

MINUTES  
BASTROP COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

November 7, 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 7<sup>th</sup> day of November, 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"); Adam LaGesse a resident of the District; 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 made a motion to move agenda item no. 3, Engineering matters, to the non-consent agenda. Director Sevier seconded the motion which passed by unanimous vote.

Following discussion, Director Tullis moved to approve all remaining 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: agenda item no. 1, minutes of the September 17, 2025, regular meeting; agenda item no. 2, Financial and bookkeeping matters; and agenda item no. 4, Report on District Website. Director Sevier seconded the motion, which passed by unanimous vote.

A copy of the Bookkeeper's Report is attached.

#### ENGINEERING MATTERS, INCLUDING WATER PLANT AND WASTEWATER TREATMENT PLANT CAPACITIES AND FEMA PROJECTS

Mr. Loehr reported on the FEMA 3" Water Line Replacement at the Townhomes (the "FEMA Project"). He stated that WJC Constructors, LLC ("WJC") was on site on Tuesday, November 4<sup>th</sup>. Mr. Loehr then stated that a Boil Water Notice was issued after WJC inserted a new valve at the project site. Ms. Hargett reported that Si Enviro pulled a clean water sample and released the Boil Water Notice on Thursday, November 6<sup>th</sup>.

Mr. Loehr stated that he and Director Tullis recently met with FEMA officials to discuss disbursement of funds for the FEMA Project. He stated that the FEMA Project was revised from a Hazard Mitigation Project to an Improved Project to facilitate prompt funding for the FEMA Project.

Mr. Loehr discussed the punch list items required for completion of the FEMA Project.

Discussion ensued regarding standing water at the project site.

Discussion ensued regarding Pay Applications to be approved at the next meeting.

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

#### REPORT ON HAZARD MITIGATION AND CAPITAL IMPROVEMENT PLAN

Director Sevier discussed grants available to the District for the future wastewater treatment plant project. She stated that Langford Community Management Services has been unresponsive to her requests and she has contacted other grant writing services on behalf of the District.

Mr. Loehr discussed the timeline and improvements necessary for the wastewater treatment plant project.

Discussion ensued regarding financing options for the wastewater treatment plant project.

#### HISTORICAL BOND AND TAX REPORT TO COMPTROLLER

Ms. Garner presented a memorandum regarding requirements for taxing units to submit certain information about proposed and issued bonds and tax rate elections to the Texas Comptroller of Public Accounts for incorporation into a public database, a copy of

which is attached. She stated that ABHR will work with the District's consultants to prepare and submit the required information by the reporting deadline.

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

Ms. Bretts reviewed the operator's report, a copy of which is attached, and updated the Board on operation and routine maintenance of District facilities. She stated that Aqua Water Supply Corporation has moved to Stage 1 of its Drought Contingency Plan and that the District's website has been updated accordingly. She then stated that the hydro tank probe cleaning project has been completed.

Ms. Bretts stated that a leaking faucet was found at the end of the water pipe behind the townhomes and that it will be replaced with a flush valve and capped to prevent future access.

Discussion ensued regarding the District's responsibility for cleanup and restorative services after projects have been completed on residential property. Ms. Hargett stated that Si Enviro's standard has been to backfill and replace sod where the ground has been disturbed. Anything more than sod would require Board approval to replace as it is not required by the District.

Ms. Hargett stated the final System Reservation Fees and System Development Fees for Living Unit Equivalent ("LUEs") were processed on October 17, 2025. She stated the District received a total of 21 System Reservation Fees and 2 System Development Fees.

Ms. Bretts discussed clearing land around the water and wastewater utility lines in the District's easement along the Colorado River (the "Easement") to help identify leaks and make repairs quickly. She stated that Si Enviro solicited bids from IHS Landscaping ("IHS"), DigDug Construction ("DigDug"), and DNS Landscaping ("DNS") for clearing services. Ms. Bretts discussed the bids received from IHS and DigDug for initial clearing services and annual maintenance.

The Board discussed the necessity for hauling services and maintenance of the easement and the clearing services to be provided by Si Enviro and/or their contractor if a leak is detected in the water or wastewater utility lines located in the Easement.

Mr. Loehr stated that he walked the Easement and discussed trees and overgrowth that need to be cleared from the site.

Director Patterson discussed the drainpipes and erosion control issues along the Easement.

Ms. Bretts discussed annual maintenance plans proposed by IHS and DigDug.

Ms. Hargett discussed updating billing services for Si Environmental. She stated that starting on November 24, 2025, customers enrolled in credit card auto pay would need to re-enroll after the backend processing upgrade. The new credit card fee will be lowered to 3% from 3.5% with the upgrade.

Discussion ensued regarding cyber liability coverage for Si Enviro as well as the new work order and purchase order system in connection with the updated billing system. Ms. Hargett provided a copy of Si Enviro's cybersecurity coverage.

Ms. Hargett reported that a customer had requested to delay her utility payments due to extenuating health issues. Ms. Hargett stated that the customer is seeking help from a financial assistance program. Director Sevier suggested that the customer seek assistance from the Bastrop Christian Ministerial Alliance for assistance with utility payments. The Board discussed payment plans offered by Si Enviro, late fees accrued by the customer, and the provision of additional payment assistance programs that may be available to the customer. Ms. Garner suggested that Si Enviro confirm that the customer paid the required deposit for utility services and notify them that all accrued and future late fees will be waived. She recommended that the customer's payment options be re-evaluated after determination that financial assistance programs are available to the customer and that payment not be requested currently from the customer.

Ms. Hargett discussed a proposed Professional Service Contract (the "Contract") between the District and Si Enviro. Ms. Hargett reviewed a summary page for the Contract. Ms. Hargett requested that the Contract be placed on the agenda for consideration at the December Board meeting.

Following review and discussion Director Tullis moved to: (1) approve the operator's report; (2) award the contract for clearing and maintenance services of the District's easement to IHS in the amount of \$2,070 for initial clearing services and \$1,093 for annual maintenance; and (3) direct Si Enviro to waive all accrued and future late fees for the customer requesting to delay utility payments. Director Patterson seconded the motion, which passed by unanimous vote.

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

The Board conducted an annual review of the District's Investment Policy and concurred that no changes were necessary at this time. Ms. Garner then reviewed a Resolution Regarding Annual Review of Investment Policy reflecting that the current policy will remain in effect. After review and discussion, Director Tullis moved to adopt the Resolution Regarding Annual Review of Investment Policy, and direct that such document be filed appropriately and retained in the District's official records. Director Sevier seconded the motion, which passed by unanimous vote.

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 stated that the Aqua Committee met on October 9, 2025, and discussed comments received from Aqua's general counsel. She stated that Aqua denied the Board's request to hold the amount of the System Development Fee to \$7,900/LUE for the ten-year period covered by payment of the System Reservation Fee and that the District would be required to pay the amount of the System Development Fee per LUE based on the amount provided in Aqua's Tariff as of January 1 of each year of the ten-year reservation period. Ms. Garner discussed possible payment plans that the Board may consider for payment of the System Development Fee for the purchase of 21 LUEs. She stated that ABHR will draft a letter for Board approval to be sent to the undeveloped lot owners regarding the change in the terms of the Aqua Agreement related to the reservation and purchase of LUEs once the agreement with Aqua is finalized.

Ms. Garner reported that a potential tariff increase has been proposed to the Aqua Board of Directors to be effective on January 1, 2026. Ms. Garner stated that she will request that Aqua hold the current purchase price per LUEs of \$7,900 for the payments to be made by February 1, 2026, should the Aqua Agreement not be finalized by January 1, 2026. Discussion ensued regarding holding another meeting of the Aqua Committee to discuss budget concerns and payment plan options.

Ms. Garner stated that ABHR will prepare a construction and infrastructure policy for consideration by the Board at its December meeting.

No action was taken

REPORT FROM TAX ADVISOR

Ms. Garner Discussed the tax report and delinquent tax roll provided by the tax assessor/collector. She suggested the Board consider the delinquent tax roll at the December Board meeting.

DISTRICT COMMUNICATIONS

There was no discussion on this agenda item.

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 the next regular meeting on December 5, 2025, 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.

(SEAL)



  
Secretary, Board of Directors

ATTACHMENTS TO THE MINUTES

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