

MINUTES
BASTROP COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

November 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 1st day of November, 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
Doug Granger	Assistant Vice President

and all of the above were present, except Directors Patterson and Mealy, thus constituting a quorum.

Also present at the meeting were; 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 was Terry Holland of Myrtle Cruz, Inc.

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

PUBLIC COMMENTS

There were no comments from the public.

DISCUSS BUDGET FOR FISCAL YEAR END SEPTEMBER 30, 2025, INCLUDING RELATED INFORMATION AND DOCUMENTS

Director Patterson entered the meeting.

The Board discussed the budget for the fiscal year ending September 30, 2025, and discussed matters related to Aqua Water Supply Corporation ("Aqua") including the reservation of additional water capacity related to development in the District and the terms of a potential future agreement with Aqua. The Board also discussed the necessity and timing of capital improvement projects related to the District's facilities, including capital projects to be completed during the 2025 fiscal year and major capital projects.

CONSENT AGENDA

Ms. Garner offered Board members the opportunity to remove items from the consent for individual discussion.

Following discussion, Director Tullis moved approve all items on the consent agenda, except agenda item no. 3, Engineering Matters, and direct that where appropriate, the documents be filed appropriately and retained in the District's official records, including the: (1) Minutes of the September 6, 2024, regular meeting; (2) Bookkeeper's Report; (3) Operator's Report; (4) Report on District website; and (5) Report on Hazard Mitigation Plan and Capital Improvement Plan. Director Sevier seconded the motion, which passed by unanimous vote.

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

DISCUSS MATTERS REGARDING WATER FLOW FOR FIRE PROTECTION

There was no discussion on this agenda item. The Board concurred to remove this agenda item from the agenda for future meetings.

CONSIDER LETTER TO HOMEOWNERS WITH TOPICS INCLUDING CAPACITY TO PROVIDE WATER AND SEWER SERVICES FOR VACANT LOTS IN THE DISTRICT, DEVELOPMENT IN THE DISTRICT, OTHER TOPICS RELATED TO DISTRICT MATTERS; AND DISCUSS AQUA WATER SUPPLY CORPORATION ("AQUA") MATTERS, INCLUDING, BUT NOT LIMITED TO, FEASIBILITY STUDY, ADDITIONAL CAPACITY, POTENTIAL COST OF FULL DEVELOPMENT, NEW AQUA AGREEMENT, AMENDMENTS, IF ANY, TO THE DISTRICT'S DROUGHT CONTINGENCY PLAN REQUIRED BY NEW AQUA AGREEMENT

The Board considered sending 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 current and potential future agreement between Aqua and the District, and the history of development in the District.

Bradley Loehr of Befco Engineering, Inc. joined the meeting by telephone.

Martha Granger, member of the public, joined the meeting by telephone.

Following discussion, Director Tullis moved to authorize ABHR to discuss the terms of a new agreement with Aqua's legal counsel. Director Sevier seconded the motion, which passed by unanimous vote.

ENGINEERING MATTERS, INCLUDING WATER PLANT AND WASTEWATER TREATMENT PLANT CAPACITIES

Mr. Loehr reviewed the engineer's report prepared by BEFCO Engineering, Inc., a copy of which is attached, and updated the Board on projects, as reflected in the report.

Mr. Loehr updated the Board on the 2017 FEMA project and discussed the necessary restorations to eroded areas around the waterline at the townhomes in the District. The Board discussed the timeline and estimated cost of the project, including the amount that will be paid by FEMA, and securing an easement for the project due to the need to access land that is not owned by the District.

Following review and discussion, Director Tullis moved to authorize Befco to proceed with the design, surveying, and preparation of the bid documents for the FEMA 2017 project to replace the waterline of the townhomes in the District that was damaged during Hurricane Harvey with an existing 3-inch lock jointed pipe waterline and a 6-inch steel encasement. Director Sevier seconded the motion, which passed by unanimous vote.

Following further review and discussion, Director Tullis moved to approve the engineering report. Director Sevier seconded the motion, which passed by unanimous vote.

Mr. Loehr left the meeting.

CONDUCT REVIEW OF THE DISTRICT'S AMENDED RATE ORDER

The Board considered amending the District's Rate Order to reflect a new fee to reserve water capacity in the District. Following discussion, Director Tullis moved to adopt the Amended Rate Order to reflect a reservation fee as discussed, and direct that the Amended Rate Order be filed appropriately and retained in the District's official records. Director Sevier seconded the motion, which passed by unanimous vote.

REPORT FROM TAX ADVISOR

There was no discussion on this agenda item.

DISTRICT COMMUNICATIONS

The Board considered authorizing Director Tullis to speak with Dacey Cameron of Aqua regarding Aqua's capacity to provide the necessary water pressure for the District and eliminating the air gap requirement for the District. Following discussion, Director Tullis moved to authorize Director Tullis to speak with Dacey Cameron of Aqua regarding Aqua's capacity to provide the necessary water pressure for the District

and eliminating the air gap requirement for the District. Director Granger seconded the motion, which passed by unanimous vote.

DISCUSS MATTERS REGARDING WATER FLOW FOR FIRE PROTECTION

There was no discussion on this agenda item.

LEAD AND COPPER SERVICE LINE INVENTORY, INCLUDING APPROVE RELATED NOTICES

Ms. Hargett updated the Board on the District's lead and copper service line inventory (the "Lead & Copper Inventory"). Discussion ensued and the Board concurred to post the following notice to the public as part of these minutes:

Bastrop County Municipal Utility District No. 1 has completed the Lead & Copper Inventory as required by the U.S. Environmental Protection Agency. Through records research and field investigation of the distribution system, it has been determined that the system has no lead service lines or galvanized pipes requiring replacement service lines. If you would like a copy of the Lead & Copper Inventory, please submit your request to bas001@txdistricts.info.

Following review and discussion, the board concurred to approve the District's Lead & Copper Inventory, make a copy of the inventory available by request submitted to bas001@txdistricts.info and post notice of the availability of the inventory in these minutes, as stated above.

CONDUCT REVIEW OF INVESTMENT POLICY AND ADOPT RESOLUTION REGARDING ANNUAL REVIEW OF INVESTMENT POLICY

The Board conducted its annual review of the District's Investment Policy, and Ms. Garner stated that neither ABHR nor the bookkeeper have any recommended changes. Following review and discussion, Director Tullis moved to adopt a Resolution Regarding Annual Review of Investment Policy and to direct that a copy of the resolution be filed and retained in the District's records. Director Sevier seconded the motion which passed by unanimous vote.

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 meeting the next regular meeting on December 6, 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.



Jose Serrin
Secretary, Board of Directors

ATTACHMENTS TO THE MINUTES

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