

MINUTES
BASTROP COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

July 14, 2025

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 14th day of July, 2025, 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, thus constituting a quorum.

Also present at the meeting were: Tammy Hargett and Maranda Bretts of Si Environmental, LLC ("Si Enviro"); and Kathryn Garner, and Luke Roswell of Allen Boone Humphries Robinson LLP ("ABHR").

Also attending the meeting by telephone were Terry Holland of Myrtle Cruz, Inc ("the bookkeeper"); and Bradley Loehr of Befco Engineering Inc. ("Befco").

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 was no public comment.

CONSENT AGENDA

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

Following discussion, Director Tullis moved 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 June 9, 2025, regular meeting; (2) Bookkeeper's Report; (3) Engineer's Report; (4) Report on District Website; and (5) Report on Hazard Mitigation Plan and Capital Improvement Plan. Director Patterson seconded the motion, which passed by unanimous vote.

Copies of the Bookkeeper's Report and Engineer's Report are attached.

OPERATION OF DISTRICT FACILITIES, INCLUDING BILLINGS, REPAIRS, AND MAINTENANCE

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 stated the District remains in Stage 1 Voluntary water restriction.

Ms. Hargett discussed the deposits received for the living unit equivalent ("LUE") reservations and stated that the deposits will be added in the August bookkeeper's report as a separate line item.

Following review and discussion, Director Granger moved to approve the operator's report. Director Sevier seconded the motion, which passed unanimously.

ADOPT RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2025 TAX YEAR

Ms. Garner discussed the "truth-in-taxation" property tax calculations and tax levy process for water districts and stated that Chapter 49 of the Texas Water Code establishes three main categories for water districts, based on a district's development status and/or tax rate. She reviewed the definitions for each of the three categories and said the Board must annually determine the District's category for that tax year and follow the associated notice and levy provisions in the Texas Water Code.

Discussion ensued regarding the District's development status. After considering relevant data, information, and statutory definitions, the Board determined that the District is a Developing District for the 2025 tax year.

Following review and discussion, Director Tullis moved to adopt a Resolution Regarding Development Status for 2025 Tax Year Establishing the District as a Developing District for the 2025 tax year, pursuant to Section 49.23603, Texas Water Code, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Sevier seconded the motion, which passed by unanimous vote.

CONDUCT ANNUAL REVIEW OF DROUGHT CONTINGENCY PLAN

The Board tabled this agenda item pending approval of the Wholesale Service Agreement Between Aqua Water Supply Corporation and Bastrop County MUD No. 1 (the "Aqua Agreement").

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

Ms. Garner discussed the Aqua Agreement. She stated that Ty Embrey of Lloyd Gosselink Rochelle & Townsend, P.C. is continuing to review the District's comments to the proposed Aqua Agreement.

Ms. Hargett stated that Si Enviro notified owners of platted undeveloped lots that the District has granted an extension to reserve a LUE until July 31, 2025.

Discussion ensued regarding the amount of LUEs available in the District and the number of reservations to be included in the Aqua Agreement. No action was taken.

CONSIDER LETTER TO PROPERTY OWNERS, INCLUDING CAPACITY TO PROVIDE WATER AND SEWER SERVICES TO VACANT LOTS IN THE DISTRICT

There was no discussion on this agenda item.

RENEW MAINTENANCE PLAN FOR GENERATOR

Ms. Hargett stated that HOLT Power Systems ("HOLT") provides an annual preventative maintenance plan for the District's generator. She discussed the services that HOLT provides and requested that the Board approve the updated maintenance plan for the generator maintenance.

Discussion ensued regarding inspection of the District's generator.

Following discussion, Director Granger moved to approve the maintenance plan from HOLT for preventative maintenance to the generator. Director Sevier seconded the motion, which passed by unanimous vote.

VOTE OR SEND PROXY TO BASTROP ELECTRIC

There was no discussion on this agenda item

CONDUCT REVIEW OF DISTRICT'S AMENDED RATE ORDER

The Board tabled this agenda item pending approval of the Aqua Agreement.

REPORT FROM TAX ADVISOR

Ms. Garner stated that she will ask the District's financial advisor, Dennis Waley, to attend the August Board of Director's meeting to discuss setting the proposed tax rate.

Director Sevier suggested that the District's financial committee hold a special meeting to discuss setting the District's tax rate in August. No action was taken on this agenda item.

DISTRICT COMMUNICATIONS

There was no discussion on this agenda item.

ANNUAL REVIEW OF RESOLUTION ESTABLISHING POLICIES AND PROCEDURES FOR COMMUNICATION BY THE BOARD OF DIRECTORS OF BASTROP COUNTY MUNICIPAL UTILITY DISTRICT NO.1 WITH CERTAIN PERSONS AND ORGANIZATIONS, AND ADOPT AMENDED RESOLUTION, IF NECESSARY.

The Board tabled this agenda item until a future Board of Directors meeting.

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.

REPORT REGARDING LEGISLATIVE MATTERS.

Ms. Garner presented relevant legislation enacted at the 89th legislative session. No action was taken on this agenda item.

Director Mealy discussed issues with contacting the Mitigation Program Manager for the Bastrop County Hazard Mitigation Plan.

Discussion ensued regarding the construction of the water line replacement at the Townhomes in the District. Mr. Loehr updated the Board on the status of the project.

NEXT MEETING DATE

The Board agreed to hold the next regular meeting on August 1st, 2025, at 10:00 a.m. to 12:00 pm 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 Luper
Secretary, Board of Directors

ATTACHMENTS TO THE MINUTES

	Minutes
	<u>Page</u>
Bookkeeper's Report.....	1
Engineer's Report.....	1
Operator's Report	2