adams and Logan Henderson; Terry Holland of Myrtle Cruz, Inc. ("Myrtle Cruz"), David Patterson of Assessments of the Southwest ("ASW"), and Bradley Loehr of Befco Engineering ("Befco").

Ms. Garner stated that the Board will use a consent agenda and that Directors can remove items from the consent agenda if desired.

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

Mr. Lewis addressed the Board regarding PGI Properties and a potential Developer Financing Agreement between PGI Properties and the District.

CONSENT AGENDA

Ms. Garner offered Board members the opportunity to remove items from the consent agenda for individual discussion. The Board concurred to remove the minutes of the February 2, 2024, regular meeting and the February 12, 2024, special meeting from the consent agenda for individual discussion.

Following discussion, Director Adamcik moved to approve all items on the consent agenda, except the minutes of the February 2, 2024, regular meeting, and the February 12, 2024, special meeting, and direct that, where appropriate, the documents be filed appropriately and retained in the District's official records, including the: (1) Bookkeeper's report; (2) Operator's Report; (3) Report on District website; and (4) Report on Hazard Mitigation Plan. Director Tullis seconded the motion, which passed unanimously.

Copies of the Bookkeeper's report, Operator's report, and Engineer's report are attached.

## MINUTES

The Board considered the minutes of the February 2, 2024, regular meeting and discussed the necessary revisions to the minutes. Following discussion, the Board concurred to consider approval of the February 2, 2024, minutes at the next meeting.

The Board then considered the minutes of the February 12, 2024, special meeting. Following review and discussion, Director Adamcik moved to approve the minutes of the February 12, 2024, special meeting. Director Tullis seconded the motion, which passed by unanimous vote.

## DISCUSS FEES FOR 1.5-INCH AND 2-INCH WATER METERS, AND AMEND THE DISTRICT'S RATE ORDER, IF NECESSARY

The Board considered amending the District's Rate Order to update fees for 1.5-inch and 2-inch water meters. Following review and discussion, the Board deferred action on this agenda item.

## REVIEW CRITICAL LOAD SPREADHSHEET AND AUTHORIZE ANNUAL FILING

The Board reviewed the District's critical load spreadsheet, which had been previously provided to the District's operator, engineer, and bookkeeper for review. A copy of the critical load spreadsheet is attached. Ms. Garner noted that the information on the District's facilities included in the critical load spreadsheet is required to be reviewed at least annually and provided to certain entities, which include the District's electricity provider, the Public Utility Commission, and other governmental entities. After review and discussion, Director Sevier moved to approve the critical load spreadsheet, authorize providing it to the appropriate entities, and direct that a copy be retained in the District's official records. Director Adamcik seconded the motion, which passed by unanimous vote.

## REVIEW EMERGENCY PREPAREDNESS PLAN

Ms. Garner stated that the Emergency Preparedness Plan ("EPP") was filed with all required governmental entities. She stated that no updates to the EPP are necessary at this time.

APPROVE APPLICATION FOR RENEWAL OF TEXAS POLLUTANT DISCHARGE  
ELIMINATION SYSTEM ("TPDES") PERMIT NO. WQ0013894001

Mr. Loehr stated that the renewal application of the TPDES Permit No. WQ001389001 will be submitted next month.

REVIEW DROUGHT CONTINGENCY PLAN

The Board reviewed the District's Drought Contingency Plan ("DCP"). Following review and discussion, the Board deferred action on this agenda item.

ANNUAL REVIEW OF PROCEDURES FOR CONTINUING DISCLOSURE  
COMPLIANCE

The Board reviewed the District's procedures for continuing disclosure compliance. Ms. Garner stated that no changes are required at this time. Following discussion, Director Sevier moved to approve the annual review of the procedures for continuing disclosure compliance. Director Tullis seconded the motion, which passed by unanimous vote.

REPORT FROM TAX ADVISOR

The Board reviewed a report prepared by the District's tax advisor, Assessments of the Southwest, regarding certain exemptions from District ad valorem taxes, including homestead exemptions, and the impact of such exemptions on the District's tax revenues. A copy of the report is attached.

DISTRICT COMMUNICATIONS

Ms. Garner stated that she is drafting a letter to District landowners regarding reserving water capacity for undeveloped lots in the District and the cost for such reservation. Discussion ensued regarding the necessary information to include in the letter and how to track the water reservation requests from undeveloped lot owners in the District. Following discussion, the Board asked AWR to prepare a system for the District to track the water reservation requests from undeveloped lot owners and present the system to the Board at the next meeting. The Board concurred to consider approval of the letter to landowners regarding reserving water capacity at the next meeting.

The Board considered authorizing Director Adamcik and Director Tullis to meet with the Interim General Manager of Aqua Water Supply Corporation ("Aqua"), Dacey Cameron, to request a tariff deviation for the District. Following discussion, Director Sevier moved to authorize Director Adamcik and Director Tullis to meet with Dacey Cameron of Aqua regarding a tariff deviation and give a presentation to Aqua, if requested by Aqua. Director Patterson seconded the motion, which passed by unanimous vote.

## AQUA WATER SUPPLY CORPORATION MATTERS

The Board discussed the feasibility studies that were submitted to Aqua for additional water capacity in the District. Ms. Sevier reported PGI Properties requested that the District cancel the feasibility study application related to its future lots. She stated that one application for 85 Living Unit Equivalents (“LUEs”) was submitted to Aqua.

## 2024 DIRECTORS ELECTION

Ms. Garner discussed procedures related to the 2024 Directors Election. She presented and reviewed a Resolution Adopting Voting System.

Ms. Garner discussed that early voting rosters must be posted during the early voting period for the 2024 Directors Election.

Ms. Garner stated that the District may contract with Bastrop County to conduct the District’s 2024 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.

Following review and discussion, Director Tullis moved to (1) adopt the Resolution Adopting Voting System, and direct that the Resolution be filed appropriately and retained in the District’s official records and (2) authorize posting of the early voting rosters during the early voting period for the 2024 Directors Election, as required, and to direct that the rosters be filed appropriately and retained in the District’s official records; and (3) 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.

The Board discussed the estimated costs to the District associated with conducting 2024 Directors Election.

Mr. Thornton addressed the Board regarding the necessity of the District and the property owners association to work together regarding the Colovista Golf Course.

## 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 10:57a.m. pursuant to Section 551.071 Texas Government Code to conduct a private consultation with its attorney to discuss

pending or contemplated litigation or to seek and receive legal advice by the District's attorney.

RECONVENE IN OPEN SESSION

The Board reconvened in open session at 11:37a.m. The Board took no action.

NEXT MEETING DATE

The Board agreed to hold the next meeting on April 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 Sewer*  
Secretary, Board of Directors

ATTACHMENTS TO THE MINUTES

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