

Bastrop County  
WCID #2

Board Packet  
for  
July 15, 2021

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2  
MEETING AGENDA

TO: THE BOARD OF DIRECTORS OF BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2, BASTROP COUNTY, TEXAS, AND TO ALL OTHER INTERESTED PERSONS:

NOTICE IS HEREBY GIVEN THAT A MEETING OF THE GOVERNING BODY OF THE ABOVE-NAMED POLITICAL SUBDIVISION WILL BE HELD ON JULY 15, 2021 AT 6:30 P.M.

**IN ACCORDANCE WITH THE GOVERNOR'S EMERGENCY PROCLAMATION SUSPENDING CERTAIN PROVISIONS OF THE TEXAS OPEN MEETINGS ACT EFFECTIVE MARCH 16, 2020 IN RESPONSE TO THE COVID-19 VIRUS, THE MEETING WILL BE CONDUCTED BY VIDEOCONFERENCE AND TELEPHONE. MEMBERS OF THE PUBLIC MAY PARTICIPATE IN THE MEETING REMOTELY BY VIDEO CONFERENCE OR TELEPHONICALLY USING THE INSTRUCTIONS BELOW.**

**Videoconference Instructions:**

Members of the public may join the meeting through the following web link:  
<https://www.gotomeet.me/BCWCID2/july-15-2021-board-meeting-8>

**Telephonic Instructions:**

Members of the public may join the meeting telephonically by dialing the following telephone number: 1 866 899 4679

**When your call is answered and when prompted, enter in the following Meeting ID below followed by the pound sign (#): 777-643-989#**

**Public Comment:**

Public comment will be allowed during the Citizen Communication agenda item. No in-person input will be allowed. Members of the public that desire to provide public comment may do so by videoconference, by telephone or by submission of written comments.

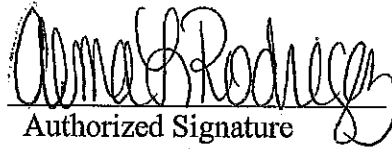
Written public comments that are timely received will be read into record and can be emailed to [Alma@BCWCID2.org](mailto:Alma@BCWCID2.org). Written comments must be received by 6:15 PM on July 15, 2021.

**To provide verbal public comment remotely (by videoconference or telephone), members of the public must register in advance by emailing [Alma@BCWCID2.org](mailto:Alma@BCWCID2.org) prior to 6:15 p.m. on July 15, 2021. All members of the public will be muted until their time to speak.**

## MEETING DISCUSSION TOPICS

- 1.) Call to Order and Establish a Quorum – O’Hanlon
- 2.) Pledge of Allegiance – O’Hanlon
- 3.) Texas State Flag – O’Hanlon
- 4.) Public Comments/Announcements (The Board respectfully requests that persons limit comments to three (3) minutes. Under the Open Meeting Act, the Board may not deliberate or take action in response to any matter raised during public comment that is not a separate agenda item.)
- 5.) Discussion and possible action regarding scheduling of future meeting dates:
  - a. Regular Board of Director’s Meeting scheduled for Thursday, August 19, 2021 at 6:30 p.m.
- 6.) **CONSENT AGENDA:** *(Consent Agenda items are generally routine. Unless removed by a member of the Board or General Manager, items listed on the consent agenda may be acted on together and without prior discussion.)*
  - a. Approval of minutes from the June 15, 2021 Regular Meeting of the Board of Directors;
  - b. Approval of monthly financial report for June 2021; and
  - c. Approval of Release of Liens held by District on Real Property.
- 7.) Discussion regarding the following items to be presented in the General Managers report:
  - a. Status of Water Quality (TTHM) testing
  - b. Update on District facilities, water plants and lift stations
  - c. Update on Water/Wastewater maintenance & Improvement projects
  - d. Update on Roads maintenance & improvement projects
  - e. Employee Update
  - f. Office Update
- 8.) Discussion and possible action regarding the Road Committee:
  - a. Receive Monthly Committee Update
- 9.) Discussion on future capital improvement projects and financing analysis by SAMCO Capital Markets– Hightower
- 10.) Consider adoption of a resolution approving term sheet and bid form relating to Bastrop County Water Control and Improvement District No. 2 Revenue Notes, Series 2021; authorizing distribution of such documents; and containing other related matters

- 11.) Discussion and possible action regarding Investment Strategies for District funds - Whipple
- 12.) Discussion and possible action regarding future meeting locations for Board meetings - Hightower
- 13.) Board suggestions on future agenda items
- 14.) Adjourn

  
Authorized Signature

The Board of Directors may go into Executive Session at any time during the meeting pursuant to the applicable section of Subchapter D, Chapter 551, Texas Government Code, of the Texas Open Meetings Act, on any of the matters set forth on this agenda regardless of whether Executive Session is specifically referenced. No final action, decision or vote will be taken on any subject or matter in Executive Session.

The District is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request. Please call 512-321-1688 for further information.

Agenda

Item # 6

Consent

Agenda

Minutes of the Regular Meeting of the  
BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT #2

A regular meeting of the Board of Directors of Bastrop County Water Control and Improvement District #2 was held on Thursday, June 17, 2021, beginning at 6:30 p.m. The meeting was conducted by videoconference and telephone.

**Present BCWCID #2 Board Members:**

Mary Beth O'Hanlon, President  
Scott Ferguson, Vice President  
Sam Kier, Treasurer  
Ron Whipple, Secretary  
Butch Carmack, Director

**BCWCID #2 Staff/Other Professionals:**

Paul Hightower, General Manager  
Tony Corbett, Attorney  
Tyler Walsh, Operations Manager  
Alma Rodriguez, District Administrator

**MEETING DISCUSSION TOPICS**

- 1.) Call to Order and Establish a Quorum  
President O'Hanlon called the meeting to order at 6:30 p.m. A quorum of Board members was present.
- 2.) Pledge of Allegiance
- 3.) Texas State Flag
- 4.) Public Comments/Announcements (The Board respectfully requests that persons limit comments to three (3) minutes. Under the Open Meeting Act, the Board may not deliberate or take action in response to any matter raised during public comment that is not a separate agenda item.)  
John Shirley stated we lives on W. Riverside Dr and has travels Waipahoehoe and the road is in very bad shape and has only been graded once since June of last year and we would like to have the road repaired.

Tyle Walsh stated with all the rain it has created a lot of damage to the roads in Tahitian Village but Waipahoehoe is scheduled for repairs next week then we will move over to Keawakapu.

Lorenzo McQueen stated the area around Keawakapu needs to be mowed and also in bad need of repairs. The roads are so bad they are messing up his car. The rains are just washing away the road materials.

Paul Hightower stated we have a limited road crew of 4 people and the Board approved 2 more employees and we are trying to get things taken care of. We do the road repairs in order and we do have a plan. Your area is scheduled for repairs next week. We will be putting down crushed concrete which should hold up better.

Mr. McQueen asked what the definition of paving was because he considers black top being paved and that is not what is being put on the roads.

Mr. Hightower stated the County does the paving and they put down a 2 coarse white rock.

President O'Hanlon pointed out to Mr. Queen that the District recently received an Attorney General's opinion that clarifies the road work done in this community are to the standards, as described by the County so this is why the County has the decision on how the roads will be paved. The 2-layer chip seal is considering a paved road. Which means at the point that we pave a road to County specifications by law, the County has to take over the maintenance of that road. The whole goal here is to get all of the roads in Tahitian Village eventually paved and in the hands of the County and the county will maintain them to whatever standards are in place for the county at that time.

Director Kier commented that caliche is not chip seal. With chip seal there is a base that goes down then more materials than they apply an oil and stone. It looks like asphalt, but it is not.

Mr. Hightower stated this is more cost effective.

President O'Hanlon encouraged everyone to look at the 5 Year Road Plan that is on the District's website.

Mr. Queen stated this process is wasting money if the roads are not going to be paved for another 3 years.

President O'Hanlon stated the District has limited funds. They can only use what is collected for that year. Several years ago, the District had a bond election as we could get the roads done soon but the citizens of this community voted against the bond issue, so we only have the funds we collect. We can only pave about 2 miles of road a year with our road fees.

Mr. Shirley thanked all the Board members for serving their community.

5.) Discussion and possible action regarding scheduling of future meeting dates:

- a. Regular Board of Director's Meeting scheduled for Thursday, July 15, 2021 at 6:30 p.m.

President O'Hanlon announced the next Board meeting will be held on July 15, 2021 at 6:30 p.m.

Paul Hightower asked Tony Corbett if he has heard any news on the Governor's end to the emergency declaration regarding Open Meetings.

Tony Corbett stated he looks at the Governor's website from time to time and has not seen anything. This has been on a month-to-month basis, but a number of his clients have transitioned back to in person meetings, so it is certainly within the discretion of the Board.

President O'Hanlon stated we want to make sure that we are in compliance with the rules but as you know, we do not have our own meeting place at this particular time, so if we go back to a person meeting, we have to go back to the convention center and start negotiating for a meeting place.

Paul Hightower stated he will be looking for meeting places and bring a list back to the Board at the next meeting.

- 6.) **CONSENT AGENDA:** *(Consent Agenda items are generally routine. Unless removed by a member of the Board or General Manager, items listed on the consent agenda may be acted on together and without prior discussion.)*
- a. Approval of minutes from the May 20, 2021 Regular Meeting of the Board of Directors;
  - b. Approval of monthly financial report for May 2021; and
  - c. Approval of Release of Liens held by District on Real Property.

**Motion: Sam Kier moved to approve the Consent Agenda Item A. Seconded: Butch Carmack. Vote: Three (3) in favor, One (1) abstention, motion carries.**

**Motion: Sam Kier moved to approve the Consent Agenda Item B. Seconded: Butch Carmack. Vote: Four (4) in favor, motion carries.**

Alma Rodriguez reviewed the Release of Liens.

**Motion: Sam Kier moved to approve the Consent Agenda Item C. Seconded: Butch Carmack. Vote: Four (4) in favor, motion carries.**

- 7.) Discussion regarding the following items to be presented in the General Managers report:

Paul Hightower reported on the following:

**a. Status of TTHM compliance:**

As we reported last month, after all the testing was completed, we have finally found a solution which is installing a Granular Activated Carbon filter. We did publish for bids and received 2 bid packets. There is an action item below to vote on this. We are looking at an installation sometime late this year or early next year.

**b. Update on district water plants and lift stations:**

No updates at this time.

**c. W/WW maintenance & Capital Improvements update:**

We have a meeting scheduled next week to meet with BEFCO and go over the Tahitian line project so that we can get it moving forward. Surveys have been completed.

**d. Road maintenance & improvement projects update:**

**19/20 Road Construction:** At this time, we are waiting for County to get started on their paving.

**20/21 Roads:** The team is working diligently on this. Things were going great at first, until we had a supervisor out for 3 weeks under covid restrictions and then the rain hit us. It definitely caused some down time even with the contractor. The team is hitting it hard, and we did bring in a grader/contractor to help get things moving. The county had taken their chipper back which slowed the tree progress, but they are back on track now. Right now, we are looking around the August timeframe for the reclaimer. Tyler's team is working in culverts which required an excavator.

**e. Employee update:**

2 updates with employees, we had 1 turn in a notice to go work for another water company and then the next day, another employee walked out on us. We have ads out now to get the positions filled as soon as we can.

The new ladies in the office are doing quite well with their training.

**f. General Office Update:**

**New Maintenance Facility:** The project is going well. Building is completed, rock facade around it is up, garage doors are in, and it is coming along nicely. The interior is getting finished out this month and moving forward. Should be completed in July sometime.

Director Kier asked in regards to the 2 employees leaving is there is anything the Board needs to do in order to retain employees?

Mr. Hightower stated not in this case. The one employee that went to another water company stated he does not want to operate a shovel he wants to be more of just an operator driving around in a truck. The other employee walked out because he did not like rebuilding sewer pumps.

Director Kier stated he just wanted to make sure there is nothing the Board needed to look at regarding benefits.

Mr. Hightower stated the District offers a great benefits plan.

- 8.) Discussion and possible action regarding the Road Committee:
  - a. Receive Monthly Committee Update  
Paul Hightower stated the Road Committee did not have a meeting this month but will get back on schedule next month.
- 9.) Discussion on future capital improvement projects and financing analysis by SAMCO Capital Markets

Paul Hightower stated we have received the initial soft approval from TCEQ, and they attorneys have reviewed the package, and everything looks good. The application was approved for \$6,775,000 at an 3.78% net effective Interest Rate for a \$800,554 20-year life of the Note. It is a little more than we were expecting. Mr. Hightower and Director Kier will be meeting next week to review and discuss this item.

Director Kier stated when we made this application we estimated everything on the high side. This estimate was based on public placements but if we go with private placements the interest will go down and we will have some savings.

Tony Corbett stated it is very common to use an intentionally high interest rate, because of the commission's intentionally determining feasibility, and with the expectation that the actual interest rate at which the bonds are so it will be much less. Because otherwise, you would have to go back and get their approval if the interest rate was higher. So, I fully anticipate that the actual interest rate will be lower than what is included in the application to TCEQ.

Director Kier mentioned to Mr. Corbett that the document warns people about spending money before they get the bond is that to cover yourself?

Mr. Corbett stated you do not have the bond monies until you go through the process and you will have to get an Attorney Generals opinion.

Director Kier stated a few months ago we made a motion to spend money.

Mr. Corbett stated when you are spending money you are not doing that with respect to the bond money, you are using your general funds to do that. The Resolution that was passed would authorize subsequent reimbursement. That is outside the scope of what TCEQ is referring to.

- 10.) Discussion and possible action regarding approval for purchase of an Activated Carbon Unit at Station 2 for treatment of disinfection byproducts (TTHMs) in District water supply

Paul Hightower stated we received 2 quotes for an Activated Carbon Unit. Tigg quote was for \$226,135 and Worth Hydrochem was for \$396,300. All initial test was done by Tigg. Both have the same plans and specs. Staff recommends that we purchase the Activated Carbon Unit for Station 2 from Tigg.

Director Kier asked if that price included the first carbon filter.

Paul Hightower responded yes; the filter is \$44,615. The total price included delivery and installation. The District will have to do some concrete work and also work to tie the system in.

Director Ferguson asked what the plan was for winterizing the unit since it is very thin material.

Mr. Hightower stated we will be wrapping it and may build a structure around the unit.

**Motion: Sam Kier moved to approve staff's recommendation to accept the quote from Tigg in the amount of \$226,135. Seconded: Scott Ferguson.**

Director Carmack asked about the Scope Disclaimer that states the pricing excludes lifting and unloading the equipment or installation and interconnection of the equipment.

Paul Hightower stated the first page of the proposal stated installations is included.

Director Carmack stated there is a contradiction in their proposal.

The Board asked Tony Corbett for guidance.

Tony Corbett stated we absolutely need to get clarification and that this is more of a proposal than a contract. If your intention is to enter into a formal construction contract, we need to make sure to include any warranty or other provisions.

Mr. Hightower stated the warranty is set forth in the rest of the documentation I have received with the drawings and requirements.

Mr. Corbett stated I think we definitely need to get clarity, and make sure what is clear, what is in, and what is out, because there could definitely be uncertainty. And therefore, the possibility that they end up after the fact stating something is not included based on this disclaimer, because you have got two conflicting provisions so we should get clarity.

Mr. Corbett suggested that Mr. Hightower meet and have a discussion about whether this document itself is sufficient, or we should incorporate this into a more formal contracts, so that the warranty and other documents that they gave you are part of the parties' contract.

Mr. Hightower agreed.

**Director Kier amended his original motion to authorize the General Manger to work with our attorney to move forward on creating a contract that clearly specifies the details.**

**Seconded: Butch Carmack.**

Director Ferguson wanted to point out under shipping and handling it also states you are responsible for unloading the equipment.

**Vote: Four (4) in favor, motion carries.**

- 11.) Discussion and possible action regarding approval of 2021/2022 Road Construction surveys completed by BEFCO Engineering  
Paul Hightower stated staff recommends approving the 2021/2022 Road Construction proposal for surveys to be completed by BEFCO Engineering. There are approximately 2.74 miles of road in this project. The proposal came in at \$87,000 for the survey portion, \$68,000 for the civil engineering for a total of \$154,000. Then everything else is broken down hourly, which is the way we had requested it before. The bid process is a \$10,000 lump sum, which is what has been the last four years, and then everything else after that is hourly as requested.

**Motion: Sam Kier moved to approve the proposal from BEFCO Engineering to complete surveys for the 2021/2022 Road Construction Projects. Seconded: Butch Carmack. Vote: Four (4) in favor, motion carries.**

- 12.) Board suggestions on future agenda items  
Director Whipple stated he would like to have an Agenda Item to discuss a Public Funds Investment Policy and Investing funds.

- 13.) Adjourn

**Motion: Butch Carmack moved to adjourn the meeting. Seconded: Sam Kier. Vote: Four (4) in favor, motion carries.**

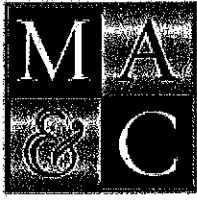
MEETING ADJOURNED AT 7:36 P.M.

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Board Director

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Date



MUNICIPAL ACCOUNTS  
& CONSULTING, L.P.

**Bastrop County Water Control &  
Improvement District No. 2**

**Bookkeeper's Report**

**June 30, 2021**

Bastrop WCID No 2 - Water/Wastewater  
**Cash Flow Report - Operating Water Account**  
As of June 30, 2021

Num	Name	Memo	Amount	Balance
<b>BALANCE AS OF 06/01/2021</b>				<b>\$625,397.61</b>
<b>Receipts</b>				
	Payment from Standby Fund		180.00	
	Payment from Road Fund		23,095.63	
	Interest Earned on Checking		25.79	
	Accounts Receivable-W		254,127.78	
	Accounts Receivable - Pump/TWDB Reserve		6,435.35	
<b>Total Receipts</b>				<b>283,864.55</b>
<b>Disbursements</b>				
24596	Ferguson Enterprises, Inc. # 1106	Repairs & Maintenance	(675.28)	
24597	Alma Rodriguez.	Mileage	(82.49)	
24598	AT&T Mobility	Telephone Expense	(448.65)	
24599	Austin Armature Works, LP	Repair & Maintenance	(1,376.08)	
24600	BlueCross BlueShield of Texas	Insurance	(16,641.19)	
24601	Carlton Industries, L.P.	Safety Supplies	(466.80)	
24602	Hydro Source Services, Inc.	Grinder Pump & Repair	(882.94)	
24603	Lowe's Business Account	Materials	(621.82)	
24604	USABluebook	Materials & Maintenance	(955.26)	
24605	DPC Industries, Inc.	Chemicals	(117.59)	
24606	Ameriflex Business Solutions	FSA Purchases	(7.41)	
24607	Ameritas Life Insurance Corp	Insurance	(700.68)	
24608	AT&T	Telephone Expense - Lift Station	(136.15)	
24609	Card Service Center	Credit Card Expense	(2,699.32)	
24610	Esquivel Enterprise	Cleaning	(400.00)	
24611	Howdy Enterprises, LTD	Port a John	(92.70)	
24612	Humana Hlth Plan TX	Insurance Premium	(174.80)	
24613	Hydro Source Services, Inc.	Grinder Pump & Repair	(17,086.20)	
24614	La Grange NAPA	Repair Vehicle	(614.31)	
24615	Lost Pines Groundwater Conservation Distr	Ground Water Assessment	(1,634.95)	
24616	Matrix Imaging Solutions (C)	Printing	(323.52)	
24617	Municipal Accounts & Consulting L.P.	Bookkeeping Fees	(4,093.50)	
24618	Paul Hightower	Sign Now Renewal - Reimbursement	(319.80)	
24619	Riley Fox Endeavors LLC	Lease for Building Lot Space	(518.48)	
24620	Staples Business Credit	Office Supplies	(549.00)	
24621	Time Warner Cable	Telephone/Internet	(120.62)	
24622	USABluebook	Materials & Maintenance	(3,358.62)	
24623	Walmart Community/SYNCB	Office Supplies	(167.80)	
24624	Waste Connections	Garbage	(83.93)	
24625	Wells Fargo Vendor Fin Serv	Equipment Lease	(451.86)	
24626	Wex Bank	Fuel	(2,897.11)	
24627	Matrix Imaging Solutions (C)	Printing	(3,600.00)	
24628	Ameriflex Business Solutions.	Insurance FSA Fees	(86.00)	
24629	Aqua Beverage Company	Drinking Water	(32.99)	
24630	Aqua Water Supply Corporation	Lab Fees	(275.00)	
24631	Barnard Tire & Auto	Maintenance & Repair	(38.00)	
24632	Bastrop WCID No 2 - W/W	WasteWater Service	(146.92)	
24633	Bastrop WCID No 2 - Water	Purchase Water Expense	(249.35)	
24634	BEFCO Engineering, Inc	Engineering Fees	(9,000.00)	
24635	Cintas Corporation # 86	Uniforms	(886.73)	
24636	Comptroller of Public Accounts	2020 Unclaimed Property	(1,157.02)	
24637	Dawn Hedgpath.	Salaries - ACH Payroll Error	(495.03)	

Bastrop WCID No 2 - Water/Wastewater  
**Cash Flow Report - Operating Water Account**  
As of June 30, 2021

Num	Name	Memo	Amount	Balance
<b>Disbursements</b>				
24638	DPC Industries, Inc.	Chemicals	(875.49)	
24639	Ferguson Enterprises, Inc. # 1106	Repairs & Maintenance	(5,188.97)	
24640	Grainger Inc	Supplies	(1,022.60)	
24641	Professional Image Communications	Answering Service	(230.00)	
24642	Time Warner Cable	Telephone/Internet	(128.51)	
24643	Tractor Supply Co	Materials	(741.39)	
24644	Tyler Technologies Inc	Maint Agreement Incode	(1,860.00)	
24645	US Postal Service	Post Box Rental	(166.00)	
24646	USABluebook	Materials & Maintenance	(146.86)	
24647	Ameriflex Business Solutions	FSA Purchases	(47.50)	
24648	ASCO Equipment Inc	Equipment Repair	(1,579.34)	
24649	DPC Industries, Inc.	Chemicals	(290.00)	
24650	Frontier Communications	Answering Service	(70.56)	
24651	Grainger Inc	Repair & Maintenance	(1,274.07)	
24652	Home Depot	Materials & Maintenance	(431.96)	
24653	Humana Hlth Plan TX	Insurance Premium	(150.76)	
24654	McLean & Howard, LLP	Legal Fees	(302.50)	
24655	Quadient Inc	Office Equip Lease	(151.66)	
24656	Unum Life Insurance Company	Insurance Premium	(576.21)	
24657	USABluebook	Materials & Maintenance	(166.28)	
24658	Wells Fargo Vendor Fin Serv	Equipment Lease	(1,247.92)	
24659	Chandler & Tom Jones	Customer Deposit Refund	(142.09)	
24660	Matthew Monts De Oca	Customer Deposit Refund	(38.98)	
24661	Jeff Johnson	Customer Deposit Refund	(120.60)	
24662	Elaine Muchow	Customer Deposit Refund	(73.25)	
24663	Dustin L & Lyssa R King	Customer Deposit Refund	(161.58)	
24664	Samuel & Frank Risinger	Customer Deposit Refund	(181.22)	
24665	Curtis D Slay	Customer Deposit Refund	(156.72)	
24666	Oakley Miley & Sandra Kay Akers	Customer Deposit Refund	(108.72)	
24667	Danielle & Chris Crowson	Customer Deposit Refund	(149.11)	
24668	Timothy & Jennifer Ghormley	Customer Deposit Refund	(41.14)	
24669	Stanfield Riley	Customer Deposit Refund	(126.65)	
24670	Adam & April Puskorius	Customer Deposit Refund	(76.41)	
24671	Amanda & Timothy Shuman	Customer Deposit Refund	(99.91)	
24672	Twelve Rivers Management	Customer Deposit Refund	(160.02)	
24673	Dennis Rassi	Customer Deposit Refund	(92.53)	
24674	One Stop Leasing.	Customer Deposit Refund	(39.82)	
24675	Amegy Bank of Texas.	Fiscal Agent Fees	(1,150.00)	
24676	AT&T Mobility	Telephone Expense	(448.65)	
24678	BOXX Modular Inc.	Office Rental	(1,204.00)	
24679	Checkr Inc.	Pre-Employment Screening	(93.00)	
24680	DSHS Central Lab MC2004	Water Samples	(922.44)	
24681	Ferguson Enterprises, Inc. # 1106	Repairs & Maintenance	(2,995.86)	
24682	IHS Landscaping & Services Inc	Mowing	(1,044.00)	
24683	Quill Corporation	Office Supplies	(272.92)	
24684	Riley Fox Endeavors LLC	Lease for Building Lot Space	(518.48)	
EFT	Bluebonnet Electric Coop	Utility Expense	(4,280.84)	
EFT	City of Bastrop	Purchase Sewer Service	(11,076.30)	
EFT	Bastrop WCID No 2	TCDRS - Retirement Payment	(8,939.73)	

**Bastrop WCID No 2 - Water/Wastewater**  
**Cash Flow Report - Operating Water Account**  
As of June 30, 2021

Num	Name	Memo	Amount	Balance
<b>Disbursements</b>				
INT/SRV	Bastrop WCID No 2	Credit Card Discount Fees	(2,874.67)	
INT/SRV	Bastrop WCID No 2	Bank Fee	(30.00)	
INT/SRV	Bastrop WCID No 2	Customer Returned Item	(143.82)	
PAYROLL	Bastrop WCID No 2 - Water	Payroll -05/19/2021-06/01/2021	(21,819.36)	
PAYROLL	Bastrop WCID No 2	Payroll Expense - Child Support	(110.77)	
PAYROLL	Bastrop WCID No 2 - Water	Payroll -06/02/2021-06/15/2021	(21,188.68)	
PAYROLL	Bastrop WCID No 2	Payroll Expense - Child Support	(110.77)	
PAYROLL	Alliance Payroll	Payroll Fees	(264.74)	
PAYROLL	United States Treasury	Payroll Liabilites	(13,240.60)	
RCT/TRN	Bastrop WCID No 2	Transfer to WW-Annual TWDB	(37,145.59)	
<b>Total Disbursements</b>			(222,958.45)	(222,958.45)
<b>BALANCE AS OF 06/30/2021</b>				\$686,303.71

Bastrop WCID No 2 - Water/Wastewater  
**Cash Flow Report - TWDB WW Account**  
 As of June 30, 2021

Num	Name	Memo	Amount	Balance
BALANCE AS OF 06/01/2021				\$572.00
<b>Receipts</b>				
	No Receipts Activity		0.00	
<b>Total Receipts</b>			<u>0.00</u>	0.00
<b>Disbursements</b>				
	No Disbursements Activity		0.00	
<b>Total Disbursements</b>			<u>0.00</u>	<u>0.00</u>
BALANCE AS OF 06/30/2021				<u><u>\$572.00</u></u>

Bastrop WCID No 2 - Standby  
**Cash Flow Report - Standby Operating Account**  
 As of June 30, 2021

Num	Name	Memo	Amount	Balance
BALANCE AS OF 06/01/2021				\$96,927.67
<b>Receipts</b>				
	Accounts Receivable		581.97	
<b>Total Receipts</b>				581.97
<b>Disbursements</b>				
4001	Bastrop WCID No 2 Water	AP	(180.00)	
4002	Comptroller of Public Accounts	Unclaimed Property	(3.10)	
4003	Virginia Solis	Drainage	(3,750.00)	
<b>Total Disbursements</b>				(3,933.10)
BALANCE AS OF 06/30/2021				\$93,576.54

**Bastrop WCID No 2 - Roads**  
**Cash Flow Report - Road Const Operating Account**  
As of June 30, 2021

Num	Name	Memo	Amount	Balance
BALANCE AS OF 06/01/2021				\$322,096.95
<b>Receipts</b>				
	Accounts Receivable		91,388.09	
<b>Total Receipts</b>				<u>91,388.09</u>
<b>Disbursements</b>				
5432	973 Materials, LLC	Recycled Base	(7,479.64)	
5433	Bastrop County, Commissioner Precinct 1	Repairs	(2,043.09)	
5434	K3 Transport LLC	Materials	(1,329.28)	
5435	973 Materials, LLC	Recycled Base	(1,216.88)	
5436	Bastrop County Clerk.	Legal Fees - Road Escrow Acct # 6221	(500.00)	
5437	Mathis Rentals	Field Equipment Rental	(391.10)	
5438	973 Materials, LLC	Recycled Base	(14,046.77)	
5439	Alliance Engineering Group, Inc.	Tahitian Village Roadway Improvements Project A	(255.00)	
5440	Bastrop WCID No 2 Water	Transfer to Water - AP Reimbursement	(23,095.63)	
5441	BEFCO Engineering, Inc.	Engineering Fees - RC- Task # 5 Construction Pha	(780.00)	
5442	K3 Transport LLC	Materials	(6,464.68)	
5443	973 Materials, LLC	Recycled Base	(2,397.85)	
5444	ASCO Equipment	Fork Lift Rental	(7,774.00)	
5445	McCreary, Veselka, Bragg & Allen PC	Attorney Fees	(5,019.75)	
5446	RDO Equipment Co.	Rental Equipment	(5,828.54)	
5447	WJC Constructors, LLC	Capital Outlay	(37,475.00)	
5449	973 Materials, LLC	Recycled Base	(7,714.12)	
5450	K3 Transport LLC	Materials	(13,075.80)	
FEES	Bastrop WCID No 2 RC	Credit Card Discount Fees	(469.63)	
<b>Total Disbursements</b>				<u>(137,356.76)</u>
BALANCE AS OF 06/30/2021				<u><u>\$276,128.28</u></u>

Bastrop County Water Control & Improvement District No. 2

Account Balances

As of June 30, 2021

Financial Institution (Acct Number)	Issue Date	Maturity Date	Interest Rate	Account Balance	Notes
<b>Fund: Water/Wastewater</b>					
<b>Money Market Funds</b>					
AMEGY BANK - TRUST (XXXX1041)	01/01/2017		0.05 %	642,242.22	WW-ESC TWDB Loan
FIRST NATIONAL BANK BASTR (XXXX4385)	01/01/2017		0.25 %	469,102.31	WW-Annual TWDB
FIRST NATIONAL BANK BASTR (XXXX5076)	01/01/2017		0.25 %	71,282.15	Water MM
FIRST NATIONAL BANK BASTR (XXXX3543)	01/01/2017		0.25 %	146,000.81	Water Cap Improv
TEXPOOL (XXXX0001)	04/30/2019		0.01 %	457,299.06	TWDB Reserve fund
TEXPOOL (XXXX0002)	05/30/2019		0.01 %	1,620,815.88	Water
TEXPOOL (XXXX0003)	02/04/2020		0.01 %	613,295.55	Building Funds
<b>Checking Account(s)</b>					
FIRST NAT BASTR-CKING (XXXX1469)			0.10 %	686,303.71	Operating - Water
FIRST NAT BASTR-CKING (XXXX3289)			0.10 %	572.00	TWDB WW
<b>Totals for Water/Wastewater Fund:</b>				<b>\$4,706,913.69</b>	
<b>Fund: Standby</b>					
<b>Checking Account(s)</b>					
ROSCOE STATE BANK (XXXX2687)			0.10 %	93,576.54	Standby Operating
<b>Totals for Standby Fund:</b>				<b>\$93,576.54</b>	
<b>Fund: Roads</b>					
<b>Money Market Funds</b>					
ROSCOE STATE BANK (XXXX3131)	01/01/2016		0.50 %	754,242.93	Road Const MM
<b>Checking Account(s)</b>					
ROSCOE STATE BANK (XXXX2709)			0.10 %	276,128.28	Road Const Operating
<b>Totals for Roads Fund:</b>				<b>\$1,030,371.21</b>	
<b>Grand total for Bastrop County Water Control &amp; Improvement District No. 2:</b>				<b>\$5,830,861.44</b>	

**Bastrop WCID No 2 - Water/Wastewater  
Actual vs Budget Wastewater**

June 2021

	Jun 21	Budget	Jan - Jun 21	YTD Budget	Annual Budget
<b>Ordinary Income/Expense</b>					
<b>Income</b>					
Wastewater-Revenue					
14215 · WW Fees	62,052	67,917	366,998	407,500	815,000
14216 · Commercial WW Fees	2,727	3,333	17,239	20,000	40,000
14220 · WW Bore	1,700	833	5,440	5,000	10,000
14225 · WW Tap Fees	17,000	23,333	164,100	140,000	280,000
14230 · Pump Maintenance	0	500	0	3,000	6,000
14235 · Debt Service Reserve Fee	6,723	5,417	39,511	32,500	65,000
14275 · Interest-WW Reserve	0	25	0	150	300
14276 · Interest-WW	51	417	277	2,500	5,000
<b>Total Wastewater-Revenue</b>	<b>90,253</b>	<b>101,775</b>	<b>593,566</b>	<b>610,650</b>	<b>1,221,300</b>
<b>Total Income</b>	<b>90,253</b>	<b>101,775</b>	<b>593,566</b>	<b>610,650</b>	<b>1,221,300</b>
<b>Gross Profit</b>	<b>90,253</b>	<b>101,775</b>	<b>593,566</b>	<b>610,650</b>	<b>1,221,300</b>
<b>Expense</b>					
Wastewater-Expense					
16219 · Damage Claim	0	0	1,167	0	0
16221 · Uniforms-WW	314	500	3,116	3,000	6,000
16222 · W/W Salary Allocations	10,061	10,000	60,284	60,000	120,000
16229 · Maint Agreement-Incode-WW	0	375	0	2,250	4,500
16233 · Lift Station Admin Service Fee	0	208	1,150	1,250	2,500
16238 · W/W Chemicals	0	208	0	1,250	2,500
16239 · Field Equip Rental-WW	0	417	393	2,500	5,000
16240 · Fuel-WW	0	1,042	5,558	6,250	12,500
16241 · Repairs & Maint-WW	70	1,250	148	7,500	15,000
16242 · Materials-WW	1,884	3,750	28,253	22,500	45,000
16243 · Meter Testing-WW	0	19	0	113	225
16244 · Safety Supplies-WW	0	333	3,863	2,000	4,000
16247 · Repairs & Maint-Lift Stat-WW	0	833	2,569	5,000	10,000
16248 · Grinder Pump Repair-WW	0	2,083	13,413	12,500	25,000
16250 · Depreciation-WW	39,313	37,917	235,877	227,500	455,000
16251 · Tools	0	292	1,385	1,750	3,500
16257 · Office Supplies-WW	0	33	0	200	400
16258 · Misc-WW	0	83	730	500	1,000
16259 · Medical-WW	165	83	332	500	1,000
16260 · Op & Maint-City of Bastrop-WW	0	11,667	53,774	70,000	140,000
16265 · Telephone-WW	0	83	0	500	1,000
16266 · License-WW	0	50	0	300	600
16268 · Filing Fees-WW	0	63	400	375	750
16269 · TCEQ Fees-WW	0	267	0	1,600	3,200
16272 · Interest Bonds-WW	12,449	12,821	74,692	76,925	153,850
16274 · Accounting-WW	1,152	1,667	7,861	10,000	20,000

**Bastrop WCID No 2 - Water/Wastewater  
Actual vs Budget Wastewater**

June 2021

	Jun 21	Budget	Jan - Jun 21	YTD Budget	Annual Budget
16276 · Audit-WW	0	1,250	7,680	7,500	15,000
16277 · Engineering-WW	0	833	260	5,000	10,000
16278 · Legal-WW	0	417	0	2,500	5,000
16279 · Insurance-WW					
16279a · Insurance-Property-WW	0	275	0	1,650	3,300
16279b · Insurance-Vehicles-WW	0	167	1,250	1,000	2,000
16279c · Insurance-Misc-WW	0	46	0	275	550
16279d · Insurance-E&O-WW	0	46	0	275	550
16279e · Insurance-Liability-WW	0	83	0	500	1,000
16279h · Insurance-WC-WW	0	500	0	3,000	6,000
<b>Total 16279 · Insurance-WW</b>	<b>0</b>	<b>1,117</b>	<b>1,250</b>	<b>6,700</b>	<b>13,400</b>
16280 · Repairs-Bldg WW	0	0	188	0	0
16281 · Repairs-Equip-WW	526	417	3,590	2,500	5,000
16282 · Repairs-Vehicles-WW	465	417	3,313	2,500	5,000
16283 · Yard Maintenance-Mowing	0	208	0	1,250	2,500
16284 · Training-WW	0	167	1,103	1,000	2,000
16285 · Electricity-Lift Stations	0	417	2,186	2,500	5,000
16286 · Water-Lift Stations	0	208	702	1,250	2,500
16289 · Labor-Service Lines & Tap-WW	0	167	0	1,000	2,000
16294 · Travel - Lodging	0	42	0	250	500
16295 · Travel - Meals	0	17	0	100	200
16296 · Travel - Rental Car	0	17	0	100	200
16297 · Small Equipment Purchaes-WW	0	83	0	500	1,000
<b>Total Wastewater-Expense</b>	<b>66,399</b>	<b>91,819</b>	<b>515,238</b>	<b>550,913</b>	<b>1,101,825</b>
<b>Total Expense</b>	<b>66,399</b>	<b>91,819</b>	<b>515,238</b>	<b>550,913</b>	<b>1,101,825</b>
<b>Net Ordinary Income</b>	<b>23,854</b>	<b>9,956</b>	<b>78,328</b>	<b>59,738</b>	<b>119,475</b>
<b>Other Income/Expense</b>					
<b>Other Expense</b>					
<b>Capital Outlay-WW</b>					
17200 · Vehicles-WW	0	0	41,671	0	0
17201 · Equipment-WW	624	0	9,680	0	0
17211 · Capital Outlay Grinder Pumps-WW	0	8,333	41,349	50,000	100,000
<b>Total Capital Outlay-WW</b>	<b>624</b>	<b>8,333</b>	<b>92,700</b>	<b>50,000</b>	<b>100,000</b>
<b>Total Other Expense</b>	<b>624</b>	<b>8,333</b>	<b>92,700</b>	<b>50,000</b>	<b>100,000</b>
<b>Net Other Income</b>	<b>(624)</b>	<b>(8,333)</b>	<b>(92,700)</b>	<b>(50,000)</b>	<b>(100,000)</b>
<b>Net Income</b>	<b>23,230</b>	<b>1,623</b>	<b>(14,372)</b>	<b>9,737</b>	<b>19,475</b>

**Bastrop WCID No.2 - Water/Wastewater  
Actual vs Budget Water**

June 2021

	Jun 21	Budget	Jan - Jun 21	YTD Budget	Annual Budget
<b>Ordinary Income/Expense</b>					
<b>Income</b>					
Water-Revenue					
14110 · TV Water Sales	125,938	133,333	716,667	800,000	1,600,000
14115 · Water Late Charge Income	1,233	2,083	6,883	12,500	25,000
14120 · TV Tap Fees	24,000	18,750	192,050	112,500	225,000
14125 · Capital Reserve Fee	17,070	7,917	101,063	47,500	95,000
14130 · Water Line Bore	550	2,500	12,300	15,000	30,000
14140 · Backflow Inspections	0	417	0	2,500	5,000
14145 · Returned Check Fee	0	0	0	0	0
14148 · Pools	55	25	385	150	300
14150 · Maps Sold	0	21	100	125	250
14155 · Office Rents	275	292	1,650	1,750	3,500
14160 · Other Income-W	175	5,417	1,292	32,500	65,000
14170 · Reconnect Fee	750	833	5,100	5,000	10,000
14175 · Interest-W	55	1,250	574	7,500	15,000
14180 · Copies & Faxes	0	4	4	25	50
14190 · Irrigation Systems	0	25	0	150	300
<b>Total Water-Revenue</b>	<b>170,100</b>	<b>172,867</b>	<b>1,038,067</b>	<b>1,037,200</b>	<b>2,074,400</b>
<b>Total Income</b>	<b>170,100</b>	<b>172,867</b>	<b>1,038,067</b>	<b>1,037,200</b>	<b>2,074,400</b>
<b>Gross Profit</b>	<b>170,100</b>	<b>172,867</b>	<b>1,038,067</b>	<b>1,037,200</b>	<b>2,074,400</b>
<b>Expense</b>					
Water-Expense					
16100 · Payroll					
16100a · Salaries	48,368	54,167	282,571	325,000	650,000
16100b · Over Time	1,531	2,083	8,714	12,500	25,000
16100c · Double Time	80	208	7,787	1,250	2,500
16100e · Holiday	2,740	3,333	15,736	20,000	40,000
16100f · Annual Leave	4,579	2,083	9,570	12,500	25,000
16100g · Sick	1,197	1,667	8,754	10,000	20,000
16100h · Personal Time	154	250	628	1,500	3,000
16100k · FICA	4,294	5,417	25,031	32,500	65,000
16100m · Retirement-Life	4,856	5,417	31,400	32,500	65,000
16100n · SUI	100	333	2,027	2,000	4,000
16100o · Longevity Pay	0	958	0	5,750	11,500
16100p · FUTA	30	83	604	500	1,000
16100q · On Call Pay	380	2,917	7,765	17,500	35,000
16100r · Child Support	0	0	0	0	0
<b>Total 16100 · Payroll</b>	<b>68,110</b>	<b>78,917</b>	<b>400,388</b>	<b>473,500</b>	<b>947,000</b>
16110 · Health Insurance					
16110a · Insurance-Medical	12,743	15,833	79,424	95,000	190,000
16110b · Insurance-Dental	474	708	2,961	4,250	8,500
16110c · Insurance-Vision	331	146	1,674	875	1,750
16110d · HSA	0	125	0	750	1,500
16110e · Insurance-Life	638	625	3,666	3,750	7,500

Bastrop WCID No 2 - Water/Wastewater  
Actual vs Budget Water

June 2021

	Jun 21	Budget	Jan - Jun 21	YTD Budget	Annual Budget
Total 16110 · Health Insurance	14,186	17,457	87,725	104,625	209,250
16116 · Office Building Rental	1,722	1,750	10,335	10,500	21,000
16117 · Payroll Service Fee	265	400	1,810	2,400	4,800
16118 · Hand Tools	0	417	1,897	2,500	5,000
16120 · Wellness Program	0	83	0	500	1,000
16121 · Uniforms-W	329	833	3,131	5,000	10,000
16122 · Mileage	83	208	505	1,250	2,500
16123 · Vehicle Usage	0	167	0	1,000	2,000
16124 · Admin Allocations	(8,588)	(9,067)	(69,744)	(54,402)	(108,804)
16125 · PPE Allocations	(15,072)	(20,200)	(81,610)	(121,200)	(242,400)
16125a · EOM Salary Reimburs from WW	(10,061)	(10,000)	(60,284)	(60,000)	(120,000)
16126 · Answering Service	0	208	1,040	1,250	2,500
16127 · Repairs-Contracted-W	0	125	0	750	1,500
16128 · Maint Agreement-Hand Held	0	167	780	1,000	2,000
16129 · Maint Agreement-Incode-W	660	1,375	5,970	8,250	16,500
16130 · Office Equip Lease	452	1,250	6,427	7,500	15,000
16131 · Pest Control	0	25	79	150	300
16133 · Water Well Admin Service Fee	0	25	0	150	300
16133a · Security Agreement	0	0	1,394	0	0
16134 · Cleaning-Office	200	208	1,200	1,250	2,500
16135 · Garbage	84	100	504	600	1,200
16136 · Cleaning-Maint Building	200	250	1,200	1,500	3,000
16137 · Backflow Inspection	0	42	0	250	500
16138 · Chemicals-Chlorine	0	2,083	7,169	12,500	25,000
16138a · Contract Labor	0	417	0	2,500	5,000
16139 · Field Equip Rental-W	0	417	741	2,500	5,000
16140 · Fuel-W	138	1,042	15,328	6,250	12,500
16141 · Repairs & Maint-W	2,822	1,250	14,668	7,500	15,000
16142 · Materials-W	49	6,250	35,675	37,500	75,000
16143 · Water Testing-W	0	0	903	0	0
16144 · Safety Supplies-W	126	333	4,327	2,000	4,000
16145 · Damage Claims	0	833	1,167	5,000	10,000
16146 · Water Samples	0	833	3,997	5,000	10,000
16147 · Repairs & Maint-Water Well	0	3,333	11,623	20,000	40,000
16149 · Computer-W	59	1,667	7,898	10,000	20,000
16150 · Depreciation-W	18,541	17,083	111,247	102,500	205,000
16151 · Dues & Subscriptions	0	83	221	500	1,000
16152 · Election Costs	0	250	0	1,500	3,000
16153 · Fax	0	8	0	50	100
16154 · Late Fees-W	68	125	750	1,500	3,000
16155 · Internet	249	208	1,489	1,250	2,500
16156 · Printing-W	260	833	3,843	5,000	10,000
16156a · Janitorial Supplies	0	17	0	100	200
16157 · Office Supplies-W	315	417	1,747	2,500	5,000
16158 · Misc-W	23	833	4,076	5,000	10,000
16159 · Medical-W	0	83	0	500	1,000
16160 · Misc Office-W	31	250	1,998	1,500	3,000
16161 · Pre-Employment Screening	0	83	193	500	1,000
16163 · Postage & Delivery	3,891	1,250	8,519	7,500	15,000
16164 · Public Notice	0	250	152	1,500	3,000
16165 · Telephone-W	655	667	3,631	4,000	8,000

**Bastrop WCID No 2 - Water/Wastewater**  
**Actual vs Budget Water**  
 June 2021

	Jun 21	Budget	Jan - Jun 21	YTD Budget	Annual Budget
16166 · License-W	0	208	0	1,250	2,500
16166a · Advertising	0	42	0	250	500
16167 · Bank Fees-W	30	42	195	250	500
16168 · Filing Fees-W	0	42	0	250	500
16171 · CC Fees	3,018	3,750	17,915	22,500	45,000
16172 · Interest Bonds-W	2,197	2,500	13,181	15,000	30,000
16174 · Accounting-W	1,413	1,667	11,091	10,000	20,000
16176 · Audit-W	0	1,250	8,640	7,500	15,000
16177 · Engineering-W	0	1,250	11,833	7,500	15,000
16178 · Legal-W	0	2,083	2,925	12,500	25,000
16179 · Insurance-W	0	458	0	2,750	5,500
16179a · Insurance-Property-W	0	142	1,423	850	1,700
16179b · Insurance-Vehicles-W	0	17	0	100	200
16179c · Insurance-Misc-W	0	42	0	250	500
16179d · Insurance-E&O-W	0	75	0	450	900
16179e · Insurance-Liability-W	0	88	175	530	1,061
16179f · Insurance-Bonding	86	417	741	2,500	5,000
16179g · Insurance-FSA	0	333	0	2,000	4,000
16179h · Insurance-WC-W	0	458	0	2,750	5,500
16179i · Insurance-Wells	0	0	0	0	0
<b>Total 16179 · Insurance-W</b>	<b>86</b>	<b>2,030</b>	<b>2,339</b>	<b>12,180</b>	<b>24,361</b>
16180 · Repairs-Bldg-W	0	1,667	188	10,000	20,000
16181 · Repairs-Equip-W	526	417	4,192	2,500	5,000
16182 · Repairs-Vehicles-W	485	500	4,003	3,000	6,000
16182a · Yard Maintenance-Mowing	1,044	1,000	6,264	6,000	12,000
16183 · Travel	0	42	0	250	500
16183a · Travel-Air	0	208	0	1,250	2,500
16183b · Travel-Lodging	0	208	245	1,250	2,500
16183c · Travel-Meals	0	21	0	125	250
16183d · Travel-Rental Car	0	0	0	0	0
<b>Total 16183 · Travel</b>	<b>0</b>	<b>479</b>	<b>245</b>	<b>2,875</b>	<b>5,750</b>
16184 · Training-W	114	0	2,552	0	0
16185 · Electricity	0	292	1,254	1,750	3,500
16185a · Electricity-Maint Bldg	0	500	1,129	3,000	6,000
16185b · Electricity-Office Bldg	0	4,167	17,329	25,000	50,000
16185c · Electricity-Wells	0	42	0	250	500
16185d · Electricity-WW Lift Station	0	0	0	0	0
<b>Total 16185 · Electricity</b>	<b>0</b>	<b>5,000</b>	<b>19,712</b>	<b>30,000</b>	<b>60,000</b>
16186 · Water-Maint Bldg	0	167	1,127	1,000	2,000
16187 · Water-Office Bldg	0	167	363	1,000	2,000
16188 · Computer Supplies	0	833	0	5,000	10,000
16189 · Labor-Service Lines & Tap-W	0	1,667	19,650	10,000	20,000
16195 · Meter Testing Charges	0	21	0	125	250
16196 · Permits	0	100	0	600	1,200
16197 · Small Equipment Purchases	0	333	0	2,000	4,000
16199 · Communication/Radios	0	833	2,934	5,000	10,000

**Bastrop WCID No 2 - Water/Wastewater  
Actual vs Budget Water**

June 2021

	Jun 21	Budget	Jan - Jun 21	YTD Budget	Annual Budget
Total Water-Expense	88,710	133,667	682,833	802,004	1,604,007
16191 - Engineering Fees - Bond App	0	0	39,005	0	0
Total Expense	88,710	133,667	721,838	802,004	1,604,007
Net Ordinary Income	81,390	39,199	316,229	235,196	470,393
Other Income/Expense					
Other Expense					
Capital Outlay-W					
17100 - Vehicles-W	0	2,083	41,671	12,500	25,000
17101 - Equipment-W	624	1,250	9,680	7,500	15,000
17102 - Meters-W	0	0	10,166	0	0
17106 - Line Extension-W	0	4,167	6,300	25,000	50,000
17107 - Buildings-W	0	0	166,842	0	0
17109 - Capital Outlay Culverts-W	0	5,000	2,000	30,000	60,000
17110 - Capital Outlay-W	0	3,750	0	22,500	45,000
17115 - Water Tank/Main - W	0	3,333	93,350	20,000	40,000
Total Capital Outlay-W	624	19,583	330,009	117,500	235,000
Total Other Expense	624	19,583	330,009	117,500	235,000
Net Other Income	(624)	(19,583)	(330,009)	(117,500)	(235,000)
Net Income	80,766	19,616	(13,780)	117,696	235,393

**Bastrop WCID No 2 - Roads  
Actual vs Budget-RC  
June 2021**

	Jun 21	Budget	Jan - Jun 21	YTD Budget	Annual Budget
<b>Ordinary Income/Expense</b>					
<b>Income</b>					
Road Construction-Revenue					
34210 · Assessments	78,439	104,167	692,686	625,000	1,250,000
34215 · Assessments-Prior to 97	7,445	833	26,939	5,000	10,000
34220 · Late Fee	5,280	1,667	26,898	10,000	20,000
34225 · Late Fee- Prior	0	125	764	750	1,500
34235 · Lien Fees	4,677	2,083	28,300	12,500	25,000
34240 · Deed Admin Fee	0	333	33,156	2,000	4,000
34245 · Returned Check Fee	0	3	0	20	40
34250 · Filing Fees	321	250	2,144	1,500	3,000
34255 · Driveway	200	292	2,120	1,750	3,500
34265 · Attorney Fees	6,001	1,667	25,673	10,000	20,000
34270 · Allocation to Maintenance Fund	(27,083)	(27,083)	(162,500)	(162,500)	(325,000)
34275 · Interest-RC	186	83	1,307	500	1,000
<b>Total Road Construction-Revenue</b>	<b>75,466</b>	<b>84,420</b>	<b>677,486</b>	<b>506,520</b>	<b>1,013,040</b>
<b>Total Income</b>	<b>75,466</b>	<b>84,420</b>	<b>677,486</b>	<b>506,520</b>	<b>1,013,040</b>
<b>Expense</b>					
Road Construction-Expense					
36210 · Salary Allocations from Water	7,043	10,100	42,199	60,600	121,200
36224 · Admin Allocations from Water-RC	8,588	5,192	69,744	31,152	62,304
36229 · Maint Agreement-Incode-RC	1,200	833	1,826	5,000	10,000
36239 · Field Equip Rental	0	125	0	750	1,500
36241 · Repair & Maint-RC	0	42	0	250	500
36245 · Damage Claims	0	4	0	25	50
36258 · Misc	0	417	0	2,500	5,000
36263 · Postage	0	667	947	4,000	8,000
36268 · Filing Fees	0	417	3,062	2,500	5,000
36270 · Bad Debt	0	3,750	0	22,500	45,000
36271 · CC Fees	470	1,000	8,175	6,000	12,000
36272 · Attorney Fees (County)	0	2,500	19,228	15,000	30,000
36273 · Taxes- Property	0	125	0	750	1,500
36274 · Accounting	792	917	5,405	5,500	11,000
36276 · Audit-RC	0	833	5,280	5,000	10,000
36277 · Engineering-RC	0	11,667	32,225	70,000	140,000
36278 · Legal-RC	0	2,500	0	15,000	30,000
36279 · Insurance	0	750	0	4,500	9,000
36279h · Insurance- WC	0	0	0	4,500	9,000
<b>Total 36279 · Insurance</b>	<b>0</b>	<b>750</b>	<b>0</b>	<b>4,500</b>	<b>9,000</b>

**Bastrop WCID No 2 - Roads**  
**Actual vs Budget-RC**  
 June 2021

	Jun 21	Budget	Jan - Jun 21	YTD Budget	Annual Budget
36280 · Other Professional Fees	0	83	0	500	1,000
36294 · Road Fees Written Off	0	2,083	0	12,500	25,000
36295 · Lien Fees Written Off	0	417	0	2,500	5,000
36296 · Road Late Fees Written Off	0	417	0	2,500	5,000
36297 · Road Prior Written Off	0	1,250	0	7,500	15,000
36298 · Attorney Fees Written Off	0	1,250	0	7,500	15,000
<b>Total Road Construction-Expense</b>	<b>18,093</b>	<b>47,338</b>	<b>188,090</b>	<b>284,027</b>	<b>568,054</b>
<b>Total Expense</b>	<b>18,093</b>	<b>47,338</b>	<b>188,090</b>	<b>284,027</b>	<b>568,054</b>
<b>Net Ordinary Income</b>	<b>57,373</b>	<b>37,082</b>	<b>489,396</b>	<b>222,493</b>	<b>444,986</b>
<b>Other Income/Expense</b>					
Other Expense					
Road Construction-Capital					
37210 · Equipment-RC	0	0	128	0	0
37285 · Capital Outlay-RC	58,157	36,250	254,075	217,500	435,000
<b>Total Road Construction-Capital</b>	<b>58,157</b>	<b>36,250</b>	<b>254,203</b>	<b>217,500</b>	<b>435,000</b>
<b>Total Other Expense</b>	<b>58,157</b>	<b>36,250</b>	<b>254,203</b>	<b>217,500</b>	<b>435,000</b>
<b>Net Other Income</b>	<b>(58,157)</b>	<b>(36,250)</b>	<b>(254,203)</b>	<b>(217,500)</b>	<b>(435,000)</b>
<b>Net Income</b>	<b>- (784)</b>	<b>832</b>	<b>235,193</b>	<b>4,993</b>	<b>9,986</b>

**Bastrop WCID No 2 - Roads**  
**Actual vs Budget-RM**  
 June 2021

	Jun 21	Budget	Jan - Jun 21	YTD Budget	Annual Budget
<b>Ordinary Income/Expense</b>					
<b>Income</b>					
Road Maintenance-Revenue					
34160 · Other-RM	0	12,500	0	75,000	150,000
34165 · FEMA Payments	0	12,500	0	75,000	150,000
34176 · Transfer from Road Construction	27,083	27,083	162,500	162,500	325,000
<b>Total Road Maintenance-Revenue</b>	<b>27,083</b>	<b>52,083</b>	<b>162,500</b>	<b>312,500</b>	<b>625,000</b>
<b>Total Income</b>	<b>27,083</b>	<b>52,083</b>	<b>162,500</b>	<b>312,500</b>	<b>625,000</b>
<b>Expense</b>					
Road Maintenance-Expense					
36124 · Salary Allocations from Water	8,029	10,100	39,411	60,600	121,200
36127 · Repairs- Contracted-RM	0	4,167	0	25,000	50,000
36128 · Contract Labor- RM	0	4,167	0	25,000	50,000
36139 · Field Equipment Rental- RM	0	2,083	16,124	12,500	25,000
36141 · R&M-RM	0	1,667	0	10,000	20,000
36142 · Materials-RM	17,434	24,583	29,109	147,500	295,000
36144 · Safety Supplies-RM	0	417	224	2,500	5,000
36145 · Uniforms	0	0	160	0	0
36146 · Equip. Small	0	83	0	500	1,000
36147 · Permit Fees	0	208	0	1,250	2,500
36148 · Materials- Hauling-RM	0	1,250	9,430	7,500	15,000
36174 · Accounting	180	167	1,228	1,000	2,000
36176 · Audit-RM	0	333	1,200	2,000	4,000
36177 · Engineering-RM	0	1,667	0	10,000	20,000
36178 · Legal-RM	0	167	0	1,000	2,000
36179 · Insurance-WC-RM	0	42	0	250	500
36181 · Repairs- Equip-RM	526	417	1,773	2,500	5,000
36182 · Repairs- Vehicles-RM	0	417	2,532	2,500	5,000
<b>Total Road Maintenance-Expense</b>	<b>26,170</b>	<b>51,933</b>	<b>101,191</b>	<b>311,600</b>	<b>623,200</b>
<b>Total Expense</b>	<b>26,170</b>	<b>51,933</b>	<b>101,191</b>	<b>311,600</b>	<b>623,200</b>
<b>Net Ordinary Income</b>	<b>914</b>	<b>150</b>	<b>61,309</b>	<b>900</b>	<b>1,800</b>
<b>Net Income</b>	<b>914</b>	<b>150</b>	<b>61,309</b>	<b>900</b>	<b>1,800</b>

Bastrop WCID No 2 - Standby  
Actual vs Budget  
June 2021

	Jun 21	Budget	Jan - Jun 21	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income					
25300 · Pine Forest Standby	42	417	582	2,500	5,000
25500 · TV Standby	273	417	1,618	2,500	5,000
25600 · Late Fees	225	0	420	0	0
25700 · Lien Fees	0	0	48	0	0
25710 · Attorney Fees	0	0	417	0	0
<b>Total Income</b>	<b>540</b>	<b>833</b>	<b>3,085</b>	<b>5,000</b>	<b>10,000</b>
Expense					
27110 · Admin Allocations	0	417	0	2,500	5,000
27135 · Filing Fees	0	0	0	0	0
27142 · Fees Written Off	0	0	2,814	0	0
27145 · Lien Fees Written Off	0	0	0	0	0
27146 · Late Fees Written Off	0	0	0	0	0
27160 · Accounting	180	167	1,228	1,000	2,000
27170 · Audit	0	208	1,200	1,250	2,500
27175 · Attorney Fees Expense	0	0	1,056	0	0
27190 · Legal	0	42	0	250	500
<b>Total Expense</b>	<b>180</b>	<b>833</b>	<b>6,299</b>	<b>5,000</b>	<b>10,000</b>
<b>Net Ordinary Income</b>	<b>360</b>	<b>0</b>	<b>(3,213)</b>	<b>0</b>	<b>0</b>
Other Income/Expense					
Other Expense					
27195 · Drainage	3,750	0	3,750	0	0
<b>Total Other Expense</b>	<b>3,750</b>	<b>0</b>	<b>3,750</b>	<b>0</b>	<b>0</b>
<b>Net Other Income</b>	<b>(3,750)</b>	<b>0</b>	<b>(3,750)</b>	<b>0</b>	<b>0</b>
<b>Net Income</b>	<b>(3,390)</b>	<b>0</b>	<b>(6,963)</b>	<b>0</b>	<b>0</b>

**Bastrop WCID No 2 - Water/Wastewater**  
**Balance Sheet**  
As of June 30, 2021

	Jun 30, 21
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
11110 · Operating - Water	686,303.71
11220 · TWDB WW	572.00
<b>Total Checking/Savings</b>	686,875.71
<b>Other Current Assets</b>	
<b>Accounts Receivable</b>	
11150 · Accounts Receivable-W	33,808.53
11250 · Accounts Receivable - WW	14,139.58
<b>Total Accounts Receivable</b>	47,948.11
11120 · Petty Cash	215.00
11130 · Cash Drawer	250.00
11140 · Time Deposits-W	2,908,693.45
11160 · Allowance for Doubtful-W	(10,176.94)
11171 · Due from Standby-W	180.00
11172 · Due from RM-W	9,033.47
11173 · Due from RC-W	17,623.23
11175 · FEMA Receivable	23,500.00
11180 · Utility Deposits-W	920.00
11230 · Time Deposits-WW	1,111,344.53
11260 · Allowance for Doubtful-WW	(4,414.45)
11274 · Deferred Outflow - Retirement	55,581.00
<b>Total Other Current Assets</b>	4,160,697.40
<b>Total Current Assets</b>	4,847,573.11
<b>Fixed Assets</b>	
11190 · Accumulated Depreciation-W	(3,555,784.88)
11191 · Land-W	85,504.00
11192 · Bldgs & Equipment-W	5,702,857.19
11290 · Accumulated Depreciation-WW	(3,567,887.16)
11291 · Land-WW	14,525.00
11292 · Bldgs & Equipment-WW	7,998,503.63
<b>Total Fixed Assets</b>	6,677,717.78
<b>TOTAL ASSETS</b>	<b>11,525,290.89</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
12000 · Accounts Payable	6,307.19
<b>Total Accounts Payable</b>	6,307.19
<b>Other Current Liabilities</b>	
12140 · Accrued Salaries	4,003.42
12144 · FSA Employee Flexible Spending	20,418.78
12145 · Benefit Liability	(5,268.43)
12160 · Deposits	272,200.00
12170 · Due to TCEQ-W	3,507.11
12180 · Groundwater Assessments Pay-W	1,671.98

**Bastrop WCID No 2 - Water/Wastewater**  
**Balance Sheet**  
As of June 30, 2021

	Jun 30, 21
12188 · Due to Others	0.30
12191 · FEMA Payments Deferred Revenue	23,500.00
12270 · Due to TCEQ-WW	1,917.18
12271 · Equipment Lease Payable-WF	38,685.36
12280 · Bonds Payable-TWDB-WW	5,060,000.00
<b>Total Other Current Liabilities</b>	<b>5,420,635.70</b>
<b>Total Current Liabilities</b>	<b>5,426,942.89</b>
<b>Total Liabilities</b>	<b>5,426,942.89</b>
<b>Equity</b>	
13110 · Unrestricted Fund Balance-W	3,507,631.79
13120 · Restricted Fund Balance-Bond	65,000.00
13140 · Capital Assets Fund Balance-W	1,834,568.00
13220 · Unrestricted Fund Balance-WW	905,603.05
13240 · Capital Assets Fund Balance-WW	(193,791.00)
Net Income	(20,663.84)
<b>Total Equity</b>	<b>6,098,348.00</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>11,525,290.89</b>

**Bastrop WCID No 2 - Roads**  
**Balance Sheet**  
As of June 30, 2021

	Jun 30, 21
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	
31210 · Road Const Operating	276,128.28
<b>Total Checking/Savings</b>	276,128.28
<b>Other Current Assets</b>	
31230 · Time Deposits-RC	754,242.93
31250 · Accounts Receivable-RC	2,600,796.36
31260 · Allowance for Doubtful-RC	(1,771,499.71)
31277 · FEMA Receivable	231,464.68
<b>Total Other Current Assets</b>	1,815,004.26
<b>Total Current Assets</b>	2,091,132.54
<b>TOTAL ASSETS</b>	2,091,132.54
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable	
32000 · Accounts Payable	7,599.04
<b>Total Accounts Payable</b>	7,599.04
<b>Other Current Liabilities</b>	
32140 · Deferred Revenue - Assessments	818,204.21
32150 · Due to Water-RM	9,033.47
32250 · Due to Water-RC	17,623.23
32257 · FEMA Funds Deferred Revenue	231,464.68
<b>Total Other Current Liabilities</b>	1,076,325.59
<b>Total Current Liabilities</b>	1,083,924.63
<b>Total Liabilities</b>	1,083,924.63
<b>Equity</b>	
33130 · Fund Balance-RM	497,233.32
33220 · Fund Balance-RC	213,472.71
Net Income	296,501.88
<b>Total Equity</b>	1,007,207.91
<b>TOTAL LIABILITIES &amp; EQUITY</b>	2,091,132.54

**Bastrop WCID No 2 - Standby  
Balance Sheet  
As of June 30, 2021**

	Jun 30, 21
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
21100 · Standby Operating	93,576.54
<b>Total Checking/Savings</b>	93,576.54
<b>Other Current Assets</b>	
21500 · Accounts Receivable	487,650.06
21600 · Allowance for Bad Debts	(494,398.40)
<b>Total Other Current Assets</b>	(6,748.34)
<b>Total Current Assets</b>	86,828.20
<b>TOTAL ASSETS</b>	<b>86,828.20</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Other Current Liabilities</b>	
22200 · Due to Water	180.00
<b>Total Other Current Liabilities</b>	180.00
<b>Total Current Liabilities</b>	180.00
<b>Total Liabilities</b>	180.00
<b>Equity</b>	
23010 · Fund Balance	93,611.32
Net Income	(6,963.12)
<b>Total Equity</b>	86,648.20
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>86,828.20</b>

Bastrop County Water Control & Improvement District No. 2

**District Debt Service Payments**

07/01/2021 - 06/30/2022

<u>Paying Agent</u>	<u>Series</u>	<u>Date Due</u>	<u>Date Paid</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Due</u>
<b>Debt Service Payment Due 12/01/2021</b>						
Amegy Bank of Texas	2016 - WS&D	12/01/2021		270,000.00	87,873.50	357,873.50
		<b>Total Due 12/01/2021</b>		<b>270,000.00</b>	<b>87,873.50</b>	<b>357,873.50</b>
<b>Debt Service Payment Due 06/01/2022</b>						
Amegy Bank of Texas	2016 - WS&D	06/01/2022		0.00	84,836.00	84,836.00
		<b>Total Due 06/01/2022</b>		<b>0.00</b>	<b>84,836.00</b>	<b>84,836.00</b>
			<b>District Total</b>	<b>\$270,000.00</b>	<b>\$172,709.50</b>	<b>\$442,709.50</b>

\$K

Cash	June	May	
	Current Month	Last Month	Delta

Water Waste Water

Checking	687	626	61
CDs	0	0	0
Money Market	686	649	37
TexPool	1,621	1,621	0
TWDB	642	642	0
TWDB Reserve	457	457	0
TexPool Building Funds	613	613	0
Total Water / Waste Water	4,706	4,608	98

Stand-by	94	97	-3
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Roads

Checking	276	322	-46
Money Market	754	754	0

Total Roads	1,030	1,076	-46
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Total Cash	5,830	5,781	49
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Financials  
\$K

	C/M Act	YTD Act	YTD Budget	FY Budget
<b>Water</b>				
Revenue	170	1,038	1,037	2,074
Expense	89	722	802	1,604
Capital	1	330	118	235
Net	80	-14	117	235
Notes:				
Tank Project Not Yet Started			467	700

	C/M Act	YTD Act	YTD Budget	FY Budget
<b>Waste Water</b>				
Revenue	90	593	611	1,221
Expense	66	515	551	1,102
Capital	1	93	50	100
Net	23	-15	10	19
Notes:				
2 Taps (Rev)	17	164	140	280
Pumps (Exp)	0	41	50	100

	C/M Act	YTD Act	YTD Budget	FY Budget
<b>Road Construction</b>				
Revenue	75	677	507	1,013
Expense	18	188	284	568
Capital	58	254	218	435
Net	-1	235	5	10
Notes:				
Fees (late admin, etc higher than planned RC Costs are higher than planned but have not been billed				

	C/M Act	YTD Act	YTD Budget	FY Budget
<b>Road Maintenance</b>				
Revenue	27	163	313	625
Expense	26	101	312	623
Capital				
Net	1	62	1	2
Notes:				
Pilings Project Over Estimate Awaiting Reimbursements from FEMA Budget is 200K for FEMA Unfunded Requests are: \$382				

	C/M Act	YTD Act	YTD Budget	FY Budget
<b>Standby</b>				
Revenue	0	3	5	10
Expense	0	6	5	10
Capital	4	4	0	0
Net	-4	-7	0	0
Notes: Purchased a lot for drainage				

**AFFIDAVIT OF RELEASE  
OF CLAIM FOR  
UNPAID CHARGES**

**THE STATE OF TEXAS \***

**COUNTY OF BASTROP \***

**We the undersigned members of the Board Directors of the Bastrop County Water Control & Improvement District, No. Two ("District "), make oath and deposes that the claims of the District for unpaid charges accumulated through July 9, 2021 and more particularly described in that certain Affidavit of Lien and Unpaid Charges, filed of record in Volume 1402 Page 821 & Volume 477 Page 548 & Volume 663 Page 525 & Volume 669 Page 474 & Volume 730 Page 666 & Volume 768 Page 189 & Volume 953 Page 412 & Volume 1027 Page 647 & Volume 1107 Page 199 & Volume 1198 Page 397 & Volume 1214 Page 394 & Volume 1295 Page 767 & Volume 1402 Page 821 & Volume 1502 Page 554 & Volume 1608 Page 312 & Book 1713 Page 678-765 & Book 1806 Pages 718-732 & Book 1889 Pages 194-202 & Book 1977 Pages 638-701 & Book 2043 & Pages 807-816 & Volume 2120 Page 519-529 & Volume 2203 Page 336-354 & Book 2293 Pages 227-240 & Instrument 201501778 & Instrument 201501779 & Instrument 201600766 & Instrument 201600764 & Instrument 201701281 & Instrument 201701283 & Instrument 201801123 & Instrument 201801124, Instrument 201901887, Instrument 202001036 and Instrument 202101365 of the Official Records of Bastrop County, Texas, are hereby released for the persons and properties listed in Exhibit A, attached hereto, said properties being identified by Unit, Block, and Lot Numbers.**

**Executed this 15<sup>th</sup> day of July 2021.**

\_\_\_\_\_  
**Board Director**

**Sworn and acknowledged before me, by the Board Director, on the 15<sup>th</sup> day of July 2021.**

\_\_\_\_\_  
**Alma Rodriguez**  
**Notary**

**alr**

<u>NAME</u>	<u>Unit-Blk-Lot</u>	<u>Standby</u>	<u>Road</u>	<u>Lien</u>	<u>Amount</u>
Baxter Trust	04-02-0239		\$ 204.00		\$ 204.00
Bieth Jr., Marcus J	02-16-1490		\$ 127.87		\$ 127.87
Bieth Jr., Marcus J	02-16-1491		\$ 127.87		\$ 127.87
Bishop, Thomas	02-03-0266		\$ 132.00		\$ 132.00
Blanton, R E	04-08-1310		\$ 1,500.00	\$ 45.00	\$ 1,545.00
Blanton, R E	04-08-1310		\$ 1,800.00	\$ 90.00	\$ 1,890.00
Blanton, R E	04-08-1310		\$ 2,025.00	\$ 135.00	\$ 2,160.00
Blanton, R E	04-08-1310		\$ 2,508.00	\$ 180.00	\$ 2,688.00
Blanton, R E	04-08-1310		\$ 2,949.00	\$ 225.00	\$ 3,174.00
Boecker, Robert J	04-11-0550		\$ 72.00		\$ 72.00
Boecker, Robert J	04-11-0551		\$ 72.00		\$ 72.00
Brock, Ralph	01-12-0740		\$ 1,680.00	\$ 45.00	\$ 1,725.00
Brock, Ralph	01-12-0740		\$ 1,980.00	\$ 90.00	\$ 2,070.00
Brock, Ralph	01-12-0740		\$ 2,205.00	\$ 135.00	\$ 2,340.00
Brock, Ralph	01-12-0740		\$ 2,688.00	\$ 180.00	\$ 2,868.00
Brock, Ralph	01-12-0740		\$ 3,606.45	\$ 225.00	\$ 3,831.45
Cervante, Bernable	05-10-0718		\$ 204.00		\$ 204.00
Champlin, William C	05-02-0080		\$ 204.00		\$ 204.00
Charles S. Langley	05-18-1091		\$ 545.00		\$ 545.00
Dudenhoeffer, John	02-04-0375		\$ 180.00		\$ 180.00
Estrada, Erica	04-09-1149		\$ 204.00		\$ 204.00
Fife, Shelby Wayne	04-09-1157		\$ 204.00		\$ 204.00
Fife, Shelby Wayne	04-09-1240		\$ 204.00		\$ 204.00
Fife, Shelby Wayne	04-09-1241		\$ 204.00		\$ 204.00
Flores Management Group LLC	05-15-1029		\$ 108.00		\$ 108.00
Flores Management Group LLC	05-15-1029		\$ 621.00	\$ 45.00	\$ 666.00
Gormley, Dan P	04-14-0942		\$ 204.00		\$ 204.00
Hamann, Leslie G	04-09-1234		\$ 960.00	\$ 45.00	\$ 1,005.00
Hamann, Leslie G	04-09-1234		\$ 1,260.00	\$ 90.00	\$ 1,350.00
Hamann, Leslie G	04-09-1234		\$ 1,485.00	\$ 135.00	\$ 1,620.00
Hamann, Leslie G	04-09-1234		\$ 1,968.00	\$ 180.00	\$ 2,148.00
Hamann, Leslie G	04-09-1234		\$ 3,028.35	\$ 225.00	\$ 3,253.35
Hanson, Justin	04-02-0339		\$ 108.00		\$ 108.00
Hanson, Justin	04-02-0339		\$ 549.00	\$ 45.00	\$ 594.00
Kleihege, Paul	02-03-0233		\$ 219.00		\$ 219.00
Kleihege, Paul	04-09-1251		\$ 204.00		\$ 204.00
Land, Erin M.	05-14-0964		\$ 180.00		\$ 180.00
Langley, Charles S	05-18-1091		\$ 785.00	\$ 45.00	\$ 830.00
Langley, Charles S	05-18-1091		\$ 1,085.00	\$ 90.00	\$ 1,175.00
Langley, Charles S	05-18-1091		\$ 1,400.00	\$ 135.00	\$ 1,535.00
Langley, Charles S	05-18-1091		\$ 1,793.00	\$ 180.00	\$ 1,973.00
Langley, Charles S	05-18-1091		\$ 2,234.00	\$ 225.00	\$ 2,459.00
Leslie G. Hamann	04-09-1234		\$ 645.00		\$ 645.00
Leyva, Jaime	02-17-1754		\$ 270.00		\$ 270.00

Leyva, Jaime	02-17-1756	\$ 270.00		\$ 270.00
Leyva, Jaime	02-17-1755	\$ 270.00		\$ 270.00
Mendia, Oneydys Rosa	04-08-1306	\$ 204.00		\$ 204.00
Navarro, Kevin	04-05-0363	\$ 132.00		\$ 132.00
Navarro, Kevin	04-05-0364	\$ 132.00		\$ 132.00
Nepenthe Investments LLC	04-05-0363	\$ 159.00	\$ 45.00	\$ 204.00
O'Brien, P A Hancock	04-09-1216	\$ 1,920.00	\$ 90.00	\$ 2,010.00
O'Brien, P A Hancock	04-09-1216	\$ 2,145.00	\$ 135.00	\$ 2,280.00
O'Brien, P A Hancock	04-09-1216	\$ 2,628.00	\$ 180.00	\$ 2,808.00
O'Brien, P A Hancock	04-09-1216	\$ 3,069.00	\$ 225.00	\$ 3,294.00
O'Brien, P A Hancock	04-14-0879	\$ 2,628.00	\$ 180.00	\$ 2,808.00
O'Brien, P A Hancock	05-18-1092	\$ 2,628.00	\$ 180.00	\$ 2,808.00
O'Brien, Pat A Hancock	04-14-0879	\$ 1,920.00	\$ 90.00	\$ 2,010.00
O'Brien, Pat A Hancock	04-14-0879	\$ 2,145.00	\$ 135.00	\$ 2,280.00
O'Brien, Pat A Hancock	04-14-0879	\$ 3,069.00	\$ 225.00	\$ 3,294.00
O'Brien, Pat A Hancock	05-18-1092	\$ 1,920.00	\$ 90.00	\$ 2,010.00
O'Brien, Pat A Hancock	05-18-1092	\$ 2,145.00	\$ 135.00	\$ 2,280.00
O'Brien, Pat A Hancock	05-18-1092	\$ 3,069.00	\$ 225.00	\$ 3,294.00
O'Brien. P A Hancock	04-09-1216	\$ 1,620.00	\$ 45.00	\$ 1,665.00
O'Brien. Pat	04-14-0879	\$ 1,620.00	\$ 45.00	\$ 1,665.00
O'Brien. Pat	05-18-1092	\$ 1,620.00	\$ 45.00	\$ 1,665.00
P. A. Hancock O'Brien	04-09-1216	\$ 1,305.00		\$ 1,305.00
Pat A. Hancock	05-18-1092	\$ 1,305.00		\$ 1,305.00
Pat A. Hancock O'Brien	04-14-0879	\$ 1,305.00		\$ 1,305.00
Pickhartz, Eric	05-29-1656	\$ 204.00		\$ 204.00
R.E. Blanton	04-08-1310	\$ 1,185.00		\$ 1,185.00
Ralph & Shirley Brock	01-12-0740	\$ 1,365.00		\$ 1,365.00
Rodriguez, Christopher	04-12-0649	\$ 36.00		\$ 36.00
Rodriguez, Christopher	04-12-0650	\$ 36.00		\$ 36.00
Schatz, Carolyn L	03-11-0286	\$ 204.00		\$ 204.00
Silva, Paulo Alexandre	05-06-0519	\$ 204.00		\$ 204.00
Silva, Paulo Alexandre	05-06-0521	\$ 204.00		\$ 204.00
Silva, Paulo Alexandre	05-06-0522	\$ 204.00		\$ 204.00
Silva, Paulo Alexandre	05-12-0837	\$ 204.00		\$ 204.00
Silva, Paulo Alexandre	05-12-0853	\$ 204.00		\$ 204.00
Silva, Paulo Alexandre	05-12-0854	\$ 204.00		\$ 204.00
Vance, Maureen	03-18-0449	\$ 204.00		\$ 204.00
Vazquez, Sergio	04-09-1151	\$ 204.00		\$ 204.00
Villanueva, Janie	05-03-0194	\$ 156.00		\$ 156.00
Von Roeder, Carroll	05-18-1087	\$ 204.00		\$ 204.00
<b>Total</b>		<b>\$ 88,982.54</b>	<b>\$ 4,860.00</b>	<b>\$ 93,842.54</b>

## Lien List Recap for July 2021

Total Amount of Liens Released	\$ 93,842.54
Road Assessments Paid	\$ 46,130.98
Standby Assessments Paid	\$ 00.00
Attorney Fees	\$ 4,365.75
Total actually collected	\$ 50,496.73
Total Write offs	\$ 2,158.98

\*\*\*Note: The reason the amount collected is lower than the amount released is because the report must show a release amount for each lien filed. The accounts were paid in full.\*\*\*

# Agenda Item # 7

## General Managers Report

**BOARD OF DIRECTORS**  
**BASTROP COUNTY WCID NO. 2**

**General Manager's Update**  
**July 15, 2021**

**7a. Status of TTHM compliance:**

Current work in progress.

**7b. Update on district water plants and lift stations:**

No updates at this time.

**7c. W/WW maintenance & Capital Improvements update:**

Had a meeting and walk-thru with Befco on the Tahitian line upgrade. Final steps are being taken now, to present this to the Board, probably not until September. Befco is in the design & plan preparation currently with the goal of having a substantially complete set of plans by the end of August. Once they have that set, we will meet to review and gather any changes\requests. Once finalized, Befco will sign and seal the plans and then advertise for bid. I would estimate an end of September bid opening and bringing the bids to board meeting in October for award to a contractor. PVC should also be settling down a bit by the time we bid in September. There will be a few alternate bid items to review, which will allow some items that are wanted vs needed, to be bid on appropriately, with the economic changes that seem to be hitting us pretty rapidly.

**BOARD OF DIRECTORS**  
**BASTROP COUNTY WCID NO. 2**

**7d. Roads maintenance & improvement projects update:**

**19/20 Road Construction:** Waiting for County chip-sealing.

**20/21 Roads:** The team is rocking right along with this. Trees and trimming has been the major struggle, with several issues along the way. A few things have been learned, (so that preparing for this next year, should we choose to take this on again), the team will have some insight and better strategical plans! We are planning and August/September timeframe for the reclaimer...just waiting on the dealer to confirm that now.

**7e. Employee update:**

No new updates at this time. We have advertised for the empty positions and are conducting interviews.

**7f. General Office Update:**

**New Maintenance Facility:** The project is moving forward slowly. Due to material delay, the builder had to go onto another project and is coming back to us this month. We are still hoping for a late July to mid-August finish time.

# Agenda

## Item # 10

Resolution  
and bid form  
regarding Revenue  
Notes Series 2021

**RESOLUTION APPROVING TERM SHEET AND BID FORM  
RELATING TO BASTROP COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 2 REVENUE NOTES, SERIES 2021;  
AUTHORIZING DISTRIBUTION OF SUCH DOCUMENTS; AND  
CONTAINING OTHER RELATED MATTERS**

**WHEREAS**, Bastrop County Water Control and Improvement District No. 2 (the "District") has authorized the District's financial advisor, SAMCO Capital Markets, Inc. (the "Financial Advisor"), to prepare a Term Sheet and Bid Form and, if necessary, any other documentation to obtain bids (collectively, "Bid Documents") for the purchase of the District's Revenue Notes, Series 2021 (the "Notes"); and

**WHEREAS**, the Board of Directors of the District (the "Board") deems it appropriate to approve of the Bid Documents and their distribution, as further set forth below.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2 THAT:**

**Section 1. APPROVAL AND DISTRIBUTION OF BID DOCUMENTS.** The Board hereby approves the Bid Documents substantially in the forms attached hereto as Exhibit "A" with such changes, additions or deletions as directed by the Board President, Board Treasurer or the General Manager of the District (collectively, the "Authorized Representatives"). The Financial Advisor and Orrick, Herrington & Sutcliffe LLP, as the District's bond counsel ("Bond Counsel"), are authorized to do all things necessary or appropriate to obtain bids for the Notes. Without limiting the generality of the foregoing, the Financial Advisor is hereby authorized and directed to distribute the Bid Documents.

**Section 2. OTHER MATTERS.** The Authorized Representatives, the Financial Advisor and Bond Counsel are authorized to do all things proper and necessary to carry out the intent hereof.

**Section 3. EFFECTIVENESS.** This Resolution shall take effect immediately upon its passage and shall remain in effect until repealed or otherwise modified by the Board.

*[Signature page follows]*

PASSED AND APPROVED this July 15, 2021.

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President, Board of Directors

ATTEST:

---

Secretary, Board of Directors

(SEAL)

**\$6,775,000**

**BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2  
REVENUE NOTES, SERIES 2021**

**Term Sheet and Bid Form**

- BORROWER:** Bastrop County Water Control and Improvement District No. 2 (the "District")
- PRINCIPAL:** \$6,775,000 Bastrop County Water Control and Improvement District No. 2 Revenue Notes, Series 2021 (the "Notes")
- PURPOSE:** The Notes are being issued for the purposes of: (a) financing the costs to acquire, construct, improve, renovate, enlarge, or equip property, buildings, structures or related infrastructure for the District's water and wastewater system, and (b) paying costs of issuance of the Notes.
- AUTHORIZATION:** The Notes will be issued pursuant to Section 49.153, Texas Water Code, an order of the Texas Commission on Environmental Quality approving the issuance of the Notes, and a resolution authorizing the issuance of the Notes, in substantially the form attached hereto as Exhibit A (the "Note Resolution"), to be adopted by the Board of Directors of the District (the "Board").
- SECURITY:** The Notes are special obligations of the District payable solely from and, together with the Previously Issued Parity Obligations (defined below) and any additional parity obligations authorized to be issued by the Note Resolution (together with the Previously Issued Parity Obligations, the "Parity Obligations") now or hereafter outstanding, secured by and payable from a first lien on and pledge of the Net Revenues (as defined in the Note Resolution) of the District's waterworks and sewer system (as more particularly defined in the Note Resolution, the "System"). Except for the pledge of the Net Revenues to secure the payment of the Parity Obligations, the District will not grant a lien on or security interest in any of its assets for the benefit of the holders of the Notes. **The Notes do not constitute a general obligation of the District, and the holders of the Notes shall not have the right to demand payment thereof from any funds raised or to be raised by taxation. The Notes are limited obligations solely of the District and are not obligations of the State of Texas; Bastrop County, Texas; the City of Bastrop; or any other political subdivision or entity other than the District.**
- OUTSTANDING OBLIGATIONS:** The District currently has \$5,060,000 in principal amount outstanding of its Revenue Notes, Series 2016 (the "Previously Issued Parity Obligations"). The District has no debt outstanding other than the Previously Issued Parity Obligations.
- PARITY OBLIGATIONS:** The Notes are issued on parity with the Previously Issued Parity Obligations and any other Parity Obligations now or hereafter outstanding.
- PRINCIPAL AMOUNTS:** The Notes will be issued in principal denominations of \$100,000, and multiples of \$5,000 greater than \$100,000 ("Authorized Denominations").
- QUALIFIED TAX-EXEMPT OBLIGATIONS:** The District will designate the Notes as "qualified tax-exempt obligations".

**AMORTIZATION  
ON THE NOTES:**

Annual payments of principal on December 1 of each of the years commencing 2022 through 2035. Interest will commence upon initial delivery of the Notes, and will be payable semiannually beginning June 1, 2022, and on each June 1 and December 1 thereafter until maturity or prior redemption.

**INTEREST RATE:**

Bidders have the option of specifying that the principal amount of the Notes payable on consecutive stated maturities be combined into a term Note (the "Term Note") with mandatory sinking fund redemption dates of the same stated maturities forming such Term Note, and mandatory sinking fund redemption amounts with the same amounts, as shown in the schedule on the bid form. [Note: Confirming we'll have a chance to review the Bid Form as well?]

Bidders must submit their bids based on a fixed rate or rates of per annum interest. Subject to the right of the District to reject any or all bids, the Notes will be awarded to the bidder whose bid produces the lowest net effective interest rate. Upon acceptance by the Board of Directors of the District, the bid will be honored by the Bidder through the execution of a Private Placement Letter.

**CALL OPTION:**

Notes maturing on or after December 1, 2028, are subject to optional redemption in whole or in part in Authorized Denominations, but in amounts which will leave no denominations in any stated maturity (or mandatory sinking fund redemption date) of less than \$100,000, on December 1, 2027 or from time to time, on any date thereafter. Bidders may bid alternative call provisions. **The District would like to see alternative call provisions if it reduces interest expense.**

**SUBMISSION OF  
BID:**

Bidders must submit a signed copy of this Bid Letter and the Bid Form no later than **12:00 p.m. C.S.T. time on \_\_\_\_\_, 2021**. The Bid Form may be delivered to Paul Hightower, General Manager, of the District by email at [paul@bcwcid2.org](mailto:paul@bcwcid2.org) and Chris Lane by email at [clane@samcocapital.com](mailto:clane@samcocapital.com). Neither the District nor SAMCO Capital Markets, Inc. are responsible if for any reason a bid is not received on or prior to such deadline. **SAMCO Capital Markets, Inc. will not submit to the District any bids received after the above deadline.**

**AWARD DATE:**

The Board will review the bids. Subject to the Board's right to reject any or all bids and to waive any irregularities (except irregularities associated with the timeliness of any bid submission), the sale of the Notes will be awarded to the bidder (the "Purchaser") which provides the bid that produces the lowest net effective interest rate just after \_\_\_\_\_ p.m. C.S.T. on \_\_\_\_\_, 2021.

**PRIVATE  
PLACEMENT  
LETTER:**

The Purchaser must sign a Private Placement Letter, wherein it, among other things, must certify that it is an "accredited investor" within the meaning of Section 2(a)(15) of the Securities Act of 1933, as amended (the "Act"), or a "qualified institutional buyer" as defined in Section (a)(1) of Rule 144A under the Act, that it is purchasing the Notes for its own account and has no present intention to sell, pledge, transfer, convey, hypothecate, mortgage, dispose of, reoffer, distribute, or resell the Notes, and must agree to certain restrictions on transfers of the Notes as further described in the Private Placement Letter.

**EXPECTED  
CLOSING DATE:**

It is anticipated that the Notes will be delivered on or about \_\_\_\_\_, 2021 but may be delivered on any other date mutually acceptable to the District and the Purchaser.

**PAYING AGENT/**

**REGISTRAR:**

It is anticipated that the Purchaser will also act as the Paying Agent/Registrar of the Notes. Please list any charges for this service, which will be included in the net effective interest rate of the bid. The Notes will not be qualified for DTC and will be delivered to the Purchaser, not Cede & Co. or any other securities depository.

**COVENANTS:**

The District intends to include only such covenants as are contained within the form of Note Resolution attached hereto as Exhibit A. Please note that the District may decline any bid with provisions or covenants that the District determines, in its sole discretion, are unacceptable or unlawful.

**CONTINUING  
DISCLOSURE:**

The District is NOT entering into a continuing disclosure undertaking with respect to the Notes under Rule 15c2-12(b) of the United States Securities and Exchange Commission. The District will agree to provide the Purchaser the most recently available audited financial information of the District upon written request. The District may, at its option, provide such information by posting same on the Electronic Municipal Market Access website of the Municipal Securities Rulemaking Board.

**NO-LITIGATION  
CERTIFICATE:**

The District will furnish the Purchaser a certificate, executed by authorized officers of the District, and dated as of the date of delivery of the Notes, to the effect that no litigation of any nature of which the District has notice is pending or, to the knowledge of the District's certifying officers, threatened against the District, either in state or federal courts, contesting or attacking the Notes, restraining or enjoining the collection of the Net Revenues to pay the interest on or the principal of the Notes, in any manner questioning the authority or proceedings for the issuance, execution or delivery of the Notes, or affecting the validity of the Notes or the title of the present officers of the District.

**CONDITIONS  
PRECEDENT  
TO FUNDING:**

Executed documentation satisfactory to the District's Bond Counsel and Purchaser including, but not limited to, the following:

- (a) Note Resolution adopted by the Board, which will contain all relevant provisions governing the financing;
- (b) Opinion of Bond Counsel to the District as to validity and federal tax exemption;
- (c) General and No Litigation Certificate(s);
- (d) Private Placement Letter executed by Purchaser and the District;
- (e) Opinion of the Texas Attorney General as to validity of the Notes under Texas Law; and
- (f) Tax Certificate and IRS Form 8038-G.

**REQUIRED DISCLOSURE OF INTERESTED PARTIES:** Pursuant to Texas Government Code, Section 2252.908 (the "Interested Party Disclosure Act"), the District may not award the Notes to a bidder unless the bidder either: (a) submits a Certificate of Interested Parties Form 1295 (the "Disclosure Form") to the District as prescribed by the Texas Ethics Commission ("TEC"), or (b) represents to the District by marking the appropriate check box on the signature page of the Bid Form that the bidder represents to the District that it is a publicly traded business entity or a wholly owned subsidiary of a publicly traded business entity (the "Publicly Traded Entity Representation"). In the event that the bidder's bid for the Notes is the best bid received and the bidder does not provide the Publicly Traded Entity Representation,

the District, acting through its financial advisor, will promptly notify the bidder. That notification will serve as the conditional verbal acceptance of the bid, and the winning bidder must promptly file the materials described below.

The Disclosure Form can be found at <https://www.ethics.state.tx.us/filinginfo/1295/> and reference should be made to the following information to complete it: (a) item 2 – Bastrop WCID 2; (b) item 3 – (identification number assigned to this contract) “Revenue Notes, Series 2021 – Award” and (c) item 3 – (description of goods or services) Purchaser of Notes. If the bidder does not provide the Publicly Traded Entity Representation, the District cannot accept your bid unless and until you: (i) complete the Disclosure Form electronically at the TEC’s “electronic portal,” and (ii) print, sign and deliver a copy of the Disclosure Form that is generated by the TEC’s “electronic portal.” These materials must be delivered electronically to the District’s consultants at [jkyle@orrick.com](mailto:jkyle@orrick.com), [bmorse@orrick.com](mailto:bmorse@orrick.com) and [clane@samcocapital.com](mailto:clane@samcocapital.com) no later than 1:00 P.M., Central Time, on the bid due date. If the Disclosure Form is required, time will be of the essence in submitting the form to the District, and no bid will be accepted by the District unless a completed Disclosure Form is received on time.

Neither the District nor its consultants have the ability to verify the information included in a Disclosure Form, and neither have an obligation nor undertake responsibility for advising any bidder with respect to the proper completion of the Disclosure Form. Consequently, an entity intending to bid on the Notes should consult its own advisors to the extent it deems necessary and be prepared to submit the completed form promptly upon notification from the District that its bid is the conditional winning bid.

**IRAN, SUDAN AND FOREIGN TERRORIST ORGANIZATIONS:** By submission of a bid, the bidder represents that neither it nor any of its parent company, wholly or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2271.0201, Texas Government Code.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the bidder and each of its parent company, wholly or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The bidder understands “affiliate” to mean any entity that controls, is controlled by, or is under common control with the bidder and exists to make a profit.

**ANTI-BOYCOTT VERIFICATION:** By submission of a bid, the bidder hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this bid is a contract for goods or services, will not boycott Israel during the term of this contract to purchase the Notes. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, “boycott Israel” means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The bidder understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with the bidder and exists to make a profit.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

**EXHIBIT A**  
**Bid Documents**

*[To be attached]*

**BASTROP CO. WATER CONTROL & IMPROVEMENT DISTRICT NO. 2**  
**\$6,775,000**  
**REVENUE NOTES, SERIES 2021**  
**Bid Form**

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Name of Bank: \_\_\_\_\_

Contact: \_\_\_\_\_ Phone: \_\_\_\_\_

**THE NOTES**

Bidders may bid as a single term note with one interest rate or with individual maturities and interest rates at their option.

**(Principal Amounts Subject to Change)**

**Interest to accrue from initial delivery of the Bonds**

<b>December 1 Maturity</b>	<b>Approximate Amount</b>	<b>Interest Rate</b>	
2022	\$ 425,000		%
2023	\$ 435,000		%
2024	\$ 445,000		%
2025	\$ 450,000		%
2026	\$ 460,000		%
2027	\$ 470,000		%
2028	\$ 480,000		%
2029	\$ 490,000		%
2030	\$ 495,000		%
2031	\$ 505,000		%
2032	\$ 515,000		%
2033	\$ 525,000		%
2034	\$ 535,000		%
2035	\$ 545,000		%
	<b>\$ 6,775,000</b>		<b>%</b>

NIC: \_\_\_\_\_

**Interest to accrue from initial delivery of the Notes.**

*Term Note:* The Notes may be issued as serial Notes maturing in accordance with the above maturity schedule or may provide that all of the consecutive annual principal amounts be combined into one term Note (the "Term Note"). If such election is made, the Note will be subject to mandatory sinking fund redemption in the amount and on the dates set forth in the maturity schedule.

(please indicate if bidder will/will not serve as paying agent and the fee)

**Annual Paying Agent/Registrar Fee:** \_\_\_\_\_

**Bidder will NOT act as Paying Agent:** \_\_\_\_\_

**Bidder will act as Paying Agent:** \$ \_\_\_\_\_ **Paying Agent Fee:** \$ \_\_\_\_\_

**Other Fees:** \$ \_\_\_\_\_

**MAC Fee:** \_\_\_\_\_

Bastrop Co. WCID No. 2 Series 2021

Page 2

Bid Form

The bidder hereby acknowledges that the District may not award the Notes to a bidder unless the bidder either: (a) submits a Certificate of Interested Parties Form 1295 (the "Disclosure Form") to the District as prescribed by the Texas Ethics Commission ("TEC"), or (b) represents the District by marking the appropriate check box shown below that the bidder represents to the District that it is a publicly traded business entity. The undersigned understands that the District will not accept this bid unless the bidder (i) marks the appropriate check box that the bidder is publicly traded business entity, or (ii) submits a Disclosure Form by 1:00 p.m. (CDT) on the bid due date (\_\_\_\_, 2021).

**Entity Submitting Bid - Check One:**

Disclosure Form - Bidder will provide a Disclosure Form  
 Publicly Traded Entity Representation - bidder hereby represents to the District that it is a publicly traded business entity or a wholly owned subsidiary of a publicly traded business entity.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

Please reply to [paul@bcwcid2.org](mailto:paul@bcwcid2.org) & [clane@samcocapital.com](mailto:clane@samcocapital.com)

**Exhibit A**

**Form of Note Resolution**

[Attached]

**RESOLUTION AUTHORIZING THE ISSUANCE OF \$6,775,000 BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2 REVENUE NOTES, SERIES 2021; AND PROVIDING THE TERMS RELATING THERETO**

BE IT RESOLVED BY BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2:

ARTICLE I  
FINDINGS AND DETERMINATIONS

Section 1.1: Findings and Determinations. It is hereby officially found and determined that the District is authorized by Chapter 49.153, Texas Water Code, as amended, to issue notes payable from the net revenues of its water and wastewater system to provide funds to acquire, construct, improve, renovate, enlarge, or equip property, buildings, structures or related infrastructure for its water and wastewater system.

ARTICLE II  
DEFINITIONS AND INTERPRETATIONS

Section 2.1: Definitions. In this Resolution, the following terms shall have the following meanings, unless the context clearly indicates otherwise:

“Act” means Chapter 49.153, Texas Water Code, as amended.

“Additional Parity Obligations” means the additional parity revenue obligations permitted to be issued by the District pursuant to Section 5.1 of this Resolution.

“Attorney General” means the Attorney General of the State of Texas.

“Authorized Denominations” means principal denominations of \$100,000 and any integral multiple of \$5,000 in excess thereof; provided, however, if less than \$100,000 in principal amount of a Note remains outstanding, such term shall refer to the remaining principal balance of such Note.

“Business Day” means any day which is not a Saturday, Sunday, a day on which Registrar is authorized by law or executive order to close, or a legal holiday.

“Closing Date” means the date of the initial delivery of and payment for the Notes.

“Code” means the Internal Revenue Code of 1986, as amended.

“Comptroller” means the Comptroller of Public Accounts of the State of Texas.

“Construction Fund” means the construction fund established by the District pursuant to Section 7.3 of this Resolution.

“District” means the Bastrop County Water Control and Improvement District No. 2, and where appropriate, the Board of Directors thereof and any successor to the District as owner of the System.

“Gross Revenues” means all revenues, income and receipts of every nature derived or received by the District from the operation and ownership of the System and the interest income from the investment or deposit of money in the General Fund, the Debt Service Fund, and the Reserve Fund.

“Initial Note” means the Initial Note authorized by Section 3.4(d).

“Interest Payment Date”, when used in connection with any Note, means June 1, 2022, and each June 1 and December 1 thereafter until maturity or earlier redemption.

“Issuance Date”, with respect to the Notes initially delivered to the Purchaser, means the date on which each such Note is authenticated by the Registrar and delivered to and paid for by the Purchaser. Notes delivered on transfer of or in exchange for other Notes shall bear the same Issuance Date as the Note or Notes in lieu of or in exchange for which the new Note is delivered.

“Maintenance and Operation Expenses” means the reasonable and necessary expenses of operation and maintenance of the System, including all salaries, labor, materials, interest, repairs and extensions necessary to provide efficient service (but only such repairs and extensions as, in the judgment of the governing body of the District, are necessary to (i) keep the System in operation and provide adequate service to the District and its residents, or (ii) respond to a physical accident or condition which would otherwise impair the System), and all payments under contracts now or hereafter defined as operating expenses by law. Depreciation shall not be considered as a Maintenance and Operation Expense.

“Net Revenues” means all Gross Revenues remaining after deducting the Maintenance and Operation Expenses.

“Note” or “Notes” means the Bastrop County Water Control and Improvement District No. 2 Revenue Notes, Series 2021, authorized by this Resolution.

“Owner”, when used with respect to any Note means the person or entity in whose name such Note is registered in the Register. Any reference to a particular percentage or proportion of the Owners mean the Owners at a particular time of the specified percentage or proportion in aggregate principal amount of all Notes then outstanding under this Resolution, exclusive of Notes held by the District.

“Parity Obligations” means the Notes, the Previously Issued Parity Obligations, and each series of Additional Parity Obligations from time to time hereafter issued, but only to the extent such Parity Obligations remain outstanding within the meaning of this Resolution.

“Previously Issued Parity Obligations” means the District’s Revenue Notes, Series 2016.

“Private Placement Letter” means that certain Purchase Letter between the District and the Purchaser, as described in Section 7.1 of this Resolution.

“Purchaser” means \_\_\_\_\_.

“Record Date” means, for any Interest Payment Date, the fifteenth day of the month next preceding such Interest Payment Date.

“Register” means the books of registration kept by the Registrar in which are maintained the names and addresses of, and the principal amounts of the Notes registered to, each Owner.

“Registrar” means \_\_\_\_\_, and its successors in that capacity.

“Reserve Fund Requirement” means the lesser of (i) the average annual principal and interest requirements on the outstanding Parity Obligations, as determined on the date of issuance of each series of Additional Parity Obligations, and annually following each principal payment date or redemption date for the Previously Issued Parity Obligations, the Notes and any Additional Parity Obligations, as the case may be, and (ii) the maximum amount in a reasonably required reserve fund that can be invested without restriction as to yield pursuant to Subsection (d) of section 148 of the Code and regulations promulgated thereunder.

“Resolution” means this Note Resolution and all amendments hereof and supplements hereto.

“Rule” means SEC Rule 15c2-12, as amended from time to time.

“SEC” means the United States Securities and Exchange Commission.

“Special Project” means, to the extent permitted by law, any water or wastewater system property, improvement or facility declared by the District not to be part of the System and substantially all of the costs of acquisition, construction, and installation of which are paid from proceeds of a financing transaction other than the issuance of bonds payable from ad valorem taxes, Gross Revenues or Net Revenues of the System, and for which all maintenance and operation expenses are payable from sources other than revenues of the System, but only to the extent that and for so long as all or any part of the revenues or proceeds of which are or will be pledged to secure the payment or repayment of such costs of acquisition, construction and installation under such financing transaction.

“System” means all works, plants, facilities, improvements and equipment constituting the water and wastewater system of the District, including all future extensions, replacements, betterments, additions, and improvements to the System. The System shall not include any Special Project.

Section 2.2: Interpretations. All terms defined herein and all pronouns used in this Resolution shall be deemed to apply equally to singular and plural and to all genders. The titles

and headings of the articles and sections of this Resolution have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof. This Resolution and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of the Parity Obligations and the validity of the lien on and pledge of the Net Revenues to secure the payment of the Parity Obligations.

**ARTICLE III**  
**TERMS OF THE NOTES**

**Section 3.1: Authorization and Authorized Amount.** The Notes shall be issued, pursuant to the Act, in fully registered form in the principal amount of \$6,775,000 for the purposes of: (a) financing the costs to acquire, construct, improve, renovate, enlarge, or equip property, buildings, structures or related infrastructure for the District’s water and wastewater system, and (b) paying the costs of issuing the Notes.

**Section 3.2: Designation Date and Interest Payment Dates.** The Notes shall be designated as “Bastrop County Water Control and Improvement District No. 2 Revenue Notes, Series 2021,” and shall be dated \_\_\_\_\_, 2021. The Notes shall bear interest at the rates set out in Section 3.3 of this Resolution from the later of the Issuance Date, or the most recent Interest Payment Date to which interest has been paid or duly provided for, calculated on the basis of a 360-day year of twelve 30-day months, payable on June 1, 2022, and semiannually thereafter on June 1 and December 1 of each year until maturity or earlier redemption.

**Section 3.3: Initial Notes, Numbers and Denominations.** The Notes shall be issued in the principal amounts and bearing interest at the rates set forth in the following schedule, and may be transferred and exchanged as set out in this Resolution. The Notes shall mature on December 1 in each of the years and in the amounts set out in such schedule. The Initial Note shall be numbered I-1 and all other Note shall be numbered in sequence beginning with R-1. Notes delivered on transfer of or in exchange for other Notes shall be numbered in order of their authentication by the Registrar, shall be in Authorized Denominations, and shall mature on the same date and bear interest at the same rate as the Note or Notes in lieu of which they are delivered.

<u>Year</u> <u>(December 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2022	\$425,000	___%
2023	435,000	___
2024	445,000	___
2025	450,000	___
2026	460,000	___
2027	470,000	___
2028	480,000	___
2029	490,000	___
2030	495,000	___
2031	505,000	___

2032	515,000	—
2033	525,000	—
2034	535,000	—
2035	545,000	—

Section 3.4: Execution and Registration of Notes.

(a) The Notes shall be signed on behalf of the District by the President or Vice President and countersigned by the Secretary or Assistant Secretary, by their manual, lithographed, or facsimile signatures, and the official seal of the District shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Notes shall have the same effect as if each of the Notes had been signed manually and in person by each of said officers, and such facsimile seal on the Notes shall have the same effect as if the official seal of the District had been manually impressed upon each of the Notes.

(b) If any officer of the District whose manual or facsimile signature shall appear on the Notes shall cease to be such officer before the authentication of such Notes or before the delivery of such Notes, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in such office.

(c) Except as provided below, no Note shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Resolution unless and until there appears thereon the Registrar's Authentication Certificate substantially in the form provided herein, duly authenticated by execution by an officer or duly authorized signatory of the Registrar. In lieu of the executed Registrar's Authentication Certificate described above, the Initial Note delivered at the Closing Date shall have attached hereto the Comptroller's Registration Certificate substantially in the form provided herein, executed by the Comptroller, or by his duly authorized agent, which certificate shall be evidence that the Initial Note has been duly approved by the Attorney General and that it is a valid and binding obligation of the District, and has been registered by the Comptroller.

(d) On the Closing Date, the Initial Note, being a single note representing the entire principal amount of the Notes, payable in stated installments to the Purchaser or its designee, executed by manual or facsimile signature of the President or Vice President and Secretary or Assistant Secretary, approved by the Attorney General, and registered and signed by the Comptroller, shall be delivered to the Purchaser or its designee. Upon payment for the Initial Note, the Registrar shall cancel the Initial Note and deliver definitive Notes to the Purchaser; provided, however that the Purchaser may, in its discretion, elect to retain the Initial Note in lieu of receiving definitive Notes, in which case the Registrar shall not cancel the Initial Note upon payment therefor.

Section 3.5: Payment of Principal and Interest. The Registrar is hereby appointed as the paying agent and registrar for the Notes. The principal of the Notes shall be payable, without exchange or collection charges, in any coin or currency of the United States of America which on the date of payment is legal tender for the payment of debts due the United States of America, upon their presentation and surrender as they respectively become due and payable, whether at

maturity or earlier redemption, at the principal payment office of the Registrar in \_\_\_\_\_ . The interest on each Note shall be payable on each Interest Payment Date, by check mailed by the Registrar on or before the Interest Payment Date to the Owner of record as of the Record Date, to the address of such Owner as shown on the Register.

If the date for payment of the principal of or interest on any Note is not a Business Day, then the date for such payment shall be the next succeeding Business Day with the same force and effect as if made on the date payment was originally due.

Section 3.6: Successor Registrars. The District covenants that at all times while any Notes are outstanding it will provide a commercial bank or trust company, organized under the laws of the United States or any state, authorized under such laws to exercise trust powers, and subject to supervision or examination by federal or state authority, to serve as and perform the duties and services of Registrar for the Notes. The District reserves the right to change the Registrar on not less than 60 days written notice to the Registrar, so long as any such notice is effective not less than 60 days prior to the next succeeding principal or interest payment date on the Notes. Promptly upon the appointment of any successor Registrar, the previous Registrar shall deliver the Register or copies thereof to the new Registrar, and the new Registrar shall notify each Owner, by United States mail, first class postage prepaid, of such change and of the address of the new Registrar. Each Registrar hereunder, by acting in that capacity, shall be deemed to have agreed to the provisions of this Section.

Section 3.7: Special Record Date. If interest on any Note is not paid on any Interest Payment Date and continues unpaid for thirty (30) days thereafter, the Registrar shall establish a new record date for the payment of such interest, to be known as a Special Record Date. The Registrar shall establish a Special Record Date when funds to make such interest payment are received from or on behalf of the District. Such Special Record Date shall be fifteen (15) days prior to the date fixed for payment of such past due interest, and notice of the date of payment and the Special Record Date shall be sent by United States mail, first class, postage prepaid, not later than five (5) days prior to the Special Record Date, to each affected Owner of record as of the close of business on the day prior to the mailing of such notice.

Section 3.8: Ownership; Unclaimed Principal and Interest. The District, the Registrar and any other person may treat the person in whose name any Note is registered as the absolute owner of such Note for the purpose of making and receiving payment of the principal of or interest on such Note, and for all other purposes, whether or not such Note is overdue, and neither the District nor the Registrar shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the Owner of any Note in accordance with this Section shall be valid and effectual and shall discharge the liability of the District and the Registrar upon such Note to the extent of the sums paid.

Amounts held by the Registrar which represent principal of and interest on the Notes remaining unclaimed by the Owner after the expiration of three years from the date such amounts have become due and payable shall be reported and disposed of by the Registrar in accordance with the applicable provisions of Texas law including, to the extent applicable, Title 6 of the Texas Property Code, as amended.

Section 3.9: Registration, Transfer, and Exchange. So long as any Notes remain outstanding, the Registrar shall keep the Register at its principal payment office in \_\_\_\_\_, and, subject to such reasonable regulations as it may prescribe, the Registrar shall provide for the registration and transfer of Notes in accordance with the terms of this Resolution. The Issuance Date of each Note originally delivered to and paid for shall be recorded in the Register.

Subject to the restrictions contained in the Private Placement Letter, each Note may be transferable only upon the presentation and surrender thereof at the principal payment office of the Registrar in \_\_\_\_\_, duly endorsed for transfer, or accompanied by an assignment duly executed by the registered Owner or his authorized representative in form satisfactory to the Registrar. Upon due presentation of any Note in proper form for transfer, the Registrar shall authenticate and deliver in exchange therefor, within three Business Days after such presentation, a new Note or Notes, registered in the name of the transferee or transferees, in Authorized Denominations and of the same maturity and aggregate principal amount, Issuance Date and bearing interest at the same rate as the Note or Notes so presented.

All Notes shall be exchangeable upon presentation and surrender at the principal payment office of the Registrar in \_\_\_\_\_, for a Note or Notes of like maturity, Issuance Date and interest rate and in any Authorized Denomination, in an aggregate amount equal to the unpaid principal amount of the Note or Notes presented for exchange. The Registrar shall be and is hereby authorized to authenticate and deliver exchange Notes in accordance with the provisions of this Section. Each Note delivered in accordance with this Section shall be entitled to the benefits and security of this Resolution to the same extent as the Note or Notes in lieu of which such Note is delivered.

The District or the Registrar may require the Owner of any Note to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of such Note. Any fee or charge of the Registrar for such transfer or exchange shall be paid by the District.

Section 3.10: Mutilated, Lost, or Stolen Notes. Upon the presentation and surrender to the Registrar of a mutilated Note, the Registrar shall authenticate and deliver in exchange therefor a replacement Note of like maturity, Issuance Date, interest rate, and principal amount, bearing a number not contemporaneously outstanding. If any Note is lost, apparently destroyed, or wrongfully taken, the District, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Note has been acquired by a bona fide purchaser, shall authorize and the Registrar shall authenticate and deliver a replacement Note of like maturity, Issuance Date, interest rate and principal amount, bearing a number not contemporaneously outstanding.

The District or the Registrar may require the Owner of a mutilated Note to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith and any other expenses connected therewith, including the fees and expenses of the

Registrar. The District or the Registrar may require the Owner of a lost, apparently destroyed or wrongfully taken Note, before any replacement Note is issued, to:

- (a) furnish to the District and the Registrar satisfactory evidence of the ownership of and the circumstances of the loss, destruction or theft of such Note;
- (b) furnish such security or indemnity as may be required by the Registrar and the District to save them harmless;
- (c) pay all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Registrar and any tax or other governmental charge that may be imposed; and
- (d) meet any other reasonable requirements of the District and the Registrar.

If, after the delivery of such replacement Note, a bona fide purchaser of the original Note in lieu of which such replacement Note was issued presents for payment such original Note, the District and the Registrar shall be entitled to recover such replacement Note from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the District or the Registrar in connection therewith.

If any such mutilated, lost, apparently destroyed or wrongfully taken Note has become or is about to become due and payable, the District in its discretion may, instead of issuing a replacement Note, authorize the Registrar to pay such Note.

Each replacement Note delivered in accordance with this Section shall be entitled to the benefits and security of this Resolution to the same extent as the Note or Notes in lieu of which such replacement Note is delivered.

Section 3.11: Cancellation of Notes. All Notes paid in accordance with this Resolution, and all Notes in lieu of which exchange Notes or replacement Notes are authenticated and delivered in accordance herewith, shall be cancelled and destroyed upon the making of proper records regarding such payment. The Registrar shall furnish the District with appropriate certificates of destruction of such Notes.

Section 3.12: Reserved.

Section 3.13: Reserved.

Section 3.14: Optional Redemption. The District reserves the right to redeem the Notes scheduled to mature on or after December 1, 2028, prior to their scheduled maturities, in whole or from time to time in part, in Authorized Denominations, on December 1, 2027, or any date thereafter at a price of par plus accrued interest on the principal amounts called for redemption to the date fixed for redemption.

Principal amounts may be redeemed only in Authorized Denominations. Upon surrender of any Note for redemption in part, the Registrar shall authenticate and deliver in exchange therefor a Note or Notes of like maturity, Issuance Date, and interest rate in an aggregate principal amount equal to the unredeemed portion of the Note so surrendered.

Unless waived by an Owner, notice of any redemption identifying the Notes to be redeemed in whole or in part shall be given by the Registrar at least thirty days prior to the date fixed for redemption by sending written notice by first class mail, postage prepaid, to the Owner of each Note to be redeemed in whole or in part at the address shown on the Register. Such notices shall state the redemption date, the redemption price, the place at which Notes are to be surrendered for payment and, if less than all Notes outstanding of a particular maturity are to be redeemed, the numbers of the Notes or portions thereof of such maturity to be redeemed. Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice. By the date fixed for redemption, due provision shall be made with the Registrar for payment of the redemption price of the Notes or portions thereof to be redeemed, plus accrued interest to the date fixed for redemption. When Notes have been called for redemption in whole or in part and due provision has been made to redeem the same as herein provided, the Notes or portions thereof so redeemed shall no longer be regarded as outstanding except for the purpose of receiving payment solely from the funds so provided for redemption, and the rights of the Owners to collect interest which would otherwise accrue after the redemption date on any Note or portion thereof called for redemption shall terminate on the date fixed for redemption.

Section 3.15: Defeasance. The Notes may be discharged, defeased, redeemed or refunded in any manner now or hereafter permitted by law.

Section 3.16: Forms. The form of the Note, including the form of the Registrar's Authentication Certificate, the form of Assignment, and the form of Registration Certificate of the Comptroller, which shall be attached or affixed to the Notes initially issued, shall be, respectively, substantially as attached as Exhibit A hereto, with such additions, deletions and variations as may be necessary or desirable and not prohibited by this Resolution.

#### ARTICLE IV SECURITY AND SOURCE OF PAYMENT FOR ALL PARITY OBLIGATIONS

Section 4.1: Pledge and Source of Payment. The District hereby covenants and agrees that all Gross Revenues of the System shall be deposited and paid into the special funds established for the Parity Obligations, as provided in this Resolution, and shall be applied in the manner set out herein, to provide for the payment of all Maintenance and Operation Expenses and to provide for the payment of principal, interest and any redemption premium of the Parity Obligations and all expenses of paying, securing and insuring the same. The Parity Obligations shall constitute special obligations of the District that shall be payable solely from, and shall be equally and ratably secured by a first lien on, the Net Revenues, as collected and received by the District, from the operation and ownership of the System, which Net Revenues shall, in the manner herein provided, be set aside for and pledged to the payment of the Parity Obligations in

the Debt Service Fund and Reserve Fund as hereinafter provided, and the Parity Obligations shall be in all respects on a parity with and of equal dignity with one another. The holders of the Parity Obligations shall never have the right to demand payment out of any funds raised or to be raised by taxation.

Section 4.2: Rates and Charges. So long as any Parity Obligations remain outstanding, the District shall fix, charge and collect rates and charges for the use and services of the System which are fully sufficient to produce Net Revenues in each fiscal year at least equal to the principal and interest requirements scheduled to occur in such fiscal year on all Parity Obligations then outstanding plus an amount equal to the sum of all deposits required to be made to the Reserve Fund in such fiscal year; but in no event shall Net Revenues ever be less than the amount required to maintain the Debt Service Fund and the Reserve Fund as hereinafter provided, and, to the extent that funds for such purpose are not otherwise available, to pay all other outstanding obligations payable from the Net Revenues of the System, as and when the same become due.

The District will not grant or permit any free service from the System except for public buildings and facilities operated by the District.

Section 4.3: Special Funds. The District's General Operating Fund (the "General Fund") is hereby approved and confirmed and the special funds described below are hereby created; and all such funds shall be maintained and accounted for as hereinafter provided, so long as any Parity Obligations remain outstanding:

(a) Water and Sewer System Revenue Obligations Debt Service Fund (the "Debt Service Fund"); and

(b) Water and Sewer System Revenue Obligations Reserve Fund (the "Reserve Fund").

The General Fund shall be maintained as a separate account on the books of the District. The Debt Service Fund and the Reserve Fund shall be maintained at an official depository bank of the District separate and apart from all other funds and accounts of the District and shall constitute trust funds which shall be held in trust for the benefit of the Owners of the Parity Obligations and the proceeds of which shall be and are hereby pledged to the payment of the Parity Obligations. All of the Funds named above shall be used solely as provided in this Resolution so long as any Parity Obligations remain outstanding.

Section 4.4: Flow of Funds. All Gross Revenues of the System (except for interest and earnings on investments in the Reserve Fund and the Debt Service Fund) shall be deposited as collected into the General Fund. Money from time to time on deposit in the General Fund shall be applied as follows in the following order of priority:

(a) First, to pay Maintenance and Operation Expenses.

(b) Second, to make all deposits into the Debt Service Fund required by each Resolution authorizing the issuance of Parity Obligations.

(c) Third, to make all deposits into the Reserve Fund required by each Resolution authorizing the issuance of Parity Obligations.

(d) Fourth, for any lawful purpose.

Whenever the total amounts on deposit to the credit of the Debt Service Fund and the Reserve Fund shall be equivalent to the sum of the aggregate principal amount of all outstanding Parity Obligations plus the aggregate amount of all interest accrued and to accrue thereon, no further payments need be made into the Debt Service Fund or the Reserve Fund.

Section 4.5: Debt Service Fund. On or before the last Business Day of each month, so long as any Parity Obligations remain outstanding, after making all required payments and provision for payment of Maintenance and Operation Expenses, there shall be transferred into the Debt Service Fund from the General Fund:

(a) such amounts, in approximately equal monthly installments, as will be sufficient to accumulate the amount required to pay the interest scheduled to become due on the Parity Obligations on the next interest payment date; and

(b) such amounts, in approximately equal monthly installments, as will be sufficient to accumulate the amount required to pay the next maturing principal of the Parity Obligations, including the principal amounts of, and any redemption premium on, any Parity Obligations payable as a result of the exercise or operation of any optional or mandatory redemption provision contained in any Resolution authorizing the issuance of Parity Obligations.

Money deposited to the credit of the Debt Service Fund shall be used solely for the purpose of paying principal (at maturity or prior redemption or to purchase Parity Obligations issued as term obligations in the open market to be credited against mandatory redemption requirements), interest and any redemption premium on the Parity Obligations, plus all bank charges and other costs and expenses relating to such payment. The paying agent shall destroy all paid Parity Obligations and shall provide the District with appropriate certificates of destruction.

Section 4.6: Reserve Fund. The Reserve Fund shall be maintained for the benefit of the owners and holders of the Parity Obligations. There shall be credited to the Reserve Fund any Reserve Fund Obligations so designated by the District. Reserve Fund Obligations in the Reserve Fund shall be used for the purpose of retiring the last of the Parity Obligations as they become due or paying principal of and interest on the Parity Obligations when and to the extent the amounts in the Debt Service Fund are insufficient for such purpose. The Reserve Fund for the Notes shall be accumulated in equal monthly installments over a period of not to exceed sixty (60) calendar months from the date of issuance of the Notes and maintained in an amount at least equal to the Reserve Fund Requirement. The District may, at its option, withdraw and use all surplus in the Reserve Fund over the Reserve Fund Requirement for any lawful purpose not inconsistent with the District's ownership and operation of the System; provided, that should such surplus constitute the proceeds of Parity Obligations, such surplus shall be deposited to the Debt Service Fund. As long as such Reserve Fund contains the Reserve Fund Requirement, no further deposits shall be required to be made into the Reserve Fund, and any excess amounts may be transferred to the

General Fund. If the balance in the Reserve Fund is reduced below the Reserve Fund Requirement, due to a draw on the funds, monthly deposits into such Fund shall be resumed and continued in amounts at least equal to one twenty-fourth (1/24th) of the deficiency in the Reserve Fund Requirement until the Reserve Fund again equals the Reserve Fund Requirement. The Reserve Fund shall be used to pay the principal of and interest on the Parity Obligations at any time when there is not sufficient money available in the Debt Service Fund for such purpose and to pay and retire the last Parity Obligations to mature or be redeemed.

The District expressly reserves the right at any time to satisfy all or any part of the Reserve Fund Requirement by obtaining for the benefit of the Reserve Fund a Reserve Fund Surety Policy (as defined below). In the event the District elects to substitute a Reserve Fund Surety Policy for any funded amounts in the Reserve Fund, it may apply any note proceeds thereby released, including investment earnings on such proceeds, to any purposes for which the notes were issued and any other funds thereby released to any purposes for which such funds may lawfully be used, including the payment of debt service on the Parity Obligations. A Reserve Fund Surety Policy shall be an insurance policy or other credit agreement (as such term is defined by Section 1371.001, Government Code) in a principal amount equal to the portion of the Reserve Fund Requirement to be satisfied and issued by a financial institution or insurance company with a rating for its long term unsecured debt or claims paying ability in the highest letter category by two major municipal securities evaluation sources. A Reserve Fund Surety Policy shall be for the pro rata benefit of all Parity Obligations. The premium for any such policy shall be paid from note proceeds or other funds of the District lawfully available for such purpose. Any Reserve Fund Surety Policy shall be authorized by resolution and submitted to the Attorney General for examination and approval.

Section 4.7: Deficiencies in Funds. If in any month there shall not be deposited into any Fund maintained pursuant to this Article the full amounts required herein, amounts equivalent to such deficiency shall be set apart and paid into such Fund or Funds from the first available and unallocated money in the General Fund, and such payment shall be in addition to the amounts otherwise required to be paid into such Funds during the succeeding month or months. To the extent necessary, the rates and charges for the System shall be increased to make up for any such deficiencies.

Section 4.8: Investment of Funds; Transfer of Investment Income.

(a) Money in the General Fund, the Debt Service Fund and the Reserve Fund may, at the option of the District, be invested as permitted by law, including Chapters 2256 and 2257, Texas Government Code; provided that all such deposits and investments shall be made in such manner that the money within each Fund will be available at the proper time or times, and provided further that in no event shall such deposits or investments of money in the Reserve Fund mature later than the final maturity date of the Parity Obligations. Any obligation in which money is so invested shall be kept and held in the Fund from which the investment was made. All such investments shall be promptly sold when necessary to prevent any default in connection with the Parity Obligations.

(b) All interest and income derived from such deposits and investments shall be credited as received to the Fund from which the investment was made.

ARTICLE V  
ADDITIONAL OBLIGATIONS

Section 5.1: Additional Parity Obligations. The District reserves the right to issue, for any lawful purpose (including the refunding of any Parity Obligations or any other bonds or obligations of the District issued in connection with or payable from the revenues of the System), one or more series of Additional Parity Obligations payable from and secured by a first lien on the Net Revenues of the System on a parity with the Notes and any previously issued Additional Parity Obligations; provided, however, that no Additional Parity Obligations may be issued unless:

(a) the Additional Parity Obligations mature on, and interest is payable on, the same days of the year as any outstanding Parity Obligations; and

(b) the President of the Board has certified that the District is not then in default as to any covenant, condition or obligation prescribed by any resolution authorizing the issuance of Parity Obligations;

(c) the Reserve Fund shall be accumulated and supplemented as necessary to maintain a sum which shall be not less than the Reserve Fund Requirement. Accordingly, each resolution authorizing the issuance of any series of Additional Parity Obligations shall provide for any required increase in the Reserve Fund, and if supplementation is necessary to meet all conditions of said Reserve Fund, said resolutions shall make provision that the same be supplemented by the required amounts which shall be (i) deposited at the time of delivery of such Additional Parity Obligations; (ii) accumulated in equal monthly installments over a period of not to exceed sixty (60) calendar months from the date of issuance of such Additional Parity Obligations; or (iii) provided by a combination of (i) and (ii);

(d) for either the preceding fiscal year or a 12 consecutive calendar month period ending no more than 90 days prior to adoption of the Resolution authorizing such Additional Parity Obligations, Net Revenues were equal to at least 125% of the average annual principal and interest requirements on all Parity Obligations that will be outstanding after the issuance of the series of Additional Parity Obligations then proposed to be issued, as certified by an engineer, an independent certified public accountant or firm of independent certified public accountants; or

(e) although the District cannot meet the test described in (d) above, a change in the rates and charges applicable to the System has become effective at least sixty (60) days prior to the adoption of the resolution authorizing Additional Parity Obligations and an independent certified public accountant or firm of independent certified public accountants certifies that, had such change in rates and charges been effective for the preceding fiscal year or 12 consecutive calendar month period ending no more than 90 days prior to adoption of said resolution, the Net Revenues for such period would have met the test described in (d) above.

Section 5.2: Subordinate Lien Obligations. The District reserves the right to issue, for any lawful purpose, bonds, notes or other obligations secured in whole or in part by liens on the Net

Revenues that are junior and subordinate to the lien on the Net Revenues securing payment of the Parity Obligations. Such subordinate lien obligations may be further secured by any other source of payment lawfully available for such purpose.

Section 5.3: Special Project Obligations. The District reserves the right to issue revenue obligations secured by liens on and pledges of revenues and proceeds derived from Special Projects.

ARTICLE VI  
COVENANTS AND PROVISIONS  
RELATING TO ALL PARITY OBLIGATIONS

Section 6.1: Punctual Payment of Parity Obligations. The District will punctually pay or cause to be paid the interest on and principal of all Parity Obligations according to the terms thereof and will faithfully do and perform, and at all times fully observe, any and all covenants, undertakings, stipulations and provisions contained in any Resolution authorizing the issuance of Parity Obligations.

Section 6.2: Maintenance of System. So long as any Parity Obligations remain outstanding, the District covenants that it will at all times maintain the System, or within the limits of its authority cause the same to be maintained, in good condition and working order and will operate the same, or cause the same to be operated, in an efficient and economical manner at a reasonable cost and in accordance with sound business principles. In operating and maintaining the System, the District will comply with all contractual provisions and agreements entered into by it and with all valid rules, regulations, directions or orders of any governmental, administrative, or judicial body promulgating same, noncompliance with which would materially and adversely affect the operation of the System.

Section 6.3: Sale or Encumbrance of System. So long as any Parity Obligations remain outstanding, the District will not sell, dispose of or, except as permitted in Article V, further encumber the System; provided, however, that this provision shall not prevent the District from disposing of any portion of the System which is being replaced or is deemed by the District to be obsolete, worn out, surplus or no longer necessary for the proper operation of the System. Any agreement pursuant to which the District contracts with a person, corporation, municipal corporation or political subdivision to operate the System or to lease and/or operate all or part of the System shall not be considered as an encumbrance of the System.

Section 6.4: Insurance. The District further covenants and agrees that it will keep the System insured with insurers of good standing against risks, accidents or casualties of the type and to the extent customarily insured against by political subdivisions of the State of Texas operating similar systems, to the extent that such insurance is available. The cost of all such insurance, and any additional insurance carried by the District, shall be a part of the Maintenance and Operation Expenses. All net proceeds of such insurance shall be applied to repair or replace the insured property that is damaged or destroyed, or to make other capital improvements to the System, or to redeem Parity Obligations.

Section 6.5: Accounts, Records, and Audits. So long as any Parity Obligations remain outstanding, the District covenants and agrees that it will maintain a proper and complete system of records and accounts pertaining to the operation of the System in which full, true and proper entries will be made of all dealings, transactions, business and affairs which in any way affect or pertain to the System or the Gross Revenues or the Net Revenues thereof. The District shall after the close of each of its fiscal years cause an audit report of such records and accounts to be prepared by an independent certified public accountant or independent firm of certified public accountants. All expenses incurred in preparing such audits shall be Maintenance and Operation Expenses.

Section 6.6: Competition. To the extent it legally may, the District will not grant any franchise or permit for the acquisition, construction, or operation of any competing facilities which might be used as a substitute for the System and will prohibit the operation of any such competing facilities.

Section 6.7: Pledge and Encumbrance of Net Revenues. The District covenants and represents that it has the lawful power to create a lien on and to pledge the Net Revenues to secure the payment of the Parity Obligations and has lawfully exercised such power under the Constitution and laws of the State of Texas. The District further covenants and represents that, other than to the payment of Parity Obligations, Net Revenues are not and will not be subject to any other lien, pledge or encumbrance to secure the payment of any debt or obligation of the District, unless such lien, pledge or encumbrance is junior and subordinate to the lien and pledge securing payment of the Parity Obligations.

Section 6.8: Application of Chapter 1208, Government Code. Chapter 1208, Government Code, applies to the issuance of the Notes and the pledge of the revenues granted by the District under Section 4.1 of this Resolution, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Notes are outstanding and unpaid such that the pledge of the revenues granted by the District under Section 4.1 of this Resolution is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, then in order to preserve to the registered owners of the Notes the perfection of the security interest in said pledge, the District agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

Section 6.9: Owners' Remedies. This Resolution shall constitute a contract between the District and the Owners of the Parity Obligations from time to time outstanding (including any bond insurers of Parity Obligations) and shall remain in effect until the Parity Obligations and the interest thereon shall be fully paid or discharged or provision therefor shall have been made as provided herein (including payments of any amounts due to bond insurers of Parity Obligations). In the event of a default in the payment of the principal of or interest on any of the Parity Obligations or a default in the performance of any duty or covenant provided by law or in this Resolution, the Owner or Owners of any of the Parity Obligations may pursue all legal remedies afforded by the Constitution and laws of the State of Texas to compel the District to remedy such default and to prevent further default or defaults. Without in any way limiting the generality of the foregoing, it is expressly provided that any Owner of any of the Parity

Obligations may at law or in equity, by suit, action, mandamus, or other proceedings, enforce and compel performance of all duties required to be performed by the District under this Resolution, including the making and collection of reasonable and sufficient rates and charges for the use and services of the System, the deposit of the Gross Revenues into the special funds herein provided, and the application of the Gross Revenues and the Net Revenues in the manner required in this Resolution.

Section 6.10: Discharge by Deposit. The District may discharge its obligation to the Owners of any or all of the Parity Obligations to pay principal, interest and redemption premium (if any) thereon in any manner now or hereafter permitted by law, including by depositing with any paying agent for such Parity Obligations or with the Comptroller of Public Accounts of the State of Texas either: (i) cash in an amount equal to the principal amount and redemption premium, if any, of such Parity Obligations plus interest thereon to the date of maturity or redemption, or (ii) pursuant to an escrow or trust agreement, cash and/or securities of any type authorized by the laws of the State of Texas, in principal amounts and maturities and bearing interest at rates sufficient to provide for the timely payment of the principal amount and redemption premium, if any, of such Parity Obligations plus interest thereon to the date of maturity or redemption; provided, however, that if any of such Parity Obligations are to be redeemed prior to their respective dates of maturity, provision shall have been made for giving notice of redemption as provided in the Resolution authorizing such Parity Obligations. Upon such deposit, such Parity Obligations shall no longer be regarded as outstanding or unpaid.

Section 6.11: Paying Agents May Own Parity Obligations. The paying agents for the Parity Obligations, in their individual or any other capacity, may become holders or pledgees of the Parity Obligations with the same rights they would have if they were not paying agents.

Section 6.12: No Recourse Against District Officials. No recourse shall be had for the payment of principal or interest on any Parity Obligations or for any claim based thereon or on this Resolution against any official of the District or any person executing any Parity Obligations.

## ARTICLE VII PROVISIONS CONCERNING SALE AND APPLICATION OF PROCEEDS OF NOTES

Section 7.1: Sale. The Notes are hereby sold and shall be delivered to the Purchaser at a price of par, subject to the approval of the Attorney General of Texas and Orrick, Herrington & Sutcliffe LLP, Austin, Texas, bond counsel. The President and other appropriate officers, agents and representatives of the District are hereby authorized to execute the Private Placement Letter on behalf of the District and to do any and all things necessary or desirable to satisfy the conditions set out therein and to provide for the issuance and delivery of the Notes and the approving opinion of the Attorney General of Texas.

Section 7.2: Federal Income Tax Exclusion. The District intends that the interest on the Notes shall be excludable from gross income of the owners thereof for federal income tax purposes pursuant to Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended,

(the "Code") and all applicable temporary, proposed and final regulations (the "Regulations") and procedures promulgated thereunder and applicable to the Notes. For this purpose, the District covenants that it will monitor and control the receipt, investment, expenditure and use of all gross proceeds of the Notes (including all property, the acquisition, construction or improvement of which is to be financed directly or indirectly with the proceeds of the Notes) and take or omit to take such other and further actions as may be required by Sections 103 and 141 through 150 of the Code and the Regulations to cause the interest on the Notes to be and remain excludable from the gross income, as defined in Section 61 of the Code, of the owners of the Notes for federal income tax purposes. Without limiting the generality of the foregoing, the District shall comply with each of the following covenants:

(a) The District shall not use, permit the use of or omit to use gross proceeds, as such term is defined in Section 1.148-1(b) of the Regulations ("Gross Proceeds"), of the Notes or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which, if made or omitted, respectively, would cause the interest on any Note to become includable in the gross income, as defined in Section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the District shall have received a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Note, the District shall comply with each of the specific covenants in this Section.

(b) Except as permitted by Section 141 of the Code and the regulations and rulings thereunder, the District shall, at all times prior to the last stated maturity of the Notes,

(i) exclusively own, operate, and possess all property the acquisition, construction, or improvement of which is to be financed directly or indirectly with Gross Proceeds of such series of the Notes and not use or permit the use of such Gross Proceeds or any property acquired, constructed, or improved with such Gross Proceeds in any activity carried on by any person or entity other than a state or local government, unless such use is solely as a member of the general public, or

(ii) not directly or indirectly impose or accept any charge or other payment for use of Gross Proceeds of such series of the Notes or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with such Gross Proceeds other than taxes of general application and interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(c) Except to the extent permitted by Section 141 of the Code and the regulations and rulings thereunder, the District shall not use Gross Proceeds of the Notes to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, Gross Proceeds are considered to be "loaned" to a person or entity if (1) property acquired, constructed or improved with Gross Proceeds (including property financed

with Gross Proceeds of the Notes is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes, (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output, or similar contract or arrangement, or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or such property are otherwise transferred in a transaction which is the economic equivalent of a loan.

(d) Except to the extent permitted by Section 148 of the Code and the regulations and rulings thereunder, the District shall not, at any time prior to the earlier of the final stated maturity or final payment of the Notes, directly or indirectly invest Gross Proceeds of such Notes in any Investment (or use such Gross Proceeds to replace money so invested), if as a result of such investment the yield of all Investments allocated to such Gross Proceeds whether then held or previously disposed of, exceeds the yield on the Notes.

(e) Based on all of the facts and estimates now known or reasonably expected to be in existence on the date the Notes are delivered, the District reasonably expects that the proceeds of the Notes (to the extent any of such proceeds remain unexpended) will not be used in a manner that would cause the Notes or any portion thereof to be "arbitrage bonds" within the meaning of Section 148 of the Code.

(f) At all times while the Notes are outstanding, the District will identify and properly account for all amounts constituting gross proceeds of the Notes in accordance with the Regulations. The District will monitor the yield on the investments of the proceeds of the Notes and, to the extent required by the Code and the Regulations, will restrict the yield on such investments to a yield which is not materially higher than the yield on the Notes. To the extent necessary to prevent the Notes from constituting "arbitrage bonds," the District will make such payments as are necessary to cause the yield on all yield restricted nonpurpose investments, as such term is defined in Section 148(f)(b)(A) of the Code ("Nonpurpose Investments"), allocable to the Notes to be less than the yield that is materially higher than the yield on the Notes.

(g) The District will not take any action or knowingly omit to take any action, if taken or omitted, would cause the Notes to be treated as "federally guaranteed" obligations for purposes of Section 149(b) of the Code.

(h) The District covenants that not more than fifty percent (50%) of the proceeds of the Notes will be invested in Nonpurpose Investments having a substantially guaranteed yield for four years or more within the meaning of Section 149(g)(3)(A)(ii) of the Code, and the District reasonably expects at the time the Notes are issued that at least eighty-five percent (85%) of the spendable proceeds of the Notes will be used to carry out the governmental purpose of the Notes within the three-year period beginning on the date the Notes are issued.

(i) The District will take all necessary steps to comply with the requirement that certain amounts earned by the District on the investment of the gross proceeds of the Notes, if any, be rebated to the federal government within thirty (30) days after each Computation Date. Specifically, the District will (i) maintain records regarding the receipt, investment and expenditure of the gross proceeds of the Notes as may be required to calculate such excess

arbitrage profits separately from records of amounts on deposit in the funds and accounts of the District allocable to other obligations of the District or moneys which do not represent gross proceeds of any obligations of the District and retain such records for at least six years after the day on which the last outstanding Note is discharged, (ii) account for all gross proceeds under a reasonable, consistently applied method of accounting, not employed as an artifice or device to avoid, in whole or in part, the requirements of Section 148 of the Code, including any specified method of accounting required by applicable Regulations to be used for all or a portion of the gross proceeds, (iii) calculate, at such times as are required by applicable Regulations, the amount of excess arbitrage profits, if any, earned from the investment of the gross proceeds of the Notes and (iv) timely pay, as required by applicable Regulations, all amounts required to be rebated to the federal government. In addition, the District will exercise reasonable diligence to assure that no errors are made in the calculations required by the preceding sentence and, if such an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter, including payment to the federal government of any delinquent amounts owed to it, including interest thereon and penalty.

(j) The District will not indirectly pay any amount otherwise payable to the federal government pursuant to the foregoing requirements to any person other than the federal government by entering into any investment arrangement with respect to the gross proceeds of the Notes that might result in a reduction in the amount required to be paid to the federal government because such arrangement results in smaller profit or a larger loss than would have resulted if such arrangement had been at arm's length and had the yield on the issue not been relevant to either party.

(k) The District will timely file or cause to be filed with the Secretary of the Treasury of the United States the information required by Section 149(e) of the Code with respect to the Notes on such form and in such place as the Secretary may prescribe.

(l) The District will not issue or use the Notes as part of an "abusive arbitrage device" (as defined in Section 1.148-10(a) of the Regulations). Without limiting the foregoing, the Notes are not and will not be a part of a transaction or series of transactions that attempts to circumvent the provisions of Section 148 of the Code and the Regulations, by (i) enabling the District to exploit the difference between tax exempt and taxable interest rates to gain a material financial advantage, or (ii) increasing the burden on the market for tax-exempt obligations.

(m) Proper officers of the District charged with the responsibility for issuing the Notes are hereby directed to make, execute and deliver certifications as to facts, estimates or circumstances in existence as of the Issue Date and stating whether there are facts, estimates or circumstances that would materially change the District's expectations. On or after the Issue Date, the District will take such actions as are necessary and appropriate to assure the continuous accuracy of the representations contained in such certificates.

(n) The covenants and representations made or required by this Section are for the benefit of the holders of the Notes and any subsequent holders of the Notes, and may be relied

upon by the holders of the Notes and any subsequent holders of the Notes and bond counsel to the District.

In complying with the foregoing covenants, the District may rely upon an unqualified opinion issued to the District by nationally recognized bond counsel that any action by the District or reliance upon any interpretation of the Code or Regulations contained in such opinion will not cause interest on the Notes to be includable in gross income for federal income tax purposes under existing law.

Notwithstanding any other provision of this Order, the District's representations and obligations under the covenants and provisions of this Section 7.2 shall survive the defeasance and discharge of the Notes for as long as such matters are relevant to the exclusion of interest on the Notes from the gross income of the owners for federal income tax purposes.

Section 7.3: Construction Fund. There is hereby created and established a special fund of the District, to be known as the "Bastrop County Water Control and Improvement District No. 2, Revenue Notes, Series 2021 Construction Fund", which shall be established at an official depository of the District and kept separate and apart from other funds of the District. The proceeds of the Notes, as received, shall be deposited in the Construction Fund. Money on deposit in the Construction Fund shall be used only for the purposes set forth in Section 3.1 of this Resolution, including paying costs of issuance. Money on deposit in the Construction Fund, may, at the option of the District, be invested as permitted by Texas law, including Chapter 2256, Texas Government Code, as amended; provided that all such deposits and investments shall be made in such manner that the money required to be expended from the Construction Fund will be available at the proper time or times. So long as any Notes remain outstanding, all monies on deposit in, or credited to, the Construction Fund shall be secured as provided by Texas law. All interest and income derived from such deposits and investments shall be used for the purposes set forth in Section 3.1 of this Resolution, including paying the costs of issuing the Notes; provided, however, that, the District may transfer such interest and income to the Debt Service Fund.

Section 7.4: Funding of Reserve Fund Requirement. The increase in the Reserve Fund Requirement due to the issuance of the Notes in the amount of \$ \_\_\_\_\_ shall be accumulated in equal monthly installments of \$ \_\_\_\_\_ over a period of sixty (60) calendar months from the date of issuance of the Notes. The President of the of the Board of Directors and all other appropriate officials of the District are hereby authorized and directed to make such transfers as are necessary to satisfy requirement.

## ARTICLE VIII NO CONTINUING DISCLOSURE UNDERTAKING

Section 8.1: No Continuing Disclosure Undertaking. The District is not entering into a continuing disclosure undertaking with respect to the Notes, under Rule 15c2-12(b) of the United States Securities and Exchange Commission. However, the District agrees to provide the Purchaser the most recently available audited financial information of the District upon written request. The District may, at its option, provide such information by posting same on the Electronic Municipal

Market Access website of the Municipal Securities Rulemaking Board (or the successor website thereto).

ARTICLE IX  
MISCELLANEOUS

Section 9.1: Further Proceedings. The President and Secretary of the Board of Directors and other appropriate officials of the District are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the terms of this Resolution.

Section 9.2: Severability. If any Section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such Section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 9.3: Paying Agent/Registrar Agreement. The form of agreement setting forth the duties of the Registrar is hereby approved, and an appropriate official of the District is hereby authorized to execute such agreement for and on behalf of the District.

Section 9.4: No Personal Liability. No recourse shall be had for payment of the principal of or interest on any Notes or for any claim based thereon, or on this Resolution, against any official or employee of the District or any person executing any Notes.

Section 9.5: Parties Interested. Nothing in this Resolution expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the District, the Registrar and the Owners of the Notes, any right, remedy or claim under or by reason of this Resolution or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Resolution shall be for the sole and exclusive benefit of the District, the Registrar and the Owners of the Notes.

Section 9.6: Repealer. All orders and resolutions, or parts thereof, inconsistent herewith are hereby repealed to the extent of such inconsistency.

Section 9.7: Open Meeting. It is hereby officially found and determined that the meeting at which this Resolution was adopted was open to the public, and that public notice of the time, place and purpose of said meeting was given, all as required by the Texas Open Meetings Act.

Section 9.8: Effective Date. This Resolution shall take effect upon its passage.

*[Execution Page Follows.]*



PASSED AND APPROVED this July \_\_, 2021.

**BASTROP COUNTY WATER CONTROL  
AND IMPROVEMENT DISTRICT NO. 2**

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President, Board of Directors

ATTEST:

---

Secretary, Board of Directors

(SEAL)

**EXHIBIT A**  
**Form of Note**

**(a) FORM OF NOTE**

**UNITED STATES OF AMERICA  
STATE OF TEXAS  
COUNTY OF BASTROP**

**REGISTERED  
NO.**

\_\_\_\_\_ <sup>1</sup>

**REGISTERED  
DENOMINATION**

\$ \_\_\_\_\_

**BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2  
REVENUE NOTE, SERIES 2021**

**INTEREST RATE:    MATURITY DATE:    ISSUANCE DATE:**

\_\_\_\_\_

**REGISTERED OWNER:** \_\_\_\_\_

**PRINCIPAL AMOUNT:** \_\_\_\_\_

Bastrop County Water Control and Improvement District No. 2, a political subdivision of the State of Texas (herein the "District") for value received, promises to pay, but solely from certain Net Revenues as hereinafter provided, to the registered owner identified above or registered assigns, on the maturity date specified above, upon presentation and surrender of this Note at \_\_\_\_\_ (the "Registrar"), at its principal payment office in \_\_\_\_\_, the principal amount identified above, in any coin or currency of the United States of America which on the date of payment of such principal is legal tender for the payment of debts due the United States of America, and to pay, solely from such Net Revenues, interest thereon at the rate shown above, calculated on the basis of a 360-day year of twelve 30-day months, from the later of the Issuance Date or the most recent interest payment date to which interest has been paid or duly provided for. Interest on this Note is payable by check on June 1 and December 1, beginning on June 1, 2022, mailed to the registered owner as shown on the books of registration kept by the Registrar as of the fifteenth day of the month next preceding each interest payment date.

THIS NOTE IS ONE OF A DULY AUTHORIZED SERIES OF NOTES aggregating \$6,775,000 (the "Notes"), issued for the purpose of financing the costs to acquire, construct, improve, renovate, enlarge, or equip property, buildings, structures or related infrastructure for the District's water and wastewater system and the costs of issuing the Notes, under and in strict conformity with the Constitution and laws of the State of Texas, particularly Section 49.153, Texas Water Code, as amended, and pursuant to a resolution adopted by the Board of Directors of the District (the "Resolution"), which Resolution is of record in the District's official minutes.

<sup>1</sup> The Initial Note shall be numbered I-1 and all other Note shall be numbered in sequence beginning with R-1.

THE DISTRICT RESERVES THE RIGHT to redeem the Notes scheduled to mature on or after December 1, 2028, prior to their scheduled maturities, in whole or from time to time in part, in Authorized Denominations (as defined in the Resolution), on December 1, 2027, or any date thereafter at a price of par plus accrued interest on the principal amounts called for redemption to the date fixed for redemption. Reference is made to the Resolution for complete details concerning the manner of redeeming the Notes.

NOTICE OF ANY REDEMPTION shall be given at least thirty (30) days prior to the date fixed for redemption by first class mail, addressed to the registered owners of each Note to be redeemed in whole or in part at the address shown on the books of registration kept by the Registrar. When Notes or portions thereof have been called for redemption, and due provision has been made to redeem the same, the principal amounts so redeemed shall be payable solely from the funds provided for redemption, and interest which would otherwise accrue on the amounts called for redemption shall terminate on the date fixed for redemption.

THIS NOTE IS TRANSFERABLE only upon presentation and surrender at the principal payment office of the Registrar in \_\_\_\_\_, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his authorized representative, subject to the terms and conditions of the Resolution.

THE NOTES ARE EXCHANGEABLE at the principal payment office of the Registrar in \_\_\_\_\_, for notes in any Authorized Denomination, subject to the terms and conditions of the Resolution.

THIS NOTE AND THE SERIES OF WHICH IT IS A PART are special obligations of the District that are payable from and are equally and ratably secured by a first lien on the revenues of the District's water and wastewater system remaining after deduction of the reasonable operation and maintenance expenses of that system (the "Net Revenues"), as defined and provided in the Resolution, which Net Revenues are required to be set aside and pledged to the payment of the Notes and all additional notes issued, on a parity therewith, in the Debt Service Fund and the Reserve Fund maintained for the payment of all such notes, all as more fully described and provided for in the Resolution. This Note and the series of which it is a part, together with the interest thereon, are payable solely from such Net Revenues and do not constitute an indebtedness or general obligation of the District. The holder of this obligation is not entitled to demand payment of this obligation out of any money raised by taxation.

THE DISTRICT HAS RESERVED THE RIGHT to issue additional parity revenue notes, subject to the restrictions contained in the Resolution, which may be equally and ratably payable from, and secured by a first lien on and pledge of, the Net Revenues in the same manner and to the same extent as this Note and the series of which it is a part.

IT IS HEREBY DECLARED AND REPRESENTED that this Note has been duly and validly issued and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the issuance and delivery of this Note have been performed, existed, and been done in accordance with law; that the Notes do not exceed any statutory limitation; and that provision has been made for the payment of the principal of and

interest on this Note and all of the Notes by the creation of the aforesaid lien on and pledge of the Net Revenues.

Notwithstanding any of the foregoing, this Note may only be transferred in whole and not in part and only to (x) an affiliate of the Purchaser, (y) a trust or custodial arrangement established by the Purchaser or one of its affiliates, the owners of the beneficial interests in which are limited to qualified institutional buyers, as defined in Rule 144A promulgated under the Securities Act of 1933, as amended (the "1933 Act"), or (z) an entity that is both a qualified institutional buyer and a commercial bank having capital and surplus, determined as of the date of any transfer of the Note, of \$10,000,000 or more that has executed and delivered to the District a Private Placement Letter in a form acceptable to the District.

IN WITNESS WHEREOF, this Note has been signed with the manual or facsimile signature of the President or Vice President of the Board of Directors and countersigned with the manual or facsimile signature of the Secretary or Assistant Secretary of the Board of Directors, and the official seal of the District has been duly impressed, or placed in facsimile, on this Note.

*[Signature page follows]*

**BASTROP COUNTY WATER CONTROL  
AND IMPROVEMENT DISTRICT NO. 2**

---

President, Board of Directors

ATTEST:

---

Secretary, Board of Directors

(SEAL)

**(b) FORM OF COMPTROLLER'S REGISTRATION CERTIFICATE<sup>2</sup>**

COMPTROLLER'S REGISTRATION CERTIFICATE:

REGISTER NO. \_\_\_\_\_

I hereby certify that this Note has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Note has been registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS MY SIGNATURE AND SEAL this \_\_\_\_\_.

\_\_\_\_\_  
Comptroller of Public Accounts  
of the State of Texas

(SEAL)

<sup>2</sup> Only included on Initial Note.

(c) FORM OF AUTHENTICATION CERTIFICATE

AUTHENTICATION CERTIFICATE

It is hereby certified that this Note has been delivered pursuant to the Resolution described in the text of this Note.

\_\_\_\_\_, as Registrar

By: \_\_\_\_\_

Authorized Signature

Date of Authentication: \_\_\_\_\_

**(d) FORM OF ASSIGNMENT**

**ASSIGNMENT**

For value received, the undersigned hereby sells, assigns, and transfers unto

---

(Please print or type name, address, and zip code of Transferee)

---

(Please insert Social Security or Taxpayer Identification Number of Transferee)  
the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints  
attorney to transfer said Note on the books kept for registration thereof, with full power of  
substitution in the premises.

DATED: \_\_\_\_\_

Signature Guaranteed: \_\_\_\_\_

NOTICE: Signature must be guaranteed  
by a member firm of the New York Stock  
Exchange or a commercial bank or trust  
company.

---

Registered Owner

NOTICE: The signature above must  
correspond to the name of the registered  
owner as shown on the face of this Note in  
every particular, without any alteration,  
enlargement or change whatsoever.

(e) The Initial Note shall be in the form set forth in paragraphs (a), (b) and (d) of this Section, except for the following alterations:

- (i) immediately under the name of the Note, the headings "INTEREST RATE" and "MATURITY DATE" shall both be completed with the words "As Shown Below" deleted;
- (ii) in the first paragraph of the Note, the words "on the maturity date specified above," and "at the rate shown above" shall be deleted and the following shall be inserted at the end of the first sentence "..., with such principal to be paid in installments on December 1 in each of the years and in the principal amounts identified in the following schedule and with such installments bearing interest at the per annum rates set forth in the following schedule:

[Information to be inserted from schedule in the Note Resolution]; and

- (iii) the Initial Note shall be numbered I-1.

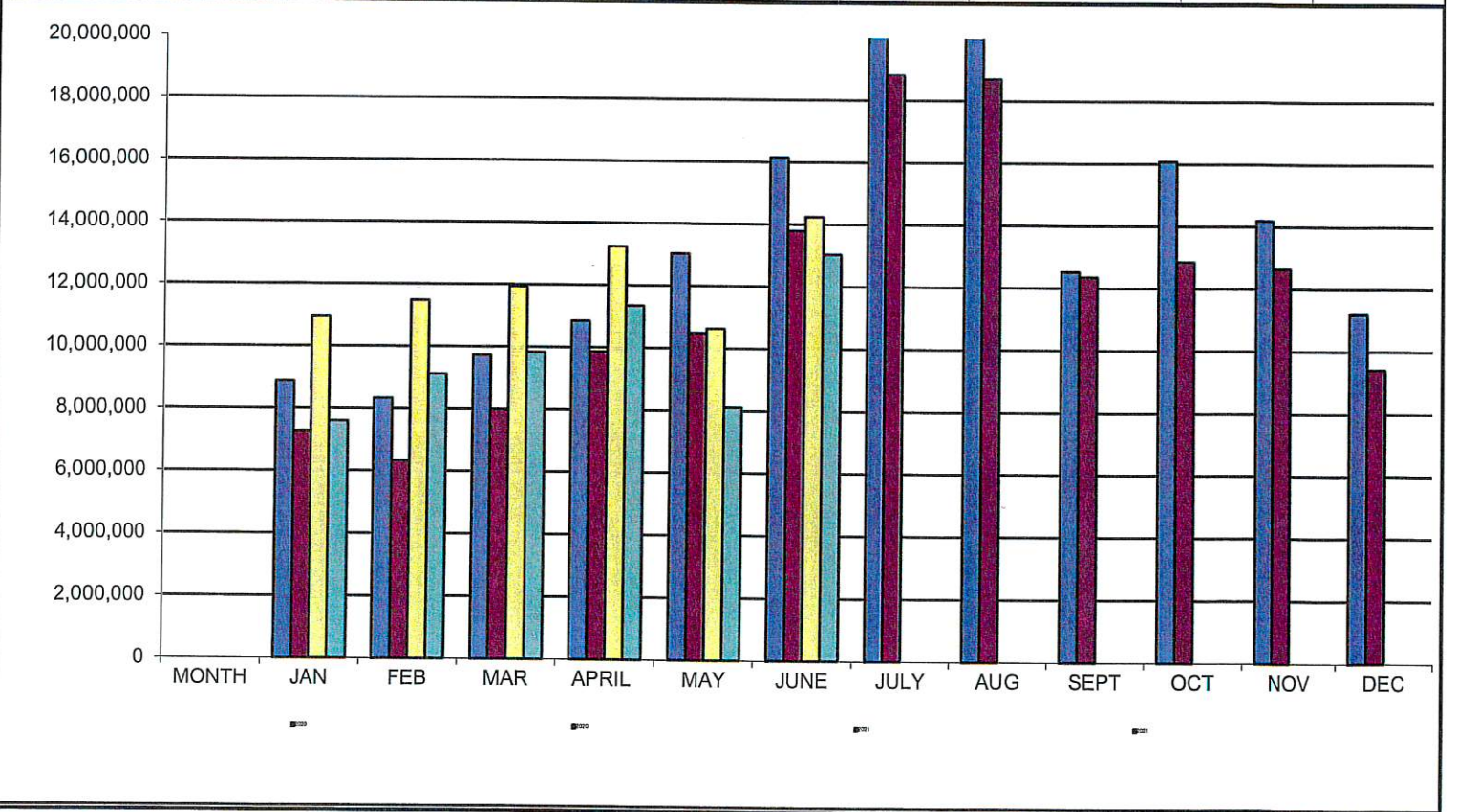
# Misc Reports

	Total Customers Billed	Active Customers	E-Billing Customers	Web Online Payments	Bank Drafts	Credit Card Drafts	% of Customers paying online or drafts	Mail/Walk-ins/ Drop Box
Jan	2026	1972	877	1069	318	464	91%	175
Feb	2103	1960	886	948	320	463	82%	372
Mar	2146	1988	902	1279	317	471	96%	79
Apr	2156	1996	914	1183	314	485	92%	174
May	2173	2012	928	1281	318	498	97%	76
Jun	2189	2023	934	1168	327	495	91%	199
Jul								0
Aug								0
Sep								0
Oct								0
Nov								0
Dec								0

	Culvert Permits (Cumulative Total)	Irrigation Permits (Cumulative Total)	Swimming Pool Permits (Cumulative Total)
Jan	13	0	0
Feb	15	0	0
Mar	28	2	2
Apr	42	3	4
May	49	3	6
Jun	54	6	7
Jul			
Aug			
Sep			
Oct			
Nov			
Dec			

**BCWCID#2 2021  
CONSUMPTION REPORT**

	2020	2020	2021	2021	2021		
	PUMPED	USAGE	PUMPED	USAGE	PUMPED	ACTIVE	
MONTH	WATER	OF WATER	WATER	OF WATER	UNBILLED	METERS	%
JAN	8859200	7257990	10937141	7581186	2,699,100	1,972	6%
FEB	8314100	6318914	11474637	9113179	1,457,020	1,977	8%
MAR	9724300	7985039	11931647	9832526	1,255,180	1,988	7%
APRIL	10844809	9861040	13241784	11343200	930,200	1,996	7%
MAY	13030295	10456525	10626677	8100970	1,279,300	2,012	12%
JUNE	16152163	13787286	14231549	13035672	760,000	2,023	3%
JULY	20750822	18840189					#DIV/0!
AUG	21887150	18696181					#DIV/0!
SEPT	12525030	12348822					#DIV/0!
OCT	16075880	12859934					#DIV/0!
NOV	14181579	12639853					#DIV/0!
DEC	11198124	9420436					#DIV/0!
<b>TOTALS</b>	<b>163,543,452</b>	<b>140,472,209</b>	<b>72,443,435</b>	<b>59,006,733</b>	<b>8,380,800</b>		<b>7%</b>



JOB CODE	ISSUED THIS PERIOD				PRIOR ORDERS			TOTAL	TOTAL
	ISSUED	COMPLETED	VOIDED	OUTSTANDING	COMPLETED	VOIDED	OUTSTANDING	COMPLETED	OUTSTANDING
ALARM SEWER ALARM	20	20	0	0	1,927	22	0	1,947	0
BROWN BROWN WATER	1	1	0	0	362	3	0	363	0
CHANG CHANGE SIGN	3	3	0	0	10	0	0	13	0
CULVE CULVERT PERMIT	5	4	0	0	420	10	2	424	2
FLUSH FLUSH WATER LINE	0	0	0	0	802	1	0	802	0
HSWAP METER HEAD SWAP	0	0	0	0	152	13	0	152	0
IRRIG IRRIGATION PERMIT	3	3	0	0	41	2	0	44	0
LEAK CHECK FOR LEAK	9	8	0	0	1,677	19	0	1,685	0
LKMTR LOCK MTR	0	0	0	0	224	64	0	224	0
LNLOC LINE LOCATE	3	3	0	0	263	5	0	266	0
METER MOVE METER CHARGE	0	0	0	0	6	7	0	6	0
MI METER INFORMATION	0	0	0	0	157	9	0	157	0
MISCE MISCELLANEOUS	13	6	0	2	3,252	180	16	3,258	18
MOW MOWING GRASS	3	0	0	0	253	1	0	253	0
OCC OCCUPANT CHANGE	27	27	0	0	3,835	63	0	3,862	0
ODOR SMELLY WATER	0	0	0	0	28	0	0	28	0
OFF TURN OFF SERVICE	13	13	0	0	2,603	283	0	2,616	0
OFFEE TRIP CHARGE TURN OFF	0	0	0	0	18	0	0	18	0
ON TURN ON SERVICE	26	24	2	0	3,396	82	0	3,420	0
ONFEE TRIP CHARGE TURN ON	0	0	0	0	17	2	0	17	0
POOLS POOL/SPA PERMIT	1	1	0	0	44	1	0	45	0
RADIO RADIO READ REPORT	2	2	0	0	98	5	0	100	0
RC READ CHECK	1	0	1	0	422	103	0	422	0
ROAD ROAD REPAIR	15	0	0	1	3,714	25	22	3,714	23
RRMON RADIO READ MONITOR (RENT)	0	0	0	0	0	1	0	0	0
SEWER WASTEWATER MISC SERVICE	3	3	0	0	1,428	29	2	1,431	2
SIGN STREET SIGN	0	0	0	0	68	2	1	68	1
SWAP METER SWAP-OUT	0	0	0	0	1,628	97	0	1,628	0
SWTAP W/W TAP	2	0	0	2	427	23	10	427	12
TMPWT TMP WTR	0	0	0	0	8	5	0	8	0
W/W W/W ESTIMATE	9	8	1	0	1,046	31	0	1,054	0
WMEAS MEASURE FOR WATER TAP	6	6	0	0	1,591	37	0	1,597	0
WPRES LOW WATER PRESSURE	3	3	0	0	329	15	0	332	0
WTRTP WATER TAP	8	6	0	2	127	789	2	133	4
WWMOV W/W ESTIMATE FOR RELOCATE	0	0	0	0	11	5	0	11	0
<b>** GRAND TOTALS **</b>	<b>176</b>	<b>141</b>	<b>4</b>	<b>7</b>	<b>30,384</b>	<b>1,934</b>	<b>55</b>	<b>30,525</b>	<b>62</b>

JUNE 2021

BCWCID#2

Re-Cap of Waste Water Tap Applications

WASTE WATER TAPS:

2021 Pending .....	8
2021 Complete.....	12
2020 Complete.....	41
2020 Pending.....	2
2019 Complete.....	33
2019 Pending.....	1
2018 Complete.....	52
2017 Complete .....	35
2016 Complete .....	40
2015 Complete .....	32
2014 Complete .....	26

**Active Waste Water Customers: 801**

# JUNE 2021

## BCWCID#2

### Re-Cap of Water Tap Applications

#### WATER TAPS:

2021 Pending .....	4	
2021 Complete.....	61	
2020 Complete.....	119	
2019 Complete.....	96	
2018 Complete.....	96	
2017 Complete.....	78	
2016 Complete .....	88	
2015 Complete .....	60	
2014 Complete .....	39	
2013 Complete.....	35	
2012 Complete.....	37	
2011 Complete.....	42	
2010 Complete.....	49	
2009 Complete.....	43	
2008 Complete.....	35	
2007 Complete.....	47	
2006 Pending.....	1	(Sac-N-Pac)
2006 Complete.....	25	
2005 Complete.....	26	
2004 Complete.....	39	
2003 Complete.....	72	
2002 Complete.....	113	

2015-2021 COMPARISON ROAD & STANDBY									
MONTH	PRIOR YR RD	CURRENT RD	TOTAL ROADS	PRIOR YR SB	CURRENT SB	TOTAL SB	TOTALS	% Current Rd	% Current SB
JAN									
2015	\$46,965.38	\$3,501.00	\$ 50,466.38	\$2,088.00	\$0.00	\$ 2,088.00	\$ 52,554.38	6.94%	0.00%
2016	\$38,720.86	\$4,131.00	\$ 42,851.86	\$5,019.54	\$108.00	\$ 5,127.54	\$ 47,979.40	9.64%	2.11%
2017	\$ 35,426.89	\$ 5,954.00	\$ 41,380.89	\$ 896.00	\$ 264.00	\$ 1,160.00	\$ 42,540.89	14.39%	22.76%
2018	\$ 115,672.15	\$ 10,968.00	\$ 126,640.15	\$ 3,217.00	\$ -	\$ 3,217.00	\$ 129,857.15	8.66%	0.00%
2019	\$ 46,224.84	\$ 13,062.05	\$ 59,286.89	\$ 399.00	\$ -	\$ 399.00	\$ 59,685.89	22.03%	0.00%
2020	\$ 88,779.83	\$ 23,834.29	\$ 112,614.12	\$ -	\$ -	\$ -	\$ 112,614.12	21.16%	0.00%
2021	\$ 123,137.21	\$ 15,665.20	\$ 138,802.41	\$ 664.74	\$ -	\$ 664.74	\$ 139,467.15	11.29%	0.00%
FEB									
2015	\$ 29,099.97	\$ 81,445.03	\$ 110,545.00	\$ 3,048.00	\$ 4,474.50	\$ 7,522.50	\$ 118,067.50	71.63%	59.41%
2016	\$ 29,281.26	\$ 97,183.76	\$ 126,465.02	\$ 2,196.00	\$ 4,752.00	\$ 6,948.00	\$ 133,413.02	76.85%	63.39%
2017	\$ 37,167.14	\$ 108,620.10	\$ 145,787.24	\$ 6,098.00	\$ 644.00	\$ 6,742.00	\$ 152,529.24	72.81%	91.55%
2018	\$ 52,408.12	\$ 92,820.40	\$ 145,228.52	\$ 7,030.00	\$ -	\$ 7,030.00	\$ 152,258.52	66.91%	0.00%
2019	\$ 40,081.59	\$ 84,607.20	\$ 124,688.79	\$ 525.00	\$ -	\$ 525.00	\$ 125,213.79	67.65%	0.00%
2020	\$ 29,402.49	\$ 20,727.00	\$ 50,129.49	\$ 951.00	\$ -	\$ 951.00	\$ 51,080.49	41.95%	0.00%
2021	\$ 26,360.17	\$ 14,018.39	\$ 40,378.56	\$ 255.00	\$ -	\$ 255.00	\$ 40,633.56	31.92%	0.00%
MONTH	PRIOR YR RD	CURRENT RD	TOTAL ROADS	PRIOR YR SB	CURRENT SB	TOTAL SB	TOTALS	% Current Rd	% Current SB
MARCH									
2015	\$ 25,994.36	\$ 48,549.86	\$ 74,544.22	\$ 520.00	\$ 2,135.92	\$ 2,655.92	\$ 77,200.14	65.45%	60.42%
2016	\$ 39,332.78	\$ 43,344.46	\$ 82,677.24	\$ 7,171.28	\$ 1,746.00	\$ 8,917.28	\$ 91,594.52	52.45%	19.56%
2017	\$ 63,299.04	\$ 58,291.95	\$ 121,590.99	\$ 3,628.50	\$ 2,655.00	\$ 6,283.50	\$ 127,874.49	47.94%	22.25%
2018	\$ 60,476.28	\$ 79,758.65	\$ 140,234.93	\$ 2,582.83	\$ -	\$ 2,582.83	\$ 142,817.76	56.98%	0.00%
2019	\$ 71,856.72	\$ 94,731.17	\$ 166,587.89	\$ 3,801.00	\$ -	\$ 3,801.00	\$ 170,388.89	56.87%	0.00%
2020	\$ 74,645.80	\$ 128,379.63	\$ 203,025.43	\$ 8,958.55	\$ -	\$ 8,958.55	\$ 211,983.98	63.23%	0.00%
2021	\$ 92,647.28	\$ 175,608.90	\$ 268,256.18	\$ 461.97	\$ -	\$ 461.97	\$ 268,718.15	65.46%	0.00%
APRIL									
2015	\$ 50,455.27	\$ 26,487.88	\$ 76,943.15	\$ 1,113.20	\$ 432.00	\$ 1,545.20	\$ 78,488.35	34.46%	27.96%
2016	\$ 12,911.65	\$ 23,397.53	\$ 36,309.18	\$ 639.00	\$ 864.00	\$ 1,503.00	\$ 37,812.18	64.44%	57.49%
2017	\$ 10,981.60	\$ 25,543.90	\$ 36,525.50	\$ 921.00	\$ 1,056.00	\$ 1,977.00	\$ 38,502.50	69.93%	58.41%
2018	\$ 17,879.81	\$ 36,796.04	\$ 54,675.85	\$ 1,042.50	\$ -	\$ 1,042.50	\$ 55,718.35	67.30%	0.00%
2019	\$ 31,925.51	\$ 43,142.50	\$ 75,068.01	\$ 3,636.40	\$ -	\$ 3,636.40	\$ 78,704.41	57.47%	0.00%
2020	\$ 21,498.73	\$ 48,505.80	\$ 70,004.53	\$ -	\$ -	\$ -	\$ 70,004.53	69.29%	0.00%
2021	\$ 109,105.99	\$ 72,258.12	\$ 181,364.11	\$ 3,777.89	\$ -	\$ 3,777.89	\$ 185,142.00	39.84%	0.00%





	PRIOR YR RD	CURRENT RD	TOTAL ROADS	PRIOR YR SB	CURRENT SB	TOTAL SB	TOTALS	Of Collections	
YEARLY TOTALS								% Current Rd	% current SB
2015	\$ 284,979.06	\$ 461,862.17	\$ 746,841.23	\$ 14,876.11	\$ 19,592.42	\$ 34,468.53	\$ 781,309.76	61.84%	56.84%
2016	\$ 280,420.05	\$ 555,321.95	\$ 835,742.00	\$ 23,280.02	\$ 17,889.00	\$ 41,169.02	\$ 876,911.02	66.45%	43.45%
2017	\$ 393,007.44	\$ 623,582.78	\$ 1,016,590.22	\$ 41,366.07	\$ 17,057.00	\$ 58,423.07	\$ 1,075,013.29	61.34%	29.20%
2018	\$ 512,461.77	\$ 799,377.36	\$ 1,311,839.13	\$ 39,710.97	\$ -	\$ 39,710.97	\$ 1,351,550.10	60.94%	0.00%
2019	\$ 410,615.85	\$ 851,693.60	\$ 1,262,309.45	\$ 21,978.98	\$ 3,444.69	\$ 25,423.67	\$ 1,287,733.12	67.47%	13.55%
2020	\$ 468,532.77	\$ 875,037.81	\$ 1,343,570.58	\$ 16,253.16	\$ -	\$ 16,253.16	\$ 1,359,823.74	65.13%	0.00%
2021	\$ 453,407.84	\$ 350,064.31	\$ 803,472.15	\$ 5,963.54	\$ -	\$ 5,963.54	\$ 809,435.69	48.57%	0.00%
<b>TOTALS</b>			\$ 7,320,364.76			\$ 221,411.96	\$ 7,541,776.72		