

MINUTES
BASTROP COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

May 13, 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 13th day of May, 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, except Director Adamcik, thus constituting a quorum.

Also present at the meeting were: residents of the District, including Pamela Cox, Doug Granger, Martha Granger, Adam LeGesse, Becky Minardi, and Alex Vana; 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 members of the public Gary Stevens, Logan Henderson, and Brandy Henderson; and Terry Holland of Myrtle Cruz, Inc. ("Myrtle Cruz").

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

There were no comments from the public.

CONSENT AGENDA

Ms. Garner offered Board members the opportunity to remove items from the consent agenda for individual discussion. Following discussion, Director Tullis made a motion to move agenda item no. 3 - Engineering matters, to the non-consent agenda. Director Patterson seconded the motion which passed by unanimous vote.

Following discussion, Director Tullis moved to approve all items on the consent agenda, except agenda item no. 3, and direct that, where appropriate, the documents be filed appropriately and retained in the District's official records, including the: (1) minutes of the April 5, 2024, regular meeting; (2) Bookkeeper's report; (3) Operator's Report; (4) report on District website; and (5) Report on Hazard Mitigation Plan. Director Patterson seconded the motion, which passed by unanimous vote.

A copy of the Bookkeeper's report and Operator's Report is attached.

Following further discussion, Director Tullis moved to revise his motion to approve all items on the consent agenda, and direct that, where appropriate, the documents be filed appropriately and retained in the District's official records, including the: (1) minutes of the April 5, 2024, regular meeting; (2) Bookkeeper's report; (3) Engineer's Report; (4) Operator's Report; (5) Report on District website; and (6) Report on Hazard Mitigation Plan. Director Mealy seconded the motion, which passed by unanimous vote.

A copy of the Engineer's report is attached.

2024 DIRECTORS ELECTION

The Board reviewed the certified returns from Bastrop County for the District's May 4, 2024, Directors Election. Ms. Garner presented an Order Canvassing Returns and Declaring Results of Directors Election, reflecting the following results, as indicated in the certified returns:

<u>Candidate Name</u>	<u>Votes</u>
Will Tullis	91
Doug Granger	87
Steve Adamcik	51
Brian Thornton	44

Ms. Garner noted the completion of the canvass of the returns of the election pursuant to Section 67.004(g), Texas Election Code. Director Patterson seconded the motion, which passed by unanimous vote.

The Board reviewed a Certificate of Election, reflecting the election of Will Tullis and Doug Granger to the Board of Directors of the District each for a four-year term ending May 6, 2028.

Ms. Garner stated that Doug Granger and Will Tullis each executed a Sworn Statement, Official Bond, and Oath of Office, as required by the Texas Constitution and Texas Water Code.

After review and discussion, Director Tullis moved to (1) adopt the Order Canvassing Returns and Declaring Results of Directors Election, reflecting that Will

Tullis and Doug Granger have been elected to the Board of Directors, each to serve a four-year term, and direct that the Order be filed appropriately and retained in the District's official records; (2) approve the Certificate of Election and the distribution of same to Directors Tullis and Granger and direct that the Certificate of Election be filed appropriately and retained in the District's official records; and (3) approve the Sworn Statements, Bond, and Oaths of Office of Directors Tullis and Granger, and direct that they be filed and retained in the District's official records and that the Oath of Office be filed with the Secretary of State of the State of Texas. Director Patterson seconded the motion, which passed by unanimous vote.

REORGANIZE BOARD AND ELECT OFFICERS

The Board then considered reorganizing the Board. After discussion, the Director Tullis moved to reorganize the Board as follows:

William Tullis	President
Jerry B. Patterson	Vice President
Jane T. Sevier	Secretary
Krystal Mealy	Assistant Secretary
Doug Granger	Assistant Vice President

Director Patterson seconded the motion, which passed by unanimous vote.

AUTHORIZE FILING OF DISTRICT REGISTRATION FORM WITH TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Ms. Garner stated the District Registration Form must be filed with the Texas Commission on Environmental Quality ("TCEQ") to show the new slate of officers. After discussion, Director Tullis moved to authorize ABHR to file the District Registration Form with the TCEQ. Director Patterson seconded the motion, which passed by unanimous vote.

OPEN MEETINGS ACT AND PUBLIC INFORMATION ACT TRAINING REQUIREMENTS

Ms. Garner distributed and reviewed a memorandum regarding the Texas Open Meetings Act and the Texas Public Information Act training requirements for Directors and stated that Directors Tullis and Granger are required to receive their training within 90 days of taking the Oath of Office and forward their certificate of completion to ABHR for inclusion in the District's permanent records.

CONFLICT OF INTEREST DISCLOSURE REQUIRED UNDER CHAPTER 176 OF THE LOCAL GOVERNMENT CODE, INCLUDING REVIEW OF DISCLOSURE FORMS ADOPTED BY THE TEXAS ETHICS COMMISSION AND LIST OF LOCAL GOVERNMENT OFFICERS

Ms. Garner reviewed with the Board legislation enacting Chapter 176 of the Texas Local Government Code, which requires directors and consultants to disclose certain conflicts of interest. She stated that forms adopted by the Texas Ethics Commission for making disclosures under Chapter 176 are required to be filed, if a conflict exists, with the records administrator for the District. Ms. Garner encouraged the Directors to contact ABHR if assistance is needed in determining whether a conflict exists, and if so, how to make a disclosure of the conflict.

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

Ms. Hargett discussed the Consumer Confidence Report ("CCR") with the Board, a copy of which is attached, and stated that the CCR will be filed with the Texas Commission on Environmental Quality ("TCEQ") and posted on the District's website. Following review and discussion, Director Tullis moved to approve the CCR and authorize the operator to deliver the CCR, file the certificate of delivery with the TCEQ, and provide a copy to the Texas Network for posting on the District's website. Director Sevier seconded the motion, which passed by unanimous vote.

CONDUCT ANNUAL REVIEW AND RECEIVE REPORT FROM OPERATOR ON IDENTITY THEFT PREVENTION PROGRAM AND ADOPT IDENTITY THEFT PREVENTION PROGRAM AMENDMENT

Ms. Hargett presented and reviewed the annual report on the District's Identity Theft Prevention Program, a copy of which is included in the operator's report. She stated that the annual report indicates no significant incidents of identity theft detection and recommended no changes to the program at this time. Following review and discussion, Director Tullis moved to accept the annual report on the Identity Theft Prevention Program, continue the program as currently operating, and direct that the report be filed appropriately and retained in the District's official records. Director Sevier seconded the motion, which passed by unanimous vote.

AQUA WATER SUPPLY CORPORATION MATTERS

Director Tullis stated that the feasibility study is in progress by Aqua Water Supply Corporation ("Aqua").

DISCUSS SHIPPING CONTAINER AT WASTEWATER TREATMENT PLANT

Ms. Hargett discussed a shipping container for sale that the Board can purchase to replace the shipping container that the District is currently leasing. She requested authorization to purchase a shipping container in the amount of \$4,485.00 plus \$378.00 for delivery of the shipping container. Discussion ensued regarding alternative container suppliers. Following discussion, Director Tullis moved to authorize AWR to research alternative shipping container suppliers and purchase a shipping container in an amount not to exceed \$5,000.00, including the cost of installation and delivery. Director Patterson seconded the motion, which passed by unanimous vote.

DISCUSS POTENTIAL FUTURE DEVELOPMENT COSTS

Director Tullis stated that there was no update on this agenda item.

The Board considered the appointment of Directors to Board committees. Following discussion, the Board concurred to appoint Directors to Board committees as follows:

Aqua Committee: Directors Tullis and Granger

Development Committee: Directors Tullis and Sevier

Financial Committee: Directors Patterson and Mealy

Operation and Construction Committee: Directors Tullis and Patterson

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

The Board deferred action on this agenda item.

REVIEW DROUGHT CONTINGENCY PLAN AND ORDER ADOPTING AMENDED AND RESTATED DROUGHT CONTINGENCY PLAN

The Board concurred to consider at a future meeting to amend the District's Drought Contingency Plan ("DCP") in connection with the DCP of Aqua and LCRA.

REPORT FROM TAX ADVISOR AND PRELIMINARY VALUES AND CERTIFIED VALUES

Ms. Garner discussed the preliminary and certified tax values of the District received by Bastrop County Appraisal District. She stated that she will request that the District's Tax Advisor, David Patterson, attend a future meeting to discuss the preliminary and certified tax values with the Board.

DISTRICT COMMUNICATIONS

Director Mealy and Ms. Hargett updated the Board regarding the District's website.

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 a special meeting to discuss the District's budget on May 22, 2024, at 10:00 a.m., at ColoVista Country Club, 100 Country Club Dr., Bastrop, Texas; and the next regular meeting on June 7, 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 Lewis
Secretary, Board of Directors

ATTACHMENTS TO THE MINUTES

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