

Bastrop County

WCID #2

Board Packet

for

October 16, 2025

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 Interested Parties:

Notice is hereby given that a meeting of the governing body of the above-named political subdivision will be held on Thursday October 16, 2025 at 6:30 pm in the Board Room located at 112 Corporate Drive, Bastrop, TX 78602.

MEETING DISCUSSION TOPICS



- 1.) Call to Order and Establish a Quorum – O’Hanlon
- 2.) Salute to Flags – O’Hanlon
- 3.) Public Comments/Announcements: (The Board respectfully requests that people 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.)
- 4.) Discussion and possible action regarding schedule of future meeting dates:
 - a. Regular Board of Director’s Meeting scheduled for Thursday, November 20, 2025 at 6:30 p.m.
- 5.) 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 September 18, 2025 Meeting of the Board of Directors;
 - b. Approval of monthly financial reports for September 2025; and
 - c. Approval of Release of Liens held by District on Real Property.
- 6.) Discussion regarding the following items to be presented in the General Manager’s report:
 - a.) Update on District facilities, water plants and lift stations
 - b.) Update on Water/Wastewater Maintenance & Improvement projects
 - c.) Update on Roads maintenance & improvement projects
 - d.) Employee & Administrative Update
- 7.) Discussion and possible action related to Capital Improvement Projects to be funded with bond proceeds– Hightower
- 8.) Discussion and possible action related to FY 2023/2024 Financial Audit Reports – Hightower
- 9.) Discussion and possible action regarding renewal of District’s employee dental, vision and other employee insurance benefits – Hightower
- 10.) Discussion and review only of FY2026 Proposed Budget – Hightower / Culberson

- 11.) Discussion and possible action regarding adoption of Resolution Approving Collaboration Agreement with the City of Austin Water relating to proposed Aquifer Storage and Recovery Project– Hightower
- 12.) Board suggestions on future agenda items
- 13.) Adjourn

Paul Hightower

Digitally Signed & Certified
October 9, 2025 @ 1332 hours
Kofax Power PDF Solutions

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 #5

Consent

Agenda

5a.

**August Board
Meeting Minutes**

Minutes of the Regular Board Meeting for
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, September 18, 2025, beginning at 6:30 p.m. The meeting was held at the District office, located at 112 Corporate Drive.

Present BCWCID #2 Board Members:

Mary Beth O'Hanlon, President
Scott Ferguson, VP
Michele Plummer, Secretary

BCWCID #2 Staff:

Paul Hightower, General Manager
Patricia Lujan, District Administrator
Adam Brown, Field Manager

Absentees

Ron Whipple, Director
Ruth Bullock, Treasurer

Remote Participation

None

- 1.) Call to Order and Establish a Quorum – O'Hanlon

By: MaryBeth O'Hanlon

Time: 6:30PM

- 2.) Salute to Flags – O'Hanlon

- 3.) Public Comments/Announcements:

Dana Province brought up drainage concerns in the Pohakuloa area. Staff let him know that is was a County road and since they took over the roads last year, he would have to take it up with them. Mr. Hightower did mention that we had been working on a drainage plan and that he would pass the info along to the Commissioners office.

David Mueller had questions regarding unit 6. He is going to get with staff after the meeting to exchange emails.

No further comments or suggestions.

- 4.) Discussion and possible action regarding schedule of future meeting dates:
 - a. Regular Board of Director's Meeting scheduled for Thursday, October 16, 2025 at 6:30 p.m.

Mrs. O'Hanlon stated that the District's next board meeting was on October 16th. Board Members present, stated they should be there.

No further comments or suggestions.

- 5.) **CONSENT AGENDA:**
- a. Approval of minutes from the August 21, 2025 Meeting of the Board of Directors; and
 - b. Approval of monthly financial reports for August 2025; and
 - c. Approval of Release of Liens held by District on Real Property.

No comments regarding the Board Meeting minutes.

Mr. Culberson presented the District's financial & cash statements. Board expressed no issues or concerns.

Paul Hightower read the Release of Liens as noted in the report.

No further questions or comments.

Mrs. O'Hanlon called the question.

Motion: Scott Ferguson moved to approve the Consent Agenda.

Second: Michele Plummer

Vote: Three (3) in favor, Two (2) absentees, motion carries.

- 6.) Discussion regarding the following items to be presented in the General Manager's report:
- a. Update on District facilities, water plants and lift stations
 - b. Update on Water/Wastewater Maintenance & Improvement projects
 - c. Update on Roads maintenance & improvement projects
 - d. Employee & Administrative Update

Mr. Hightower read the GM report as posted in the Board packet.

No further comments or discussion.

- 7.) Discussion and review of 2023 capital improvement projects to be funded with bond proceeds– Hightower

Mr. Hightower stated that we had nothing to add at present time. Currently waiting on the surveyor.

No further comments or discussion.

- 8.) Discussion and possible action related to approval of Fiscal Year 2023 Financial Audit Report – Hightower

Mr. Hightower stated that everything had been submitted and under final review. Auditors are hoping to finish up soon.

No further comments or discussion.

- 9.) Discussion and possible action regarding renewal of District's employee dental, vision and other employee insurance benefits – Hightower

Mr. Hightower stated that we had received the renewals as shown in the packet. Staff explained that we had searched for better options and the search came up higher than we had hoped for. Staff made the decision to stay with the current offerings. Staff shared an estimate for increasing the employee portions, for all the insurance policies, to help with the increase. Board indicated that they would like to hear feedback from the employees, on what they preferred. Mr Hightower stated that he would share the information at the next employee meeting and report back to the Board.

No further comments or discussion.

- 10.) Discussion and review only of FY2026 Proposed Budget – Hightower / Culberson

Staff discussed the first look at the FY 2026 budget explaining that it was very soft and that updates would be expected as we got closer to the current end of year budget. Mr. Culberson brought up that Bastrop was charging the District fees for WW that should not be passed to the District, so this was being reviewed. Staff will have the 2nd viewing next month.

No further comments or discussion.

- 11.) Discussion regarding Aquifer Storage and Recovery Meetings with Austin Water and Bastrop County – Hightower

Staff shared that we were gathering information from the public meetings conducted by the City of Austin. Staff explained that we would be bringing an MOU for the test phase, to the Board in October. Staff also stated that the Chamber of Commerce was hosting a collaboration meeting, for the City of Austin to present their information at.

No further comments or discussion.

- 12.) Discussion regarding Unit 6 Capstick Development – Hightower

Staff presented the Board with a potential development to come into the Unit 6 area. The developer is wanting to stick with one entity, so the WCID and City of Bastrop may work out an ILA in the end. If so, the details would be brought back to the Board. At this time, there is no action, it was information only. Board explained that depending how it went, it could be a large loss of revenue for the District. Staff understands that everything will be reviewed by appropriate attorneys.

No further comments or discussion.

- 13.) Board suggestions on future agenda items

Employee input on insurance plan, 2nd round for FY26 budget, Unit 6 information & drainage issues on Pohakuloa.

- 14.) Adjourn 7:44 pm

Mrs. O'Hanlon called the question.

Motion: Michele Plummer moved to adjourn.

Second: Scott Ferguson

Vote: Three (3) in favor, Two (2) absentees, motion carries.

Authorized Signature

5b.

Financials

Bastrop County Water Control and Improvement District #2
Cash & Investment Report
As of September 30, 2025

Fund	Account Name	Account Number	Bank Name	Yield	Prior Month Balance	Current Balance
Standby Fund						
	Standby Operating Account	2687	Roscoe State Bank	0.00%	\$ 103,299	\$ 103,299
Standby Fund Total					\$ 103,299	\$ 103,299
Roads Fund						
	Roads Construction Account	9330	Roscoe State Bank	0.00%	\$ 55,092	\$ 33,085
	Roads Construction MMA	3131	Roscoe State Bank	1.75%	2,666	2,667
Roads Fund Total					\$ 57,758	\$ 35,752
Debt Service Fund						
	TWDB Reserve Fund - DS	0001	Texpool	3.98%	\$ 456,581	\$ 458,176
	Annual TWDB MMA - DS	4385	First National Banl	0.50%	41,846	41,864
	Wastewater Escrow TWDB Loan -	1041	Amegy Bank		95,118	95,425
	Debt Service Fund - DS	0004	Texpool	3.98%	558,043	559,993
Debt Service Fund Total					\$ 1,151,587	\$ 1,155,458
Capital Fund						
	Water Capital Projects Fund	7780	First National Banl	0.50%	\$ 5,145	\$ 4,883
	Capital Project - Bond Series 2021	0005	Texpool	3.98%	4,874,018	4,891,052
	Water Capital Projects Fund	3653	First National Banl	0.50%	16,441	16,441
	Capital Project - Bond Series 2023	0006	Texpool	3.98%	2,606,935	2,616,046
Capital Fund Total					\$ 7,502,539	\$ 7,528,421
Water Fund						
	Water Operating Account	1469	First National Banl	0.50%	\$ 307,264	\$ 222,717
	Wastewater TWDB Checking	3289	First National Banl	0.00%	572	572
Operating Total:					\$ 307,836	\$ 223,289
	Wastewater /Water MMA	0002	Texpool	3.98%	\$ 448,957	\$ 450,526
	Wastewater /Water Capital	3543	First National Banl	0.50%	44,376	44,384
	Wastewater MMA (Water)	5076	First National Banl	0.50%	90,378	90,418
Water Fund Total					\$ 891,547	\$ 808,616
Total Cash & Investments					\$ 9,706,731	\$ 9,631,547

BASTROP COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 2
Statement of Revenues, Expenditures and Changes in Fund Balances (Actual vs.Budget)

Draft

Standby Fund
For Quarter Ending September 30, 2025

	Third Quarter			Year-to-Date			
	Actual	Budget	Variance Fav (Unfav)	Actual	Budget	Variance Fav (Unfav)	Annual Budget
Revenues:							
Pine Forest Standby	\$ -	\$ 625	\$ (625)	\$ -	\$ 1,875	\$ (1,875)	\$ 2,500
TV Standby	-	875	(875)	-	2,625	(2,625)	3,500
Late Fees	15	250	(235)	15	750	(735)	1,000
Attorney Fees	743	125	618	743	375	368	500
Total Revenues	\$ 758	\$ 1,875	\$ (1,117)	\$ 758	\$ 5,625	\$ (4,867)	\$ 7,500
Expenditures:							
Administration							
Legal Fees	\$ -	\$ 125	\$ 125	\$ -	\$ 375	\$ 375	\$ 500
Accounting Fees	-	25	25	-	75	75	100
Auditing Services	-	150	150	-	1,875	450	2,500
Total Expenditures	\$ -	\$ 300	\$ 300	\$ -	\$ 2,325	\$ 900	\$ 3,100
Revenue Over (Under) Expenditures	\$ 758	\$ 1,575	\$ (817)	\$ 758	\$ 3,300	\$ (3,967)	\$ 4,400

BASTROP COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 2
Statement of Revenues, Expenditures and Changes in Fund Balances (Actual vs.Budget)
Roads Fund

Draft

For Quarter Ending September 30, 2025

	Third Quarter			Year-to-Date			Annual
	Actual	Budget	Variance Fav (Unfav)	Actual	Budget	Variance Fav (Unfav)	
Revenues:							Budget
Assessments	\$ 154,477	\$ 375,000	\$ (220,523)	\$ 778,843	\$ 1,125,000	\$ (346,157)	\$ 1,500,000
Assessments-Prior to 97	580	6,250	(5,670)	1,491	18,750	(17,259)	25,000
Late Fees	6,765	7,500	(735)	27,917	22,500	5,417	30,000
Late Fees-Prior	-	500	(500)	-	1,500	(1,500)	2,000
Lien Fees	6,598	10,000	(3,402)	32,423	30,000	2,423	40,000
Returned Check Fee	-	25	(25)	30	75	(45)	100
Filing Fees	31,760	2,500	29,260	36,631	7,500	29,131	10,000
Attorney Fees	9,265	8,750	515	26,643	26,250	393	35,000
Driveway Fees	-	250	(250)	-	750	(750)	1,000
Deed Admin Fee	-	1,250	(1,250)	-	3,750	(3,750)	5,000
Interest-Improvements	3	1,250	(1,247)	10	3,750	(3,740)	5,000
Total Revenues	\$ 209,448	\$ 413,275	\$ (203,827)	\$ 903,988	\$ 1,239,825	\$ (335,837)	\$ 1,653,100

Expenditures:

Road Construction

Salaries & Wages - Road Construction	\$ 6,837	\$ 22,500	\$ 15,663	\$ 24,294	\$ 67,500	\$ 43,206	\$ 90,000
Workers' Compensation	-	1,125	1,125	-	3,375	3,375	4,500
ProfServ-Engineering	-	18,750	18,750	25,003	56,250	31,247	75,000
ProfServ-Other	-	125	125	-	375	375	500
Attorney Fees (County)	-	2,500	2,500	-	7,500	7,500	10,000
Attorney Fees Written Off	-	1,875	1,875	-	5,625	5,625	7,500
Legal fees	31,300	5,125	(26,175)	53,728	15,375	(38,353)	20,500
Accounting Fees	-	125	125	-	375	375	500
Auditing Seivices	-	2,500	2,500	-	7,500	7,500	10,000
Maint-Agreement-Incode	-	1,250	1,250	-	3,750	3,750	5,000
Postage and Freight	3,000	1,875	(1,125)	6,800	5,625	(1,175)	7,500
Equipment Rental	-	12,500	12,500	-	37,500	37,500	50,000
Materials Hauling	-	8,750	8,750	-	26,250	26,250	35,000
Materials	-	25,000	25,000	3,504	75,000	71,496	100,000
Miscellaneous Services	-	500	500	-	1,500	1,500	2,000
Misc-Property Taxes	-	188	188	-	563	563	750
Misc-Bad Debt	-	5,000	5,000	-	15,000	15,000	20,000
Misc-Credit Card Fees	1,657	7,500	5,843	13,445	22,500	9,055	30,000
Lien Fees Written Off	-	375	375	-	1,125	1,125	1,500
Damage Claim	-	13	13	-	38	38	50
Filing Fees	-	625	625	40	1,875	1,835	2,500
Road Fees Written Off	-	2,500	2,500	-	7,500	7,500	10,000
Road Late Fees Written Off	-	375	375	-	1,125	1,125	1,500
Road Prior Written Off	-	2,500	2,500	-	7,500	7,500	10,000
Total Road Construction	\$ 42,794	\$ 123,575	\$ 80,781	\$ 126,813	\$ 370,725	\$ 243,912	\$ 494,300

Road Maintenance

Salaries & Wages - Road Maintenance	\$ -	\$ 71,250	\$ 71,250	\$ 92,434	\$ 213,750	\$ 121,316	\$ 285,000
Workers' Compensation	-	500	500	-	1,500	1,500	2,000
ProfServ-Engineering	-	250	250	-	750	750	1,000
Legal Fees	-	1,750	1,750	-	5,250	5,250	7,000
Contractural Labor	7,500	3,750	(3,750)	59,680	11,250	(48,430)	15,000
Equipment Rental	16,000	3,750	(12,250)	109,000	11,250	(97,750)	15,000
District Contract Mowing	-	13,750	13,750	-	41,250	41,250	55,000
R&M-Equipment	61	3,750	3,689	11,504	11,250	(254)	15,000
R&M-Vehicles	-	3,750	3,750	532	11,250	10,718	15,000
Repairs and Maintenance	819	3,750	2,931	5,819	11,250	5,431	15,000
Matertials-Hauling	-	2,500	2,500	-	7,500	7,500	10,000
Repairs-Contracted	-	7,500	7,500	-	22,500	22,500	30,000
Misc-Licenses & Permits	-	313	313	-	938	938	1,250
Misc. Office	-	250	250	-	750	750	1,000
Uniforms	-	625	625	-	1,875	1,875	2,500
Small Equipment/Hand Tools	-	250	250	-	750	750	1,000
Safety Supplies	-	1,250	1,250	-	3,750	3,750	5,000
Materials	506	6,250	5,744	506	18,750	18,244	25,000
Total Road Maintenance	\$ 24,887	\$ 125,188	\$ 100,301	\$ 279,475	\$ 375,563	\$ 96,087	\$ 500,750

37%

50%

69%

50%

50%

BASTROP COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 2
Statement of Revenues, Expenditures and Changes in Fund Balances (Actual vs.Budget)

Roads Fund (cont.)

For Quarter Ending September 30, 2025

	Third Quarter			Year-to-Date			Annual
	Actual	Budget	Variance Fav (Unfav)	Actual	Budget	Variance Fav (Unfav)	Budget
<u>Roads-Capital Outlay</u>							
Capital Outlay - Equipment	\$ -	\$ 6,250	\$ 6,250	\$ -	\$ 18,750	\$ 18,750	\$ 25,000
Capital Outlay- RM	57,900	6,250	(51,650)	63,024	18,750	(44,274)	25,000
Capital Outlay- RC	18,000	225,000	207,000	125,661	675,000	549,339	900,000
Total Roads-Capital Outlay	\$ 75,900	\$ 237,500	\$ 161,600	\$ 188,685	\$ 712,500	\$ 523,815	\$ 950,000
Total Expenditures	\$ 143,580	\$ 486,263	\$ 342,682	\$ 594,974	\$ 1,458,788	\$ 863,814	\$ 1,945,050
Revenue Over (Under) Expenditures	\$ 65,867	\$ (72,988)	\$ 138,855	\$ 309,015	\$ (218,963)	\$ 527,977	\$ (291,950)

BASTROP COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 2
Statement of Revenues, Expenditures and Changes in Fund Balances (Actual vs.Budget)
Water Fund
For Quarter Ending September 30, 2025

	Third Quarter			Year-to-Date			
	Actual	Budget	Variance Fav (Unfav)	Actual	Budget	Variance Fav (Unfav)	Annual Budget
Revenues:							
Irrigation-Usage	\$ 75	\$ 63	\$ 13	\$ 300	\$ 188	\$ 113	\$ 250
Water Late Charge Income	9,849	7,500	2,349	27,334	22,500	4,834	30,000
Water Line Bore	10,750	7,500	3,250	26,750	22,500	4,250	30,000
Capital Reserve Fee	61,053	52,500	8,553	181,611	157,500	24,111	210,000
Copies & Faxes	-	13	(13)	2	38	(36)	50
Interest-Bond	80,596	75,000	5,596	239,087	225,000	14,087	300,000
Maps Sold	-	25	(25)	-	75	(75)	100
Office Rents	1,800	1,800	-	5,400	5,400	-	7,200
Pools Fees	75	75	-	150	225	(75)	300
Reconnect Fee	5,625	5,000	625	18,150	15,000	3,150	20,000
TV Tap Fees	65,175	63,750	1,425	226,150	191,250	34,900	255,000
TV Water Sales	497,609	500,000	(2,391)	1,372,084	1,500,000	(127,916)	2,000,000
Interest-Investments	6,203	6,250	(47)	18,655	18,750	(95)	25,000
Other Miscellaneous Revenues	250	2,500	(2,250)	500	7,500	(7,000)	10,000
Backflow Inspections Collected	1,425	1,500	(75)	4,950	4,500	450	6,000
Returned Check Fee	360	750	(390)	660	2,250	(1,590)	3,000
Total Revenues	\$ 740,846	\$ 724,225	\$ 16,621	\$ 2,121,784	\$ 2,172,675	\$ (50,891)	\$ 2,896,900
Expenditures:							
<u>Payroll and Taxes</u>							
Salaries	\$ 110,549	\$ 125,000	\$ 14,451	\$ 325,174	\$ 375,000	\$ 49,826	\$ 500,000
Holidays	6,753	12,500	5,747	30,674	37,500	6,826	50,000
Annual Leave	11,147	8,750	(2,397)	32,628	26,250	(6,378)	35,000
Sick	7,125	6,250	(875)	25,013	18,750	(6,263)	25,000
Over Time	5,678	6,250	572	14,185	18,750	4,565	25,000
On Call Pay	979	2,500	1,521	3,189	7,500	4,311	10,000
Double Time	721	1,250	529	1,856	3,750	1,894	5,000
Personal Time	953	1,063	109	2,959	3,188	229	4,250
Bereavement	-	625	625	728	1,875	1,147	2,500
Birthday Pay	3,471	-	(3,471)	3,471	-	(3,471)	-
Jury Duty Pay	-	75	75	-	225	225	300
Longevity Pay	-	3,170	3,170	-	9,510	9,510	12,680
FICA Taxes	19,974	5,000	(14,974)	61,660	15,000	(46,660)	20,000
FUTA	112	563	451	1,026	1,688	661	2,250
SUI	162	1,250	1,088	2,523	3,750	1,227	5,000
Total Payroll and Taxes	\$ 167,622	\$ 174,245	\$ 6,623	\$ 505,087	\$ 522,735	\$ 17,648	\$ 696,980
<u>Benefits and Insurance</u>							
Retirement-Life	\$ 47,241	\$ 35,000	\$ (12,241)	\$ 149,318	\$ 105,000	\$ (44,318)	\$ 140,000
Health Insurance-Other	6,560	8,100	1,540	31,881	24,300	(7,581)	32,400
Insurance-Dental	3,120	3,250	130	9,876	9,750	(126)	13,000
Insurance-Life	722	2,500	1,778	2,274	7,500	5,226	10,000
Insurance-Medical	113,493	94,600	(18,893)	371,575	283,800	(87,775)	378,400
Insurance-Vision	720	1,000	280	2,423	3,000	577	4,000
Medical	6,388	5,000	(1,388)	6,388	15,000	8,612	20,000
Wellness Program	305	125	(180)	305	375	70	500
Workers' Compensation	-	2,500	2,500	-	7,500	7,500	10,000
Total Benefits and Insurance	\$ 178,549	\$ 152,075	\$ (26,474)	\$ 574,038	\$ 456,225	\$ (117,813)	\$ 608,300

BASTROP COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 2
Statement of Revenues, Expenditures and Changes in Fund Balances (Actual vs.Budget)
Water Fund (cont.)

Draft

For Quarter Ending September 30, 2025

	Third Quarter			Year-to-Date			Annual Budget
	Actual	Budget	Variance Fav (Unfav)	Actual	Budget	Variance Fav (Unfav)	
<u>Other Administrative Costs</u>							
ProfServ-IT Services - Water	\$ 10,151	\$ 3,750	\$ (6,401)	\$ 18,384	\$ 11,250	\$ (7,134)	\$ 15,000
Meter Software Annual Fee	-	-	-	29,936	-	(29,936)	-
ProfServ-Answering Service	1,215	1,025	(190)	3,645	3,075	(570)	4,100
Payroll Processing Fee	889	1,000	111	3,048	3,000	(48)	4,000
Cleaning-Office	894	875	(19)	2,544	2,625	81	3,500
Pest Control	258	625	367	1,032	1,875	843	2,500
Legal Fees	2,253	3,750	1,498	8,325	11,250	2,925	15,000
Accounting Services	1,802	250	(1,552)	2,435	750	(1,685)	1,000
Investment Management Fee	-	375	375	1,150	1,125	(25)	1,500
Auditing Services	4,961	3,750	(1,211)	74,908	11,250	(63,658)	15,000
Security Agreement	104	250	146	840	750	(90)	1,000
Maint Agreement-Incode	-	8,750	8,750	24,462	26,250	1,788	35,000
Insurance-Property	-	1,625	1,625	-	4,875	4,875	6,500
Insurance-General Liability	-	375	375	-	1,125	1,125	1,500
Insurance-Vehicle	-	500	500	-	1,500	1,500	2,000
Insurance-E&O	-	300	300	-	900	900	1,200
Insurance-Wells	-	1,875	1,875	-	5,625	5,625	7,500
Insurance-Bonding	-	188	188	-	563	563	750
Insurance-Misc	2,285	25	(2,260)	8,058	75	(7,983)	100
Reserve Fund Requirement 2023 Bonds	-	16,250	16,250	-	48,750	48,750	65,000
Reserve Fund Requirement 2021 Bonds	-	27,600	27,600	-	82,800	82,800	110,400
Travel-Air	469	1,250	781	469	3,750	3,281	5,000
Travel-Lodging	2,747	1,125	(1,622)	2,747	3,375	628	4,500
Travel-Meals	680	625	(55)	680	1,875	1,195	2,500
Travel-Rental Car	362	250	(112)	362	750	388	1,000
Communication-Telephone	2,063	1,875	(188)	6,311	5,625	(686)	7,500
Electricity-Office Bldg	1,041	1,125	84	2,554	3,375	821	4,500
Postage and Freight	4,516	3,250	(1,266)	12,767	9,750	(3,017)	13,000
Communication/Radios	-	1,250	1,250	814	3,750	2,936	5,000
Fax	-	25	25	-	75	75	100
Office Supplies	533	2,500	1,967	7,247	7,500	253	10,000
Printing	-	1,250	1,250	3,222	3,750	528	5,000
Advertising	-	188	188	-	563	563	750
Internet Services	1,564	1,125	(439)	5,249	3,375	(1,874)	4,500
Misc. Licenses & Permits	-	125	125	-	375	375	500
Misc-Credit Card Fees	13,882	12,500	(1,382)	41,265	37,500	(3,765)	50,000
Bank Fees	150	3,750	3,600	898	11,250	10,352	15,000
Misc-Late Fees	-	250	250	-	750	750	1,000
Mileage Reimbursement	130	375	245	384	1,125	741	1,500
Vehicle Usage	-	250	250	-	750	750	1,000
Pre-Employment Screening	293	250	(43)	435	750	315	1,000
Public Notice	-	625	625	449	1,875	1,426	2,500
Dues, Licenses, Subscriptions	753	1,250	497	3,907	3,750	(157)	5,000
Computer Supplies / Equipment	2,294	1,250	(1,044)	2,294	3,750	1,456	5,000
Computer Expense	2,937	5,000	2,063	7,366	15,000	7,634	20,000
Office Equipment Lease	519	3,000	2,481	16,838	9,000	(7,838)	12,000
Janitorial Supplies	-	63	63	-	188	188	250
Misc. Office	-	250	250	-	750	750	1,000
Election Costs	-	375	375	-	1,125	1,125	1,500
Education/Training	880	1,500	620	(242)	4,500	4,742	6,000
Total Other Administrative	\$ 60,626	\$ 119,788	\$ 59,161	\$ 294,785	\$ 359,363	\$ 64,578	\$ 479,150

BASTROP COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 2
Statement of Revenues, Expenditures and Changes in Fund Balances (Actual vs.Budget)

Draft

Water Fund (Cont.)

For Quarter Ending September 30, 2025

	Third Quarter			Year-to-Date			Annual Budget
	Actual	Budget	Variance Fav (Unfav)	Actual	Budget	Variance Fav (Unfav)	
Operations							
Yard Maintenance-Mowing	\$ 2,800	\$ 2,250	\$ (550)	\$ 15,318	\$ 6,750	\$ (8,568)	\$ 9,000
Labor-Service Lines & Taps	-	12,500	12,500	-	37,500	37,500	50,000
Fuel, Gasoline and Oil	8,650	10,000	1,350	24,088	30,000	5,912	40,000
Electricity-Pump Station	-	-	-	-	-	-	-
Garbage Removal	711	750	39	3,732	2,250	(1,482)	3,000
Electricity-Wells	19,146	12,500	(6,646)	49,366	37,500	(11,866)	50,000
Electricity-Maint Bldg	1,061	1,000	(61)	2,789	3,000	211	4,000
Water-Maint Bldg	-	-	-	-	-	-	-
Cleaning-Maint Bldg	-	1,250	1,250	-	3,750	3,750	5,000
Equipment Rental	8,000	3,750	(4,250)	8,000	11,250	3,250	15,000
R&M-Equipment	4,007	10,000	5,993	28,851	30,000	1,149	40,000
R&M-Well Maintenance	16,115	6,250	(9,865)	28,207	18,750	(9,457)	25,000
R&M-Vehicles	8,388	8,750	362	20,143	26,250	6,107	35,000
Repairs & Maintenance	8,683	625	(8,058)	52,961	1,875	(51,086)	2,500
Repairs-Contracted	204	12,500	12,296	3,465	37,500	34,035	50,000
Contract Labor	12,295	125	(12,170)	12,295	375	(11,920)	500
R&M-Backflow Inspection	-	1,250	1,250	-	3,750	3,750	5,000
Building Maintenance & Repairs	770	5,000	4,230	770	15,000	14,230	20,000
Water Samples	2,074	-	(2,074)	4,822	-	(4,822)	-
Water Well Admin Service Fee	3,597	2,500	(1,097)	14,388	7,500	(6,888)	10,000
TCEQ Fees	-	5,000	5,000	-	15,000	15,000	20,000
Damage Claim	-	1,250	1,250	6,295	3,750	(2,545)	5,000
Filing Fees	-	125	125	-	375	375	500
Meter Testing	-	63	63	-	188	188	250
License	-	625	625	744	1,875	1,131	2,500
OP Supplies-Hand Tools	187	1,250	1,063	2,375	3,750	1,375	5,000
OP Supplies-Uniforms	2,335	2,500	165	5,353	7,500	2,147	10,000
Meters & Supplies	26,752	6,250	(20,502)	54,052	18,750	(35,302)	25,000
OP Supplies-Chemicals	7,444	6,250	(1,194)	21,719	18,750	(2,969)	25,000
Safety Supplies	2,896	1,750	(1,146)	11,840	5,250	(6,590)	7,000
Small Equipment Purchase	2,611	1,250	(1,361)	4,734	3,750	(984)	5,000
Materials	31,762	18,750	(13,012)	59,229	56,250	(2,979)	75,000
Materials-Hauling	-	1,250	1,250	-	3,750	3,750	5,000
Miscellaneous Services	3,560	625	(2,935)	3,560	1,875	(1,685)	2,500
Activated Carbon - Water	-	-	-	49,395	-	(49,395)	-
Depreciation Expense	-	68,750	68,750	-	206,250	206,250	275,000
Total Operations	\$ 174,047	\$ 206,688	\$ 32,640	\$ 488,490	\$ 620,063	\$ 131,572	\$ 826,750
Allocations							
Salary Allocations to WW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PPE Allocations	-	-	-	-	-	-	-
Total Allocations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenses	\$ 580,845	\$ 652,795	\$ 71,950	\$ 1,862,400	\$ 1,958,385	\$ 95,985	\$ 2,611,180
Net Ordinary Income	\$ 160,001	\$ 71,430	\$ 88,571	\$ 259,383	\$ 214,290	\$ 45,093	\$ 285,720
Debt Service							
Interest Expense	\$ -	\$ 37,500	\$ 37,500	\$ 107,949	\$ 112,500	\$ 4,551	\$ 150,000
Total Debt Service	\$ -	\$ 37,500	\$ 37,500	\$ 107,949	\$ 112,500	\$ 4,551	\$ 150,000
Capital Outlay/Projects							
Capital Outlay	\$ 4,205	\$ -	\$ (4,205)	\$ 175,807	\$ -	\$ (175,807)	\$ -
Capital Outlay-Culverts	-	25,000	25,000	-	75,000	75,000	100,000
Line Extension	12,000	11,250	(750)	12,000	33,750	21,750	45,000
Water Tank Main	-	22,500	22,500	-	67,500	67,500	90,000
Water Well Cap Improv	-	6,250	6,250	23,772	18,750	(5,022)	25,000
Building Capital	-	1,250	1,250	71,922	3,750	(68,172)	5,000
Capital Equipment Purchase - Water	-	-	-	46,500	-	(46,500)	-
Capital Vehicle Purchase - Water	110,176	-	(110,176)	110,176	-	(110,176)	-
Total Capital Outlay Projects	\$ 126,381	\$ 66,250	\$ (60,131)	\$ 440,178	\$ 198,750	\$ (241,428)	\$ 265,000
Revenue Over (Under) Expenditures	\$ 33,620	\$ (32,320)	\$ 65,940	\$ (288,744)	\$ (96,960)	\$ (191,784)	\$ (129,280)

BASTROP COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 2
Statement of Revenues, Expenditures and Changes in Fund Balances (Actual vs.Budget)

Draft

Wastewater Fund

For Quarter Ending September 30, 2025

	Third Quarter			Year-to-Date			Annual Budget
	Actual	Budget	Variance Fav (Unfav)	Actual	Budget	Variance Fav (Unfav)	
Revenues:							
Wastewater Fees	\$ 228,802	\$ 212,500	\$ 16,302	\$ 677,590	\$ 637,500	\$ 40,090	\$ 850,000
Wastewater Tap Fees	86,869	100,000	(13,131)	317,975	300,000	17,975	400,000
Wastewater Bore	5,000	5,000	-	16,500	15,000	1,500	20,000
Commercial Fees	8,408	8,750	(342)	24,920	26,250	(1,330)	35,000
Debt Service Reserve Fee	24,188	21,250	2,938	71,844	63,750	8,094	85,000
Interest-Investments	4,962	15,000	(10,038)	14,741	45,000	(30,259)	60,000
Interest-Reserves	-	-	-	-	-	-	-
Total Revenues	\$ 358,228	\$ 362,500	\$ (4,272)	\$ 1,123,571	\$ 1,087,500	\$ 36,071	\$ 1,450,000

Expenditures:

Administration

Salaries & Wages - Wastewater	\$ 30,175	\$ 27,500	\$ (2,675)	\$ 90,746	\$ 82,500	\$ (8,246)	\$ 110,000
Holidays	1,688	1,250	(438)	7,668	3,750	(3,918)	5,000
Sick	1,781	1,000	(781)	6,253	3,000	(3,253)	4,000
Over Time	1,419	750	(669)	3,546	2,250	(1,296)	3,000
On Call Pay	245	250	5	797	750	(47)	1,000
Double Time	180	250	70	464	750	286	1,000
Medical	-	250	250	-	750	750	1,000
Workers' Compensation	-	1,250	1,250	-	3,750	3,750	5,000
ProfServ-IT Services - Wastewater	-	1,250	1,250	-	3,750	3,750	5,000
Legal Fees	-	1,250	1,250	-	3,750	3,750	5,000
Accounting Services	1,802	225	(1,577)	2,435	675	(1,760)	900
Auditing Services	4,961	2,500	(2,461)	74,908	7,500	(67,408)	10,000
Cleaning-Office	894	825	(69)	2,544	2,475	(69)	3,300
Travel-Lodging	147	250	103	147	750	603	1,000
Travel-Rental Car	-	125	125	-	375	375	500
Travel-Meals	-	125	125	-	375	375	500
Communication-Telephone	-	625	625	-	1,875	1,875	2,500
Maint Agreement-CUSI	-	250	250	-	750	750	1,000
Insurance-Property	-	250	250	-	750	750	1,000
Insurance-General Liability	-	250	250	-	750	750	1,000
Insurance-Vehicle	-	250	250	-	750	750	1,000
Insurance-E&O	-	250	250	-	750	750	1,000
Insurance-Misc.	-	250	250	-	750	750	1,000
Office Supplies	3,430	375	(3,055)	5,010	1,125	(3,885)	1,500
Education/Training	910	1,000	90	(1,408)	3,000	4,408	4,000
Total Administration	\$ 47,633	\$ 42,550	\$ (5,083)	\$ 193,111	\$ 127,650	\$ (65,461)	\$ 170,200

Operations

Yard Maintenance-Mowing	\$ 3,560	\$ 2,000	\$ (1,560)	\$ 11,761	\$ 6,000	\$ (5,761)	\$ 8,000
Contract Labor	2,340	10,000	7,660	5,340	30,000	24,660	40,000
Labor-Service Lines & Taps	-	5,000	5,000	-	15,000	15,000	20,000
Fuel, Gasoline and Oil	8,472	7,500	(972)	23,909	22,500	(1,409)	30,000
Electricity-Lift Station	1,488	1,500	12	4,231	4,500	269	6,000
Wastewater Service	42,603	46,250	3,647	144,420	138,750	(5,670)	185,000
Equipment Rental	-	625	625	-	1,875	1,875	2,500
R&M-Equipment	4,007	2,500	(1,507)	25,350	7,500	(17,850)	10,000
R&M-Lift Station-WW	-	2,500	2,500	5,691	7,500	1,809	10,000
R&M-Vehicles	7,837	5,000	(2,837)	12,812	15,000	2,188	20,000
Repairs & Maintenance	2,367	6,250	3,884	6,856	18,750	11,894	25,000

BASTROP COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 2
Statement of Revenues, Expenditures and Changes in Fund Balances (Actual vs.Budget)
Wastewater Fund (Cont.)
For Quarter Ending September 30, 2025

Draft

	Third Quarter			Year-to-Date			Annual
	Actual	Budget	Variance Fav (Unfav)	Actual	Budget	Variance Fav (Unfav)	Budget
Operations (cont.)							
Grinder Pump Repair	\$ 8,835	\$ 10,000	\$ 1,165	\$ 63,651	\$ 30,000	\$ (33,651)	\$ 40,000
Op & Maint-City	-	-	-	-	-	-	-
Tools And Equipment	-	625	625	-	1,875	1,875	2,500
Op Supplies - Hand Tools	-	375	375	-	1,125	1,125	1,500
Miscellaneous Services	-	250	250	-	750	750	1,000
TCEQ Fees	-	875	875	-	2,625	2,625	3,500
Filing Fees	400	188	(213)	800	563	(238)	750
Meter Testing	-	-	-	-	-	-	-
License	-	188	188	-	563	563	750
Lift Station Admin Service Fee	-	375	375	-	1,125	1,125	1,500
OP Supplies-Uniforms	407	250	-	1,414	750	(664)	1,000
Op Supplies -Chemicals	-	-	-	-	-	-	-
Safety Supplies	258	1,250	992	4,652	3,750	(902)	5,000
Small Equipment Purchase	3,076	250	(2,826)	6,598	750	(5,848)	1,000
Materials	9,945	18,750	8,805	34,409	56,250	21,841	75,000
Materials-Hauling	-	1,250	1,250	-	3,750	3,750	5,000
Total Operations	\$ 95,595	\$ 123,750	\$ 28,312	\$ 351,895	\$ 371,250	\$ 19,355	\$ 495,000
Total Expenses	\$ 143,228	\$ 166,300	\$ 23,229	\$ 545,006	\$ 498,900	\$ (46,106)	\$ 665,200
Net Ordinary Income	\$ 215,000	\$ 196,200	\$ 18,958	\$ 578,565	\$ 588,600	\$ (10,035)	\$ 784,800
Debt Service							
Interest Expense	\$ -	\$ 41,250	\$ 41,250	\$ 73,659	\$ 123,750	\$ 50,091	\$ 165,000
Total Debt Service	\$ -	\$ 41,250	\$ 41,250	\$ 73,659	\$ 123,750	\$ 50,091	\$ 165,000
Capital Outlay/Projects							
Impr.- W/WW Systems	\$ -	\$ 31,250	\$ 31,250	\$ -	\$ 93,750	\$ 93,750	\$ 125,000
Capital Outlay-Equipment	14,118	-	(14,118)	14,118	-	(14,118)	-
WW Line Extensions	3,750	6,250	2,500	16,756	18,750	1,994	25,000
Capital Outlay-Grinder Pumps	87,168	31,250	(55,918)	187,955	93,750	(94,205)	125,000
Capital Outlay- Vehicles Wastewater	96,059	-	(96,059)	96,059	-	(96,059)	-
Total Capital Outlay/Projects	\$ 201,094	\$ 68,750	\$ (132,344)	\$ 314,888	\$ 206,250	\$ (108,638)	\$ 275,000
Revenue Over (Under) Expenditures	\$ 13,906	\$ 86,200	\$ (72,137)	\$ 190,018	\$ 258,600	\$ (68,582)	\$ 344,800

5c.

Liens Release

Lien List Recap for:

SEPTEMBER 2025

Total Amount of Liens Released	\$28,422.55
Road Assessments Paid	\$23,096.06
Standby Assessments Paid	\$90.00
Attorney Fees	\$1,536.30
Total actually collected	\$24,722.36
Total Write-Offs	\$0.00

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

Agenda

Item #6

General Manager's Report

BASTROP COUNTY WCID NO. 2

General Manager's Update

October 16, 2025

6a. Update on District water plants and lift stations:

All plants and stations are currently running at 100%. No issues at this time.

6b. W/WW Maintenance & Capital Improvements / Engineering update:

Surveys and core samples have been conducted at the #1 Well site. We should have an update next month on the results.

The ACR from TCEQ was approved and we have received all the paperwork. We have a few housekeeping items to organize, to keep it current but we are already putting those steps in place. This is a huge accomplishment for us and it will help our pump capacity numbers greatly.

We were approached by a builder wanting to build a small 80-room motel, with a small café, coffee and retail shop, off of Aloha Drive, right behind the old office property. We are in reviews with Engineering now for the LUEs. The builder has already met with the City and TxDot regarding infrastructure. Once I get more info, I'll make it an agenda item for any action necessary.

6c. Roads maintenance & improvement projects update:

Roads are still in the final stages. Everything that was planned for WCID to complete, has been done and is either ready for County or already been completed. All 3 city roads have been completed and had final inspection by the City. As of today's date, all final WCID road activity, is due to be completed by year's end.

6d. Employee & Administrative update:

Nothing to report except having some great employees on-board!

Agenda

Item #7

Discussion regarding
Capital Improvement
Projects – SPI Engineering

Date: 10-09-2025 (Report for October 16, 2025 meeting)

TO: Board of Directors ("Board")
 Bastrop County Water Control and Improvement District No. 2 ("District")

FROM: John D. Schmeling, P.E.
 Schaumburg & Polk, Inc. ("SPI")

RE: **Texas Commission on Environmental Quality ("TCEQ") Alternative Capacity Requirements and Elevated Storage Tank Design Update**

TCEQ Alternative Capacity Requirements

SPI submitted an application to TCEQ for alternative capacity requirements for the District on July 2, 2025. TCEQ granted the District alternative capacity requirements on September 30, 2025, per the attached letter. The following is a table summarizing the alternative capacity requirements granted for each of the District's water system pressure planes.

Category	TCEQ Standard Requirement	Alternative Capacity Requirements	
		Pressure Plane 1	Pressure Plane 2
Total Production Capacity	0.60 gpm/connection	0.42 gpm/connection	0.31 gpm/connection
Total Storage Capacity	200 gal/connection	141 gal/connection	103 gal/connection
Pressure Tank Capacity	20.0 gal/connection	14.1 gal/connection	10.3 gal/connection
Service Pump Capacity	2.00 gpm/connection	1.41 gpm/connection	1.03 gpm/connection

These numbers were very similar to what was estimated in the draft 90% New Water Well, Storage, and Treatment Facilities Preliminary Report that SPI presented to the Board in May 2025. SPI will proceed with updating and finalizing the report so it can be filed with TCEQ as the District's future planning report in compliance with TCEQ TAC 290.45.

Elevated Storage Tank Design Update

SPI has been working on designing an elevated storage tank for the District. A draft preliminary engineering report with preliminary plans has been submitted to the District Manager.

Task Updates

To date, the following tasks have been completed:

- Topographic surveying.
- Prepare draft preliminary engineering report
- Prepare preliminary draft plans
- Send draft preliminary engineering report and draft plans to the District Manager.

The following tasks are in progress:

- Geotechnical testing of soil samples.
- Writing the geotechnical report.
- Verifying existing high service pump operational data.
- Preliminary design of the elevated storage tank.

Feedback Needed for Design

SPI would like feedback from the District on the following items:

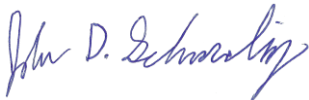
- Adding a bid alternate to the plans for a 500,000-gallon elevated storage tank.
- Lighting for the elevated storage tank.
- Logo/branding for the outside of the elevated storage tank.

Schedule

The projected schedule for the remainder of the project is as follows:

- January 7, 2026 – Furnish 60% plans, cost estimate, specifications, and final preliminary engineering report to the District.
- February 26, 2026 – Furnish 90% plans, cost estimate, specifications, and bidding documents to the District.
- April 17, 2026 – Furnish final signed and sealed plans, cost estimate, specifications, and bidding documents to the District.
- May 2026 – Solicit bids for construction.
- June 2026 – Board to award construction contract.
- July 2026 to August 2027 – Complete construction.

Respectfully Submitted By,
Schaumburg & Polk, Inc.
TBPE Firm No. 000520



John D. Schmeling, P.E.
Project Manager

Attachments:

- TCEQ Alternative Capacity Requirements Letter (Dated September 30, 2025)



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

September 30, 2025

Mr. John D. Schmeling, P.E.
Schaumburg & Polk, Inc.
165 Elmhurst Drive, Suite B
Kyle, Texas 78640

Re: Bastrop County WCID No. 2 - PWS ID No. 0110020
Request for Alternative Capacity Requirements
Bastrop County, Texas
RN 100824945 | CN 600739544

Dear Mr. Schmeling:

On July 2, 2025, the Texas Commission on Environmental Quality (TCEQ) received your submittal, dated the same day, requesting alternative capacity requirements (ACRs) for the Bastrop County WCID No. 2 public water system (PWS) in accordance with the requirements in Title 30 of the Texas Administrative Code (30 TAC) §290.45(g). Additional information for clarification of the request was provided in emails to Ms. Anastasia Lail, P.E., of my staff, dated September 29, 2025. The regulations in 30 TAC §290.45(b)(1)(D) require groundwater providers with more than 250 connections to have the following minimum capacities:

- 30 TAC §290.45(b)(1)(D)(i) – at least two or more wells having a total capacity of 0.6 gallons per minute (gpm) per connection.
- 30 TAC §290.45(b)(1)(D)(ii) – a total storage capacity of 200 gallons per connection.
- 30 TAC §290.45(b)(1)(D)(iii) – a service pump capacity that requires each pump station or pressure plane to have two or more pumps with a minimum total capacity of 2.0 gpm per connection or have a total capacity of at least 1,000 gpm and the ability to meet peak hourly demands with the largest pump out of service, whichever is less. For systems which provide an elevated storage capacity of 200 gallons per connection, two service pumps with a minimum combined capacity of 0.6 gpm per connection are required at each pump station or pressure plane.
- 30 TAC §290.45(b)(1)(D)(iv) – an elevated storage capacity of 100 gallons per connection or a pressure tank capacity of 20 gallons per connection. If pressure tanks are used, a maximum capacity of 30,000 gallons is sufficient for systems of up to 2,500 connections. An elevated storage capacity of 100 gallons per connection is required for systems with more than 2,500 connections. Alternate methods of pressure maintenance may be proposed and will be approved if the criteria contained in 30 TAC §290.45(g)(5) are met.

According to the submittal and our records, the Bastrop County WCID No. 2 water system is a community groundwater system that serves approximately 2,423 total connections and a population of approximately 7,269 people through a distribution network with two pressure lanes. The PWS provides groundwater to customers from five wells and serves a residential subdivision called Tahitian Village. Treatment Plants 1 and 2 (TCEQ Facility IDs TP459 and TP461, respectively) are in Pressure Plane 1, serve most of the connections in the Tahitian Village subdivision, and are located at nearly the same elevation. The lower portions of the

subdivision are subject to over-pressurization and are therefore separated by a pressure-reducing valve which sets the boundary of Pressure Plane 2. Treatment Plant 3 (TCEQ Facility ID TP20046) is located in Pressure Plane 2.

In Pressure Plane 1, water from Well Nos. 1 and 2 (TCEQ Facility IDs G0110020A and G0110020B, respectively) is treated by Plant 1 before entering two interconnected 100,000-gallon ground storage tanks (GSTs) (TCEQ Facility IDs ST17717 and ST17718). Two 500-gallon per minute (gpm) service pumps (TCEQ Facility IDs PF10501 and PF15187) draw water from the storage tanks to send through two 5,000-gallon pressure tanks (TCEQ Facility IDs ST17719 and ST17720) to the distribution system. Water from Well Nos. 3 and 4 (TCEQ Facility IDs G0110020C and G0110020D, respectively) is treated by Treatment Plant 2 before entering a 100,000-gallon GST (TCEQ Facility ID ST17721). Two 500-gpm service pumps (TCEQ Facility IDs PF15188 and PF15189) draw water from the storage tank to send through a 10,000-gallon pressure tank (TCEQ Facility ID ST17722) to the distribution system.

In Pressure Plane 2, water from Well 5 (TCEQ Facility ID G0110020E) is treated by Plant 3 before entering a 125,000-gallon GST (TCEQ Facility ID ST17723). Two 500-gpm service pumps (TCEQ Facility IDs PF15190 and PF15191) draw water from the storage tank to send through a 10,000-gallon pressure tank (TCEQ Facility ID ST17724) to the distribution system.

The most recent Comprehensive Compliance Investigation (CCI) (CCI No. 2071705) conducted by the TCEQ Austin Region on August 20, 2025, states that the PWS has reached 100% of its required pressure tank storage capacity, 114% of its required total storage capacity, and 124% of its required production capacity. You requested ACRs for well, total storage, pressure tank, and service pump capacities. The TCEQ Technical Review and Oversight Team (TROT) reviews requests for ACRs based on an evaluation of a system's maximum daily demand (MDD) and the actual number of connections served at that time. Based on our review of your submittal, we are **granting** new ACRs as follows:

Pressure Plane 1:

Total Production (Purchased + Groundwater + Surface Water)	0.42 gpm/connection
Total Storage Capacity	141 gallons/connection
Pressure Tank Capacity	14.1 gallons/connection
Service Pump Capacity	1.41 gpm/connection

Your submitted daily usage data from January 1, 2022, to May 31, 2025, indicated a MDD of 755,766 gallons on July 21, 2023. The number of connections served during July 2023 was 1,427.

Using the specifications in 30 TAC §290.45(g)(2) and a safety factor of 1.15, we calculated an equivalency ratio of 0.70. The above ACRs were calculated using this equivalency ratio and the specifications in 30 TAC §290.45(g)(2).

Pressure Plane 2:

Total Production (Purchased + Groundwater + Surface Water)	0.31 gpm/connection
Total Storage Capacity	103 gallons/connection
Pressure Tank Capacity	10.3 gallons/connection
Service Pump Capacity	1.03 gpm/connection

Your submitted daily usage data from January 1, 2022, to May 31, 2025, indicated a MDD of 314,000 gallons on July 10, 2022. The number of connections served during July 2022 was 811.

Using the specifications in 30 TAC §290.45(g)(2) and a safety factor of 1.15, we calculated an equivalency ratio of 0.52. The above ACRs were calculated using this equivalency ratio and the specifications in 30 TAC §290.45(g)(2).

Conditions of Granted ACRs

Condition 1:

- **The Bastrop County WCID No. 2 must record and document daily usage at each individual pressure plane.**
- **The Bastrop County WCID No. 2 must document the number of connections served at each individual pressure plane monthly.**

Condition 2:

- **These ACRs are contingent upon the continuing collection and retention of the most recent three (3) consecutive years of daily usage data.**

All ACRs are subject to periodic review. They may be revised or revoked if water demand conditions change or if evidence is found that granting it has resulted in the degradation of potable water quality or quantity. Please note that per 30 TAC §290.45(g)(6)(B), revision or revocation of granted ACRs may be initiated if any of the conditions in 30 TAC §290.45(g)(6)(A) are met. This letter must be kept on file at the water system for as long as any ACR granted in this letter is in effect. This letter must be made available to TCEQ staff upon request.

Granted ACRs only waive compliance to the 30 TAC Chapter 290 requirements explicitly stated in the TCEQ ACR letter. Noncompliance with any condition stated in this letter may result in an enforcement action as specified in 30 TAC §290.39(l)(5). Granted ACRs cannot be used as a defense in any enforcement action resulting from noncompliance with any other requirement in 30 TAC Chapter 290.

If you have questions concerning this letter, or if we can be of additional assistance, please contact Anastasia Lail, P.E. at anastasia.lail@tceq.texas.gov, by telephone at (512) 239-4725, or any member of the Technical Review and Oversight Team at PTRS@tceq.texas.gov.

Sincerely,



Chirag Patel, Team Leader
Technical Review and Oversight Team
Plan and Technical Review Section
Water Supply Division
Texas Commission on Environmental Quality

CCP/adl

cc: Mr. Paul Hightower, General Manager; Bastrop County WCID 2; 112 Corporate Dr;
Bastrop, TX 78602-4661

Bastrop County Water Control and Improvement District No. 2

New Elevated Storage Tank Preliminary Engineering Report

**10/7/25
DRAFT 50%**

October 2025

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EXECUTIVE SUMMARY

This section will be written for the next draft.

INTRODUCTION AND BACKGROUND

Contact Information

Bastrop County Water Control and Improvement District No. 2 (“District”) is the owner of the project. Schaumburg & Polk, Inc. (“SPI”) is the engineer for the project.

Contact information for the owner and engineer are listed below:

Owner

Bastrop County Water Control and Improvement District No. 2
Paul Hightower, General Manager
112 Corporate Drive
Bastrop, TX 78602
Phone: (512) 321-1688

Engineer

Schaumburg & Polk, Inc.
John Schmeling, P.E., Project Manager
165 Elmhurst Drive, Suite B
Kyle, TX 78640
Phone: (512) 262-0440

Location

The District is located approximately 30 miles east of Austin, Texas, at State Highways 21, 71, 95, and the Colorado River, adjacent to the City of Bastrop in Bastrop County. A map of the District’s boundary and their Certificate of Convenience and Necessity (“CCN”) is shown in **Figure 1** below.

District Location Map

Bastrop County Water Control and Improvement District No. 2

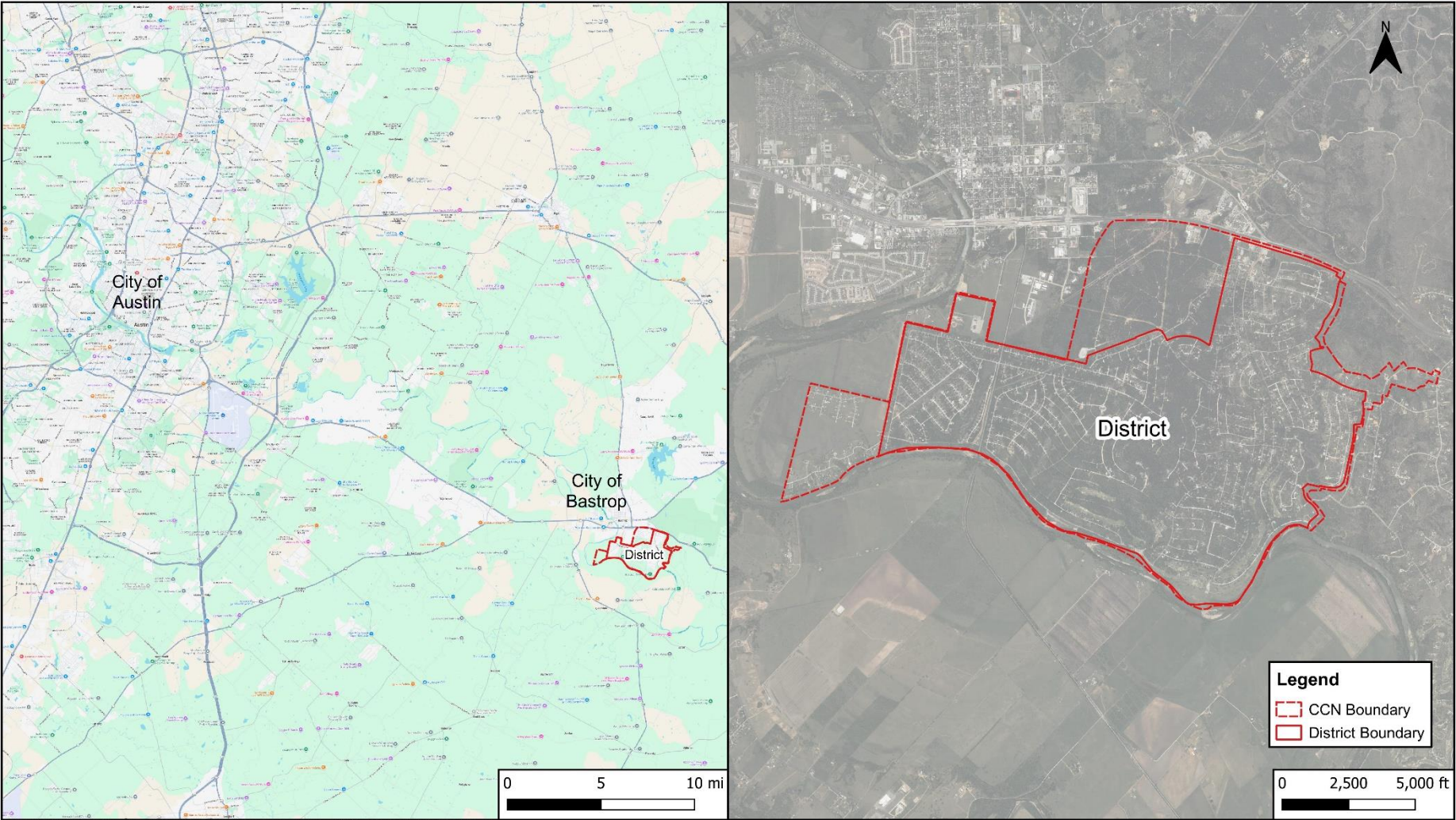


Figure 1: District Location Map

EXISTING WATER SYSTEM

Service Area/Population

The District water service area currently provides water to about 2,423 connections (As of May 31, 2025). One connection represents about 3.5 people. The population being served is approximately 8,480 people.

TCEQ Customer Information

The District is currently considered a regulated entity of TCEQ. The current customer information is as follows:

- **RN No:** RN100824945
- **CN No:** CN600739544
- **PWS No:** TX0110020
- **CCN No:** 10990
- **Notice of Violations:** None Active

Distribution

Existing System

A map of the District's water distribution system is shown in **Figure 2**. The system consists of two (2) pressure planes with facilities as detailed below:

Plant No. 1 (Pressure Plane 1)

- Source Water: Groundwater Wells
 - One Entry Point (EP001)
 - Well No. 1 – 140 GPM (G0110020A)
 - Well No. 2 – 506 GPM (G0110020B)
- Storage
 - 100,000 GAL Ground Storage Tank (ST17717)
 - 100,000 GAL Ground Storage Tank (ST17718)
- Pressure Tanks
 - 5,000 GAL Hydropneumatic Tank (ST17719)
 - 5,000 GAL Hydropneumatic Tank (ST17720)
- High Service Pumps
 - 500 GPM (PF10501)
 - 500 GPM (PF15187)

Plant No. 2 (Pressure Plane 1)

- Source Water: Groundwater Wells
 - One Entry Point (EP002)
 - Well No. 3 – 350 GPM (G0110020C)
 - Well No. 4 – 58 GPM (G0110020D)
- Storage
 - 100,000 GAL Ground Storage Tank (ST17721)
- Pressure Tanks
 - 10,000 GAL Hydropneumatic Tank (ST17722)
- High Service Pumps
 - 500 GPM (PF15188)
 - 500 GPM (PF15189)

Plant No. 3 (Pressure Plane 2)

- Source Water: Groundwater Well
 - One Entry Point (EP004)
 - Well No. 5 – 350 GPM (G0110020D)
- Storage
 - 125,000 GAL Ground Storage Tank (ST17723)
- Pressure Tanks
 - 10,000 GAL Hydropneumatic Tank (ST17724)
 - Sampling Station (PBCU004)
- High Service Pumps
 - 500 GPM (PF15190)
 - 500 GPM (PF15191)

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Existing Water System Map
Bastrop County Water Control and Improvement District No. 2
10/08/2025

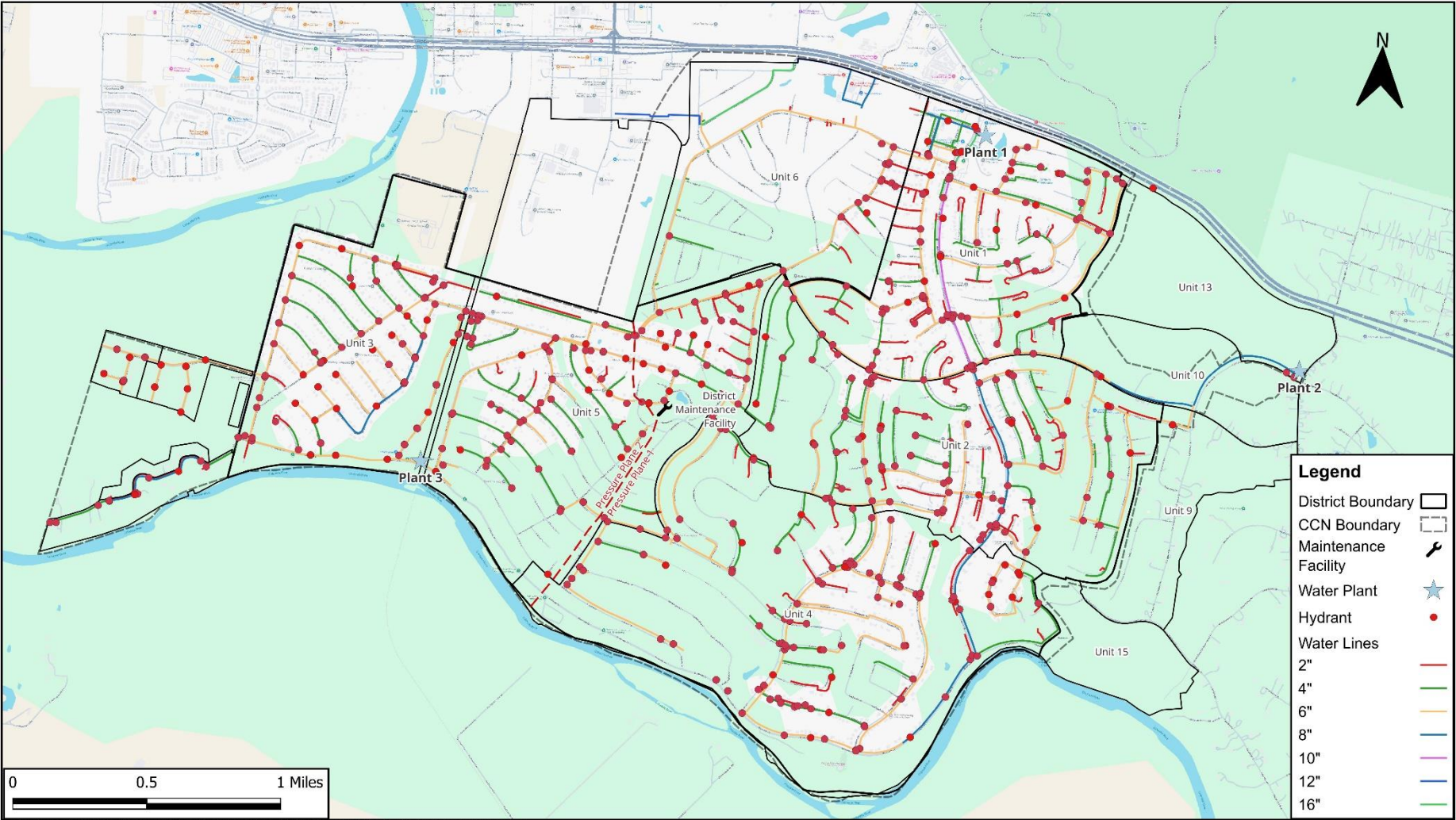


Figure 2: Existing Water System Map

Water System Study

SPI was commissioned by the District to complete a water system study which was completed in 2025. The purpose of the study was to review the District's water system capacities and recommend future improvements. This study identified the need for a 400,000 gallon elevated storage tank to be installed at plant 1 located at 113 Tahitian Drive

PROPOSED ELEVATED STORAGE TANK

TCEQ Water Distribution System Design Requirements

TCEQ Minimum System Capacities

The Texas Commission on Environmental Quality (TCEQ) describes Minimum Water System Capacity Requirements in §290.45 of 30 Texas Administrative Code Chapter 290 – Public Drinking Water. According to the above reference, systems with 250+ connections, like the District, are required to have the following requirements:

- Well/supply capacity of 0.6 gpm per connection with at least 2 or more wells
- Elevated storage capacity of 100 gallons per connection OR Pressure tank (Hydro Pneumatic Tank) capacity of 20 gallons per connection
- Total storage capacity of 200 gallons per connection
- High service pump capacity of 2.0 gpm per connection (only 0.6 gpm per connection if 200 gallons per connection of elevated storage capacity is provided)
- Minimum operating pressures of 35 psi
- Enough emergency power to meet 0.35 gpm per connection. Not required if elevated storage capacity is met or there is an emergency interconnection with another system.
- Elevated storage capacity by definition is the portion of water which can be stored at least 80 feet above the highest service connection served by the storage tank.

September 30, 2025 Alternative Capacity Requirements

On September 30, 2025, in response to an application by the District, TCEQ granted alternative capacity requirements as follows for each pressure plane:

Pressure Plane 1

- Well/supply capacity of 0.42 gpm per connection
- Total storage capacity of 141 gallons per connection
- Pressure tank capacity of 14.1 gallons per connection
- High service pump capacity of 1.41 gpm per connection

Pressure Plane 2

- Well/supply capacity of 0.31 gpm per connection
- Total storage capacity of 103 gallons per connection
- Pressure tank capacity of 10.3 gallons per connection
- High service pump capacity of 1.03 gpm per connection

Projected Service Population and Water Demand

Based on the TWDB's Population Projection Data for Bastrop County, the population is expected to grow by about 3% per year. At this rate, the population of the District's service area is expected to grow to 21,000 by the year 2055.

Assuming this population data will hold true for the service area and number of service connections, this projection shows the population of the District's service area to grow from a total of approximately $\pm 2,405$ connections to $\pm 6,012$ connections by the year 2055. This information is summarized in **Table 1** below:

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Table 1: Projected 30-year Connections and Population

Year	Pressure Plane 1 Projected Connections	Pressure Plane 2 Projected Connections	Total Projected Connections	Projected Population
2024	1,500	905	2,405	8,418
2025	1,545	932	2,477	8,670
2026	1,591	960	2,551	8,929
2027	1,639	989	2,628	9,198
2028	1,688	1,019	2,707	9,475
2029	1,739	1,049	2,788	9,758
2030	1,791	1,081	2,872	10,052
2031	1,845	1,113	2,958	10,353
2032	1,900	1,147	3,047	10,665
2033	1,957	1,181	3,138	10,983
2034	2,016	1,216	3,232	11,312
2035	2,076	1,253	3,329	11,652
2036	2,138	1,291	3,429	12,002
2037	2,202	1,330	3,532	12,362
2038	2,268	1,370	3,638	12,733
2039	2,336	1,411	3,747	13,115
2040	2,406	1,453	3,859	13,507
2041	2,478	1,497	3,975	13,913
2042	2,552	1,542	4,094	14,329
2043	2,629	1,588	4,217	14,760
2044	2,708	1,636	4,344	15,204
2045	2,789	1,685	4,474	15,659
2046	2,873	1,735	4,608	16,128
2047	2,959	1,787	4,746	16,611
2048	3,048	1,840	4,888	17,108
2049	3,139	1,896	5,035	17,623
2050	3,233	1,953	5,186	18,151
2051	3,330	2,012	5,342	18,697
2052	3,430	2,072	5,502	19,257
2053	3,533	2,134	5,667	19,835
2054	3,639	2,198	5,837	20,430
2055	3,748	2,264	6,012	21,042

Size

SPI recommends an elevated storage tank volume of at least 400,000-gallons. SPI also recommends the contract includes an alternate bid for a 500,000-gallon elevated storage tank option.

The District's water distribution system was evaluated using the TCEQ Minimum Capacity Requirements and the September 30, 2025 Alternative Capacity Requirements, assuming TWDB population projections. According to TCEQ TAC, Chapter 290, a retail public entity that possesses a certificate of public convenience and necessity and has reached 85% of its capacity as compared to the TCEQ minimum capacity requirements, must submit a planning report for future system upgrades. Prior to reaching 100% capacity, the retail public entity must have completed construction plans for the proposed facility improvements.

Pressure Plane 1, which would be served by the proposed elevated storage tank, was evaluated for total storage and elevated storage capacity for 6 scenarios as listed below. The details of these scenarios are included in **Appendix A**.

1. Existing conditions based on TCEQ minimum capacity requirements
2. Existing conditions based on September 30, 2025 alternative capacity requirements
3. Proposed conditions with 400,000-gallon EST based on TCEQ minimum capacity requirements
4. Proposed conditions with 400,000-gallon EST based on September 30, 2025 minimum capacity requirements
5. Proposed conditions with 500,000-gallon EST based on TCEQ minimum capacity requirements
6. Proposed conditions with 500,000-gallon EST based on September 30, 2025 minimum capacity requirements

The years when 85% and 100% thresholds are reached in pressure plane 1, assuming 3% annual population growth, are shown in **Table 2**.

Table 2: Total and Elevated Storage Capacity Milestones

Conditions	Pressure Plane 1	Year			
		400K	500K	400K	500K
	Milestone	TCEQ	TCEQ	ACR	ACR
Existing	Total Storage at 85% Capacity	Past	Past	2031	2031
	Total Storage at 100% Capacity	2024	2024	2036	2036
Proposed	Total Storage at 85% Capacity	2048	2052	2060	2064*
	Total Storage at 100% Capacity	2053	2058	2065	2070*
	Elevated Storage at 85% Capacity	2052	2060	2052	2060
	Elevated Storage at 100% Capacity	2058	2065*	2058	2065*

*Ultimate buildout connections may be reached before these thresholds are reached.

Based on the results above, a 400,000-gallon elevated storage tank is likely to provide capacity to keep the PWS in compliance with TCEQ rules until 2053 (28-years) for total storage and 2058 (33-years) for elevated storage, however, this tank size may not provide sufficient capacity for ultimate buildout. A 500,000-gallon elevated storage tank is likely to provide sufficient total storage and elevated storage capacity for ultimate buildout.

Location

The proposed elevated storage tank location is at Water Plant 1 located at 113 Tahitian Drive. This location has room for the tank. This location has an elevation of 520 feet which is within a few feet of the highest point in the District's service area (Elevation 524 feet).

Type

The proposed elevated storage tank type is multi-column. Traditional multi-column elevated storage tanks (legged) are spherical or rounded in nature. Legged tanks typically have a lower installation cost than other tank designs while the maintenance costs of this style of tank tend to be more costly. The entire tank is typically constructed of welded steel including the ladders, wet riser, and platform. With this exposure to the elements, the entire tank requires reapplication of the coating system approximately every 7-10 years. See **Figure 3** below for an example of a multi-column elevated storage tank.



Figure 3: Multi-Column Elevated Storage Tank

Dimensions

The dimensions for the two tank options are shown in **Table 3**.

Table 3: Proposed Elevated Storage Tank Dimensions

Tank Volume	Diameter	High Water Elevation	Low Water Elevation*	Height
400,000-gallons	50.0'	642.0'	611.6'	121.5'
500,000-gallons	50.0'	642.0'	604.8'	121.5'

*Both options are at least 80' above the highest connection ($524' + 80' = 604'$ minimum required elevation)

Water Plant 1 Improvements Needed

High Service Pumps

SPI is working with the District to verify if the existing high service pumps are able to efficiently fill the proposed elevated storage tank. Given Water Plant 1 already has high service pumps that adequately fill the pressure tanks, and the proposed elevated storage tank will be providing similar pressure, the service pumps should be adequate. This will be updated on the next draft of this report.

Electric Service

The current electric service line runs directly under the location of the proposed elevated storage tank. The electric service line will need to be rerouted. This will need to be coordinated prior to start of construction.

Security

The security fence will need to be expanded to encompass the proposed elevated storage tank.

Access

A designated driveway access route will need to be provided for the proposed elevated storage tank.

WATER SYSTEM PRESSURE ANALYSIS WITH EST

The proposed elevated storage tank will take the place of the pressure tanks at Water Plant 1 and provide similar pressure. Currently, the lower regions of the District's service area experience pressures between 100 psi to 120 psi. If the District is experiencing any maintenance issues due to these high pressures, pressure reducing valves and/or adjustment of the pressure setting at Water Plant 2 may be considered in the future.

COST ESTIMATES

The following are cost estimates for the proposed elevated storage tank options. **Table 4** is for the 400,000-gallon option and **Table 5** is for the 500,000-gallon option.

Table 4: Construction Cost Estimate for 400,000-gallon Elevated Storage Tank

ITEM	QTY	UNIT	DESCRIPTION	UNIT PRICE	TOTAL
1	1	LS	Contractor Mobilization, Bonds & Insurance	\$ 150,000.00	\$ 150,000.00
2	1	LS	Construction Staking	\$ 5,000.00	\$ 5,000.00
3	1	LS	Storm Water Pollution Prevention Plan	\$ 5,000.00	\$ 5,000.00
4	1	LS	Site Preparation, Grading, and Seeding	\$ 15,000.00	\$ 15,000.00
5	2	EA	10' Wide Double Gate	\$ 3,000.00	\$ 6,000.00
6	300	LF	Intruder Resistant Fencing	\$ 20.00	\$ 6,000.00
7	1	LS	Tank Foundation	\$ 500,000.00	\$ 500,000.00
8	1	LS	400,000 gal Multi-Column Elevated Storage Tank	\$ 2,000,000.00	\$ 2,000,000.00
9	1	LS	Tie-in System to Existing Plant	\$ 5,000.00	\$ 5,000.00
10	1	LS	Yard Piping	\$ 25,000.00	\$ 25,000.00
11	1	EA	Butterfly Valve	\$ 25,000.00	\$ 25,000.00
12	1	LS	Electrical Improvements	\$ 75,000.00	\$ 75,000.00
Subtotal:					\$ 2,817,000.00
Contingency (15%):					\$ 422,550.00
Engineering Design and Bidding (Lump Sum):					\$ 362,000.00
Construction Phase Services (8%)*:					\$ 225,360.00
ENGINEER'S PRELIMINARY OPINION OF CONSTRUCTION COST:					\$ 3,826,910.00

*\$130,000 of this is for SPI's construction admin, the remainder is for District staff costs and any other overhead during construction.

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Table 5: Construction Cost Estimate for 500,000-gallon Elevated Storage Tank

ITEM	QTY	UNIT	DESCRIPTION	UNIT PRICE	TOTAL
1	1	LS	Contractor Mobilization, Bonds & Insurance	\$ 150,000.00	\$ 150,000.00
2	1	LS	Construction Staking	\$ 5,000.00	\$ 5,000.00
3	1	LS	Storm Water Pollution Prevention Plan	\$ 5,000.00	\$ 5,000.00
4	1	LS	Site Preparation, Grading, and Seeding	\$ 15,000.00	\$ 15,000.00
5	2	EA	10' Wide Double Gate	\$ 3,000.00	\$ 6,000.00
6	300	LF	Intruder Resistant Fencing	\$ 20.00	\$ 6,000.00
7	1	LS	Tank Foundation	\$ 625,000.00	\$ 625,000.00
8	1	LS	500,000 gal Multi-Column Elevated Storage Tank	\$ 2,500,000.00	\$ 2,500,000.00
9	1	LS	Tie-in System to Existing Plant	\$ 5,000.00	\$ 5,000.00
10	1	LS	Yard Piping	\$ 25,000.00	\$ 25,000.00
11	1	EA	Butterfly Valve	\$ 25,000.00	\$ 25,000.00
12	1	LS	Electrical Improvements	\$ 75,000.00	\$ 75,000.00
Subtotal:				\$	3,442,000.00
Contingency (15%):				\$	516,300.00
Engineering Design and Bidding (Lump Sum):				\$	362,000.00
Construction Phase Services (8%)*:				\$	275,360.00
ENGINEER'S PRELIMINARY OPINION OF CONSTRUCTION COST:				\$	4,595,660.00

*\$130,000 of this is for SPI's construction admin, the remainder is for District staff costs and any other overhead during construction.

Appendix A

Total Storage and Elevated Storage Capacity Analysis

**Total Storage and Elevated Storage Capacity Analysis
Per TCEQ Standard Capacity Requirements
400,000-gallon Elevated Storage Tank Scenario**

		Existing Conditions		Proposed Conditions			
		Ground Storage:	300,000 gal			Ground Storage:	300,000 gal
		Elevated Storage:	NA			Elevated Storage:	400,000 gal
		Total Storage:	300,000 gal			Total Storage:	700,000 gal
Year	Connections	Total Storage Capacity		Proposed Total Storage Capacity		Proposed Elevated Storage Capacity	
		(200.0 gal/conn)		(200.0 gal/conn)		(100.0 gal/conn)	
		Required	% of Required	Required	% of Required	Required	% of Required
2024	1500	300,000 gal	100.0%	300,000 gal	42.9%	150,000 gal	37.5%
2025	1545	309,000 gal	103.0%	309,000 gal	44.1%	154,500 gal	38.6%
2026	1591	318,200 gal	106.1%	318,200 gal	45.5%	159,100 gal	39.8%
2027	1639	327,800 gal	109.3%	327,800 gal	46.8%	163,900 gal	41.0%
2028	1688	337,600 gal	112.5%	337,600 gal	48.2%	168,800 gal	42.2%
2029	1739	347,800 gal	115.9%	347,800 gal	49.7%	173,900 gal	43.5%
2030	1791	358,200 gal	119.4%	358,200 gal	51.2%	179,100 gal	44.8%
2031	1845	369,000 gal	123.0%	369,000 gal	52.7%	184,500 gal	46.1%
2032	1900	380,000 gal	126.7%	380,000 gal	54.3%	190,000 gal	47.5%
2033	1957	391,400 gal	130.5%	391,400 gal	55.9%	195,700 gal	48.9%
2034	2016	403,200 gal	134.4%	403,200 gal	57.6%	201,600 gal	50.4%
2035	2076	415,200 gal	138.4%	415,200 gal	59.3%	207,600 gal	51.9%
2036	2138	427,600 gal	142.5%	427,600 gal	61.1%	213,800 gal	53.5%
2037	2202	440,400 gal	146.8%	440,400 gal	62.9%	220,200 gal	55.1%
2038	2268	453,600 gal	151.2%	453,600 gal	64.8%	226,800 gal	56.7%
2039	2336	467,200 gal	155.7%	467,200 gal	66.7%	233,600 gal	58.4%
2040	2406	481,200 gal	160.4%	481,200 gal	68.7%	240,600 gal	60.2%
2041	2478	495,600 gal	165.2%	495,600 gal	70.8%	247,800 gal	62.0%
2042	2552	510,400 gal	170.1%	510,400 gal	72.9%	255,200 gal	63.8%
2043	2629	525,800 gal	175.3%	525,800 gal	75.1%	262,900 gal	65.7%
2044	2708	541,600 gal	180.5%	541,600 gal	77.4%	270,800 gal	67.7%
2045	2789	557,800 gal	185.9%	557,800 gal	79.7%	278,900 gal	69.7%
2046	2873	574,600 gal	191.5%	574,600 gal	82.1%	287,300 gal	71.8%
2047	2959	591,800 gal	197.3%	591,800 gal	84.5%	295,900 gal	74.0%
2048	3048	609,600 gal	203.2%	609,600 gal	87.1%	304,800 gal	76.2%
2049	3139	627,800 gal	209.3%	627,800 gal	89.7%	313,900 gal	78.5%
2050	3233	646,600 gal	215.5%	646,600 gal	92.4%	323,300 gal	80.8%
2051	3330	666,000 gal	222.0%	666,000 gal	95.1%	333,000 gal	83.3%
2052	3430	686,000 gal	228.7%	686,000 gal	98.0%	343,000 gal	85.8%
2053	3533	706,600 gal	235.5%	706,600 gal	100.9%	353,300 gal	88.3%
2054	3639	727,800 gal	242.6%	727,800 gal	104.0%	363,900 gal	91.0%
2055	3748	749,600 gal	249.9%	749,600 gal	107.1%	374,800 gal	93.7%
2056	3860	772,000 gal	257.3%	772,000 gal	110.3%	386,000 gal	96.5%
2057	3976	795,200 gal	265.1%	795,200 gal	113.6%	397,600 gal	99.4%
2058	4095	819,000 gal	273.0%	819,000 gal	117.0%	409,500 gal	102.4%
2059	4218	843,600 gal	281.2%	843,600 gal	120.5%	421,800 gal	105.5%
2060	4345	869,000 gal	289.7%	869,000 gal	124.1%	434,500 gal	108.6%
2061	4475	895,000 gal	298.3%	895,000 gal	127.9%	447,500 gal	111.9%
2062	4609	921,800 gal	307.3%	921,800 gal	131.7%	460,900 gal	115.2%
2063	4747	949,400 gal	316.5%	949,400 gal	135.6%	474,700 gal	118.7%
2064	4889	977,800 gal	325.9%	977,800 gal	139.7%	488,900 gal	122.2%
2065	5036	1,007,200 gal	335.7%	1,007,200 gal	143.9%	503,600 gal	125.9%
2066	5187	1,037,400 gal	345.8%	1,037,400 gal	148.2%	518,700 gal	129.7%
2067	5343	1,068,600 gal	356.2%	1,068,600 gal	152.7%	534,300 gal	133.6%
2068	5503	1,100,600 gal	366.9%	1,100,600 gal	157.2%	550,300 gal	137.6%
2069	5668	1,133,600 gal	377.9%	1,133,600 gal	161.9%	566,800 gal	141.7%
2070	5838	1,167,600 gal	389.2%	1,167,600 gal	166.8%	583,800 gal	146.0%
2071	6013	1,202,600 gal	400.9%	1,202,600 gal	171.8%	601,300 gal	150.3%
2072	6193	1,238,600 gal	412.9%	1,238,600 gal	176.9%	619,300 gal	154.8%
2073	6379	1,275,800 gal	425.3%	1,275,800 gal	182.3%	637,900 gal	159.5%
2074	6570	1,314,000 gal	438.0%	1,314,000 gal	187.7%	657,000 gal	164.3%
2075	6767	1,353,400 gal	451.1%	1,353,400 gal	193.3%	676,700 gal	169.2%

Required capacity has reached 85% of current capacity must submit a planning report for future upgrades

Required capacity has reached 100% of current capacity must have begun construction

Ultimate buildout connections are estimated to be reached in 2060

Total Storage and Elevated Storage Capacity Analysis
Per September 30, 2025 Alternative Capacity Requirements
400,000-gallon Elevated Storage Tank Scenario

		Existing Conditions		Proposed Conditions			
		Ground Storage:	300,000 gal			Ground Storage:	300,000 gal
		Elevated Storage:	NA			Elevated Storage:	400,000 gal
		Total Storage:	300,000 gal			Total Storage:	700,000 gal
Year	Connections	Total Storage Capacity		Proposed Total Storage Capacity		Proposed Elevated Storage Capacity	
		(141.0 gal/conn)		(141.0 gal/conn)		(100.0 gal/conn)	
		Required	% of Required	Required	% of Required	Required	% of Required
2024	1500	211,500 gal	70.5%	211,500 gal	30.2%	150,000 gal	37.5%
2025	1545	217,845 gal	72.6%	217,845 gal	31.1%	154,500 gal	38.6%
2026	1591	224,331 gal	74.8%	224,331 gal	32.0%	159,100 gal	39.8%
2027	1639	231,099 gal	77.0%	231,099 gal	33.0%	163,900 gal	41.0%
2028	1688	238,008 gal	79.3%	238,008 gal	34.0%	168,800 gal	42.2%
2029	1739	245,199 gal	81.7%	245,199 gal	35.0%	173,900 gal	43.5%
2030	1791	252,531 gal	84.2%	252,531 gal	36.1%	179,100 gal	44.8%
2031	1845	260,145 gal	86.7%	260,145 gal	37.2%	184,500 gal	46.1%
2032	1900	267,900 gal	89.3%	267,900 gal	38.3%	190,000 gal	47.5%
2033	1957	275,937 gal	92.0%	275,937 gal	39.4%	195,700 gal	48.9%
2034	2016	284,256 gal	94.8%	284,256 gal	40.6%	201,600 gal	50.4%
2035	2076	292,716 gal	97.6%	292,716 gal	41.8%	207,600 gal	51.9%
2036	2138	301,458 gal	100.5%	301,458 gal	43.1%	213,800 gal	53.5%
2037	2202	310,482 gal	103.5%	310,482 gal	44.4%	220,200 gal	55.1%
2038	2268	319,788 gal	106.6%	319,788 gal	45.7%	226,800 gal	56.7%
2039	2336	329,376 gal	109.8%	329,376 gal	47.1%	233,600 gal	58.4%
2040	2406	339,246 gal	113.1%	339,246 gal	48.5%	240,600 gal	60.2%
2041	2478	349,398 gal	116.5%	349,398 gal	49.9%	247,800 gal	62.0%
2042	2552	359,832 gal	119.9%	359,832 gal	51.4%	255,200 gal	63.8%
2043	2629	370,689 gal	123.6%	370,689 gal	53.0%	262,900 gal	65.7%
2044	2708	381,828 gal	127.3%	381,828 gal	54.5%	270,800 gal	67.7%
2045	2789	393,249 gal	131.1%	393,249 gal	56.2%	278,900 gal	69.7%
2046	2873	405,093 gal	135.0%	405,093 gal	57.9%	287,300 gal	71.8%
2047	2959	417,219 gal	139.1%	417,219 gal	59.6%	295,900 gal	74.0%
2048	3048	429,768 gal	143.3%	429,768 gal	61.4%	304,800 gal	76.2%
2049	3139	442,599 gal	147.5%	442,599 gal	63.2%	313,900 gal	78.5%
2050	3233	455,853 gal	152.0%	455,853 gal	65.1%	323,300 gal	80.8%
2051	3330	469,530 gal	156.5%	469,530 gal	67.1%	333,000 gal	83.3%
2052	3430	483,630 gal	161.2%	483,630 gal	69.1%	343,000 gal	85.8%
2053	3533	498,153 gal	166.1%	498,153 gal	71.2%	353,300 gal	88.3%
2054	3639	513,099 gal	171.0%	513,099 gal	73.3%	363,900 gal	91.0%
2055	3748	528,468 gal	176.2%	528,468 gal	75.5%	374,800 gal	93.7%
2056	3860	544,260 gal	181.4%	544,260 gal	77.8%	386,000 gal	96.5%
2057	3976	560,616 gal	186.9%	560,616 gal	80.1%	397,600 gal	99.4%
2058	4095	577,395 gal	192.5%	577,395 gal	82.5%	409,500 gal	102.4%
2059	4218	594,738 gal	198.2%	594,738 gal	85.0%	421,800 gal	105.5%
2060	4345	612,645 gal	204.2%	612,645 gal	87.5%	434,500 gal	108.6%
2061	4475	630,975 gal	210.3%	630,975 gal	90.1%	447,500 gal	111.9%
2062	4609	649,869 gal	216.6%	649,869 gal	92.8%	460,900 gal	115.2%
2063	4747	669,327 gal	223.1%	669,327 gal	95.6%	474,700 gal	118.7%
2064	4889	689,349 gal	229.8%	689,349 gal	98.5%	488,900 gal	122.2%
2065	5036	710,076 gal	236.7%	710,076 gal	101.4%	503,600 gal	125.9%
2066	5187	731,367 gal	243.8%	731,367 gal	104.5%	518,700 gal	129.7%
2067	5343	753,363 gal	251.1%	753,363 gal	107.6%	534,300 gal	133.6%
2068	5503	775,923 gal	258.6%	775,923 gal	110.8%	550,300 gal	137.6%
2069	5668	799,188 gal	266.4%	799,188 gal	114.2%	566,800 gal	141.7%
2070	5838	823,158 gal	274.4%	823,158 gal	117.6%	583,800 gal	146.0%
2071	6013	847,833 gal	282.6%	847,833 gal	121.1%	601,300 gal	150.3%
2072	6193	873,213 gal	291.1%	873,213 gal	124.7%	619,300 gal	154.8%
2073	6379	899,439 gal	299.8%	899,439 gal	128.5%	637,900 gal	159.5%
2074	6570	926,370 gal	308.8%	926,370 gal	132.3%	657,000 gal	164.3%
2075	6767	954,147 gal	318.0%	954,147 gal	136.3%	676,700 gal	169.2%

Required capacity has reached 85% of current capacity must submit a planning report for future upgrades

Required capacity has reached 100% of current capacity must have begun construction

Ultimate buildout connections are estimated to be reached in 2060

Total Storage and Elevated Storage Capacity Analysis
Per TCEQ Standard Capacity Requirements
500,000-gallon Elevated Storage Tank Scenario

		Existing Conditions		Proposed Conditions			
		Ground Storage:	300,000 gal			Ground Storage:	300,000 gal
		Elevated Storage:	NA			Elevated Storage:	500,000 gal
		Total Storage:	300,000 gal			Total Storage:	800,000 gal
Year	Connections	Total Storage Capacity		Proposed Total Storage Capacity		Proposed Elevated Storage Capacity	
		(200.0 gal/conn)		(200.0 gal/conn)		(100.0 gal/conn)	
		Required	% of Required	Required	% of Required	Required	% of Required
2024	1500	300,000 gal	100.0%	300,000 gal	37.5%	150,000 gal	30.0%
2025	1545	309,000 gal	103.0%	309,000 gal	38.6%	154,500 gal	30.9%
2026	1591	318,200 gal	106.1%	318,200 gal	39.8%	159,100 gal	31.8%
2027	1639	327,800 gal	109.3%	327,800 gal	41.0%	163,900 gal	32.8%
2028	1688	337,600 gal	112.5%	337,600 gal	42.2%	168,800 gal	33.8%
2029	1739	347,800 gal	115.9%	347,800 gal	43.5%	173,900 gal	34.8%
2030	1791	358,200 gal	119.4%	358,200 gal	44.8%	179,100 gal	35.8%
2031	1845	369,000 gal	123.0%	369,000 gal	46.1%	184,500 gal	36.9%
2032	1900	380,000 gal	126.7%	380,000 gal	47.5%	190,000 gal	38.0%
2033	1957	391,400 gal	130.5%	391,400 gal	48.9%	195,700 gal	39.1%
2034	2016	403,200 gal	134.4%	403,200 gal	50.4%	201,600 gal	40.3%
2035	2076	415,200 gal	138.4%	415,200 gal	51.9%	207,600 gal	41.5%
2036	2138	427,600 gal	142.5%	427,600 gal	53.5%	213,800 gal	42.8%
2037	2202	440,400 gal	146.8%	440,400 gal	55.1%	220,200 gal	44.0%
2038	2268	453,600 gal	151.2%	453,600 gal	56.7%	226,800 gal	45.4%
2039	2336	467,200 gal	155.7%	467,200 gal	58.4%	233,600 gal	46.7%
2040	2406	481,200 gal	160.4%	481,200 gal	60.2%	240,600 gal	48.1%
2041	2478	495,600 gal	165.2%	495,600 gal	62.0%	247,800 gal	49.6%
2042	2552	510,400 gal	170.1%	510,400 gal	63.8%	255,200 gal	51.0%
2043	2629	525,800 gal	175.3%	525,800 gal	65.7%	262,900 gal	52.6%
2044	2708	541,600 gal	180.5%	541,600 gal	67.7%	270,800 gal	54.2%
2045	2789	557,800 gal	185.9%	557,800 gal	69.7%	278,900 gal	55.8%
2046	2873	574,600 gal	191.5%	574,600 gal	71.8%	287,300 gal	57.5%
2047	2959	591,800 gal	197.3%	591,800 gal	74.0%	295,900 gal	59.2%
2048	3048	609,600 gal	203.2%	609,600 gal	76.2%	304,800 gal	61.0%
2049	3139	627,800 gal	209.3%	627,800 gal	78.5%	313,900 gal	62.8%
2050	3233	646,600 gal	215.5%	646,600 gal	80.8%	323,300 gal	64.7%
2051	3330	666,000 gal	222.0%	666,000 gal	83.3%	333,000 gal	66.6%
2052	3430	686,000 gal	228.7%	686,000 gal	85.8%	343,000 gal	68.6%
2053	3533	706,600 gal	235.5%	706,600 gal	88.3%	353,300 gal	70.7%
2054	3639	727,800 gal	242.6%	727,800 gal	91.0%	363,900 gal	72.8%
2055	3748	749,600 gal	249.9%	749,600 gal	93.7%	374,800 gal	75.0%
2056	3860	772,000 gal	257.3%	772,000 gal	96.5%	386,000 gal	77.2%
2057	3976	795,200 gal	265.1%	795,200 gal	99.4%	397,600 gal	79.5%
2058	4095	819,000 gal	273.0%	819,000 gal	102.4%	409,500 gal	81.9%
2059	4218	843,600 gal	281.2%	843,600 gal	105.5%	421,800 gal	84.4%
2060	4345	869,000 gal	289.7%	869,000 gal	108.6%	434,500 gal	86.9%
2061	4475	895,000 gal	298.3%	895,000 gal	111.9%	447,500 gal	89.5%
2062	4609	921,800 gal	307.3%	921,800 gal	115.2%	460,900 gal	92.2%
2063	4747	949,400 gal	316.5%	949,400 gal	118.7%	474,700 gal	94.9%
2064	4889	977,800 gal	325.9%	977,800 gal	122.2%	488,900 gal	97.8%
2065	5036	1,007,200 gal	335.7%	1,007,200 gal	125.9%	503,600 gal	100.7%
2066	5187	1,037,400 gal	345.8%	1,037,400 gal	129.7%	518,700 gal	103.7%
2067	5343	1,068,600 gal	356.2%	1,068,600 gal	133.6%	534,300 gal	106.9%
2068	5503	1,100,600 gal	366.9%	1,100,600 gal	137.6%	550,300 gal	110.1%
2069	5668	1,133,600 gal	377.9%	1,133,600 gal	141.7%	566,800 gal	113.4%
2070	5838	1,167,600 gal	389.2%	1,167,600 gal	146.0%	583,800 gal	116.8%
2071	6013	1,202,600 gal	400.9%	1,202,600 gal	150.3%	601,300 gal	120.3%
2072	6193	1,238,600 gal	412.9%	1,238,600 gal	154.8%	619,300 gal	123.9%
2073	6379	1,275,800 gal	425.3%	1,275,800 gal	159.5%	637,900 gal	127.6%
2074	6570	1,314,000 gal	438.0%	1,314,000 gal	164.3%	657,000 gal	131.4%
2075	6767	1,353,400 gal	451.1%	1,353,400 gal	169.2%	676,700 gal	135.3%

Required capacity has reached 85% of current capacity must submit a planning report for future upgrades

Required capacity has reached 100% of current capacity must have begun construction

Ultimate buildout connections are estimated to be reached in 2060

Total Storage and Elevated Storage Capacity Analysis
Per September 30, 2025 Alternative Capacity Requirements
500,000-gallon Elevated Storage Tank Scenario

		Existing Conditions		Proposed Conditions			
		Ground Storage:	300,000 gal			Ground Storage:	300,000 gal
		Elevated Storage:	NA			Elevated Storage:	500,000 gal
		Total Storage:	300,000 gal			Total Storage:	800,000 gal
Year	Connections	Total Storage Capacity		Proposed Total Storage Capacity		Proposed Elevated Storage Capacity	
		(141.0 gal/conn)		(141.0 gal/conn)		(100.0 gal/conn)	
		Required	% of Required	Required	% of Required	Required	% of Required
2024	1500	211,500 gal	70.5%	211,500 gal	26.4%	150,000 gal	30.0%
2025	1545	217,845 gal	72.6%	217,845 gal	27.2%	154,500 gal	30.9%
2026	1591	224,331 gal	74.8%	224,331 gal	28.0%	159,100 gal	31.8%
2027	1639	231,099 gal	77.0%	231,099 gal	28.9%	163,900 gal	32.8%
2028	1688	238,008 gal	79.3%	238,008 gal	29.8%	168,800 gal	33.8%
2029	1739	245,199 gal	81.7%	245,199 gal	30.6%	173,900 gal	34.8%
2030	1791	252,531 gal	84.2%	252,531 gal	31.6%	179,100 gal	35.8%
2031	1845	260,145 gal	86.7%	260,145 gal	32.5%	184,500 gal	36.9%
2032	1900	267,900 gal	89.3%	267,900 gal	33.5%	190,000 gal	38.0%
2033	1957	275,937 gal	92.0%	275,937 gal	34.5%	195,700 gal	39.1%
2034	2016	284,256 gal	94.8%	284,256 gal	35.5%	201,600 gal	40.3%
2035	2076	292,716 gal	97.6%	292,716 gal	36.6%	207,600 gal	41.5%
2036	2138	301,458 gal	100.5%	301,458 gal	37.7%	213,800 gal	42.8%
2037	2202	310,482 gal	103.5%	310,482 gal	38.8%	220,200 gal	44.0%
2038	2268	319,788 gal	106.6%	319,788 gal	40.0%	226,800 gal	45.4%
2039	2336	329,376 gal	109.8%	329,376 gal	41.2%	233,600 gal	46.7%
2040	2406	339,246 gal	113.1%	339,246 gal	42.4%	240,600 gal	48.1%
2041	2478	349,398 gal	116.5%	349,398 gal	43.7%	247,800 gal	49.6%
2042	2552	359,832 gal	119.9%	359,832 gal	45.0%	255,200 gal	51.0%
2043	2629	370,689 gal	123.6%	370,689 gal	46.3%	262,900 gal	52.6%
2044	2708	381,828 gal	127.3%	381,828 gal	47.7%	270,800 gal	54.2%
2045	2789	393,249 gal	131.1%	393,249 gal	49.2%	278,900 gal	55.8%
2046	2873	405,093 gal	135.0%	405,093 gal	50.6%	287,300 gal	57.5%
2047	2959	417,219 gal	139.1%	417,219 gal	52.2%	295,900 gal	59.2%
2048	3048	429,768 gal	143.3%	429,768 gal	53.7%	304,800 gal	61.0%
2049	3139	442,599 gal	147.5%	442,599 gal	55.3%	313,900 gal	62.8%
2050	3233	455,853 gal	152.0%	455,853 gal	57.0%	323,300 gal	64.7%
2051	3330	469,530 gal	156.5%	469,530 gal	58.7%	333,000 gal	66.6%
2052	3430	483,630 gal	161.2%	483,630 gal	60.5%	343,000 gal	68.6%
2053	3533	498,153 gal	166.1%	498,153 gal	62.3%	353,300 gal	70.7%
2054	3639	513,099 gal	171.0%	513,099 gal	64.1%	363,900 gal	72.8%
2055	3748	528,468 gal	176.2%	528,468 gal	66.1%	374,800 gal	75.0%
2056	3860	544,260 gal	181.4%	544,260 gal	68.0%	386,000 gal	77.2%
2057	3976	560,616 gal	186.9%	560,616 gal	70.1%	397,600 gal	79.5%
2058	4095	577,395 gal	192.5%	577,395 gal	72.2%	409,500 gal	81.9%
2059	4218	594,738 gal	198.2%	594,738 gal	74.3%	421,800 gal	84.4%
2060	4345	612,645 gal	204.2%	612,645 gal	76.6%	434,500 gal	86.9%
2061	4475	630,975 gal	210.3%	630,975 gal	78.9%	447,500 gal	89.5%
2062	4609	649,869 gal	216.6%	649,869 gal	81.2%	460,900 gal	92.2%
2063	4747	669,327 gal	223.1%	669,327 gal	83.7%	474,700 gal	94.9%
2064	4889	689,349 gal	229.8%	689,349 gal	86.2%	488,900 gal	97.8%
2065	5036	710,076 gal	236.7%	710,076 gal	88.8%	503,600 gal	100.7%
2066	5187	731,367 gal	243.8%	731,367 gal	91.4%	518,700 gal	103.7%
2067	5343	753,363 gal	251.1%	753,363 gal	94.2%	534,300 gal	106.9%
2068	5503	775,923 gal	258.6%	775,923 gal	97.0%	550,300 gal	110.1%
2069	5668	799,188 gal	266.4%	799,188 gal	99.9%	566,800 gal	113.4%
2070	5838	823,158 gal	274.4%	823,158 gal	102.9%	583,800 gal	116.8%
2071	6013	847,833 gal	282.6%	847,833 gal	106.0%	601,300 gal	120.3%
2072	6193	873,213 gal	291.1%	873,213 gal	109.2%	619,300 gal	123.9%
2073	6379	899,439 gal	299.8%	899,439 gal	112.4%	637,900 gal	127.6%
2074	6570	926,370 gal	308.8%	926,370 gal	115.8%	657,000 gal	131.4%
2075	6767	954,147 gal	318.0%	954,147 gal	119.3%	676,700 gal	135.3%

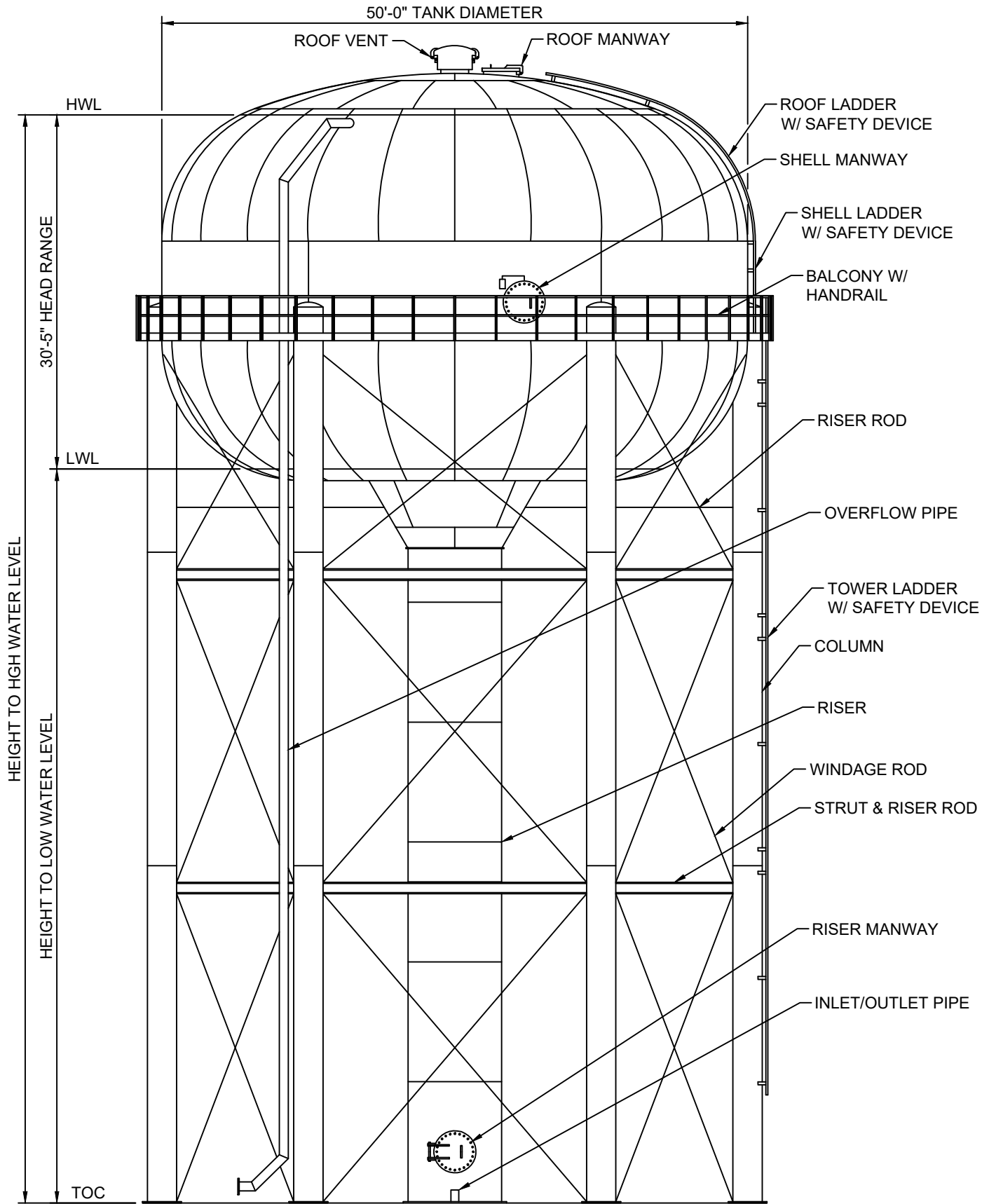
Required capacity has reached 85% of current capacity must submit a planning report for future upgrades

Required capacity has reached 100% of current capacity must have begun construction

Ultimate buildout connections are estimated to be reached in 2060

Appendix B

Typical EST Details



ELEVATION

1. DESIGN CRITERIA

1.A. THE TANK AND SUPPORT STRUCTURE SHALL BE DESIGNED, FABRICATED, AND ERECTED IN ACCORDANCE WITH AWWA D100-11 AND THE PROJECT SPECIFICATIONS.

1.B. LOADING CRITERIA:

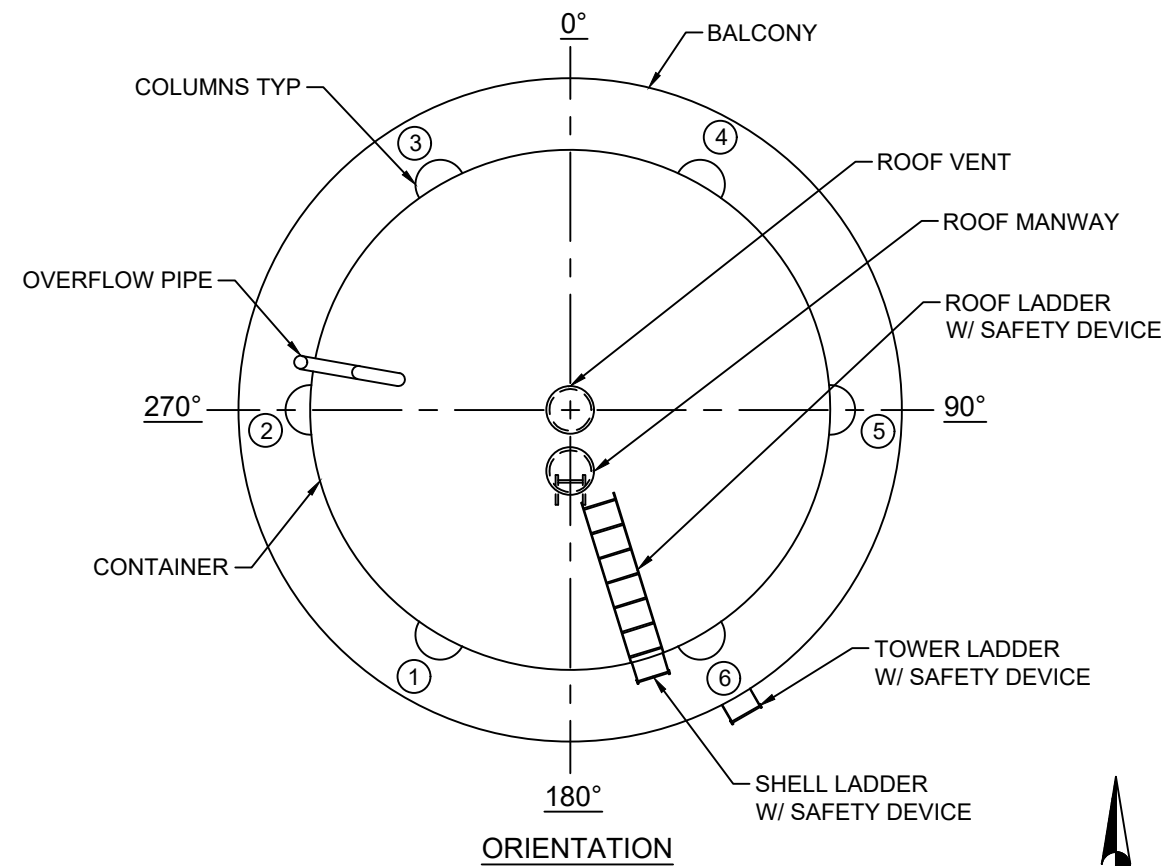
- 1.B.A. DESIGN WIND VELOCITY - _____ MPH
- 1.B.B. DESIGN SNOW LOAD - _____ PSF
- 1.B.C. MCE SPECTRAL RESPONSE ACCELERATION - 0.2 - SEC PERIOD (S_s) - _____
- 1.B.D. MCE SPECTRAL RESPONSE ACCELERATION - 1.0 - SEC PERIOD (S_1) - _____

2. MATERIALS

- 2.A. STEEL PLATE: ASTM A283 OR ASTM A36
- 2.B. STRUCTURAL SHAPES: ASTM A36 OR ASTM A992
- 2.C. LADDER RUNGS: ASTM A706

3. GENERAL

- 3.A. ALL ACCESSORIES SHOWN ON THE ELEVATION DRAWING ARE ROTATED FOR CLARITY.
- 3.B. THE NUMBER OF PERIMETER COLUMNS SHALL BE PER MANUFACTURER'S STANDARD DESIGN.
- 3.C. ALL LADDERS, LADDER SAFETY DEVICES, PLATFORMS, HANDRAILS, ETC. SHALL CONFORM TO CURRENT OSHA REGULATIONS.
- 3.D. TANK CONTRACTOR SHALL GROUT BENEATH COLUMN AND RISER BASE PLATES UPON COMPLETION OF ERECTION.
- 3.E. SURFACE PREPARATION AND COATING REQUIREMENTS SHALL BE IN ACCORDANCE WITH THE PROJECT SPECIFICATIONS.
- 3.F. THE TANK SHALL BE DISINFECTED IN ACCORDANCE WITH AWWA C652-02.



400,000 GALLON ELEVATED TORO-ELLIPSOIDAL TANK

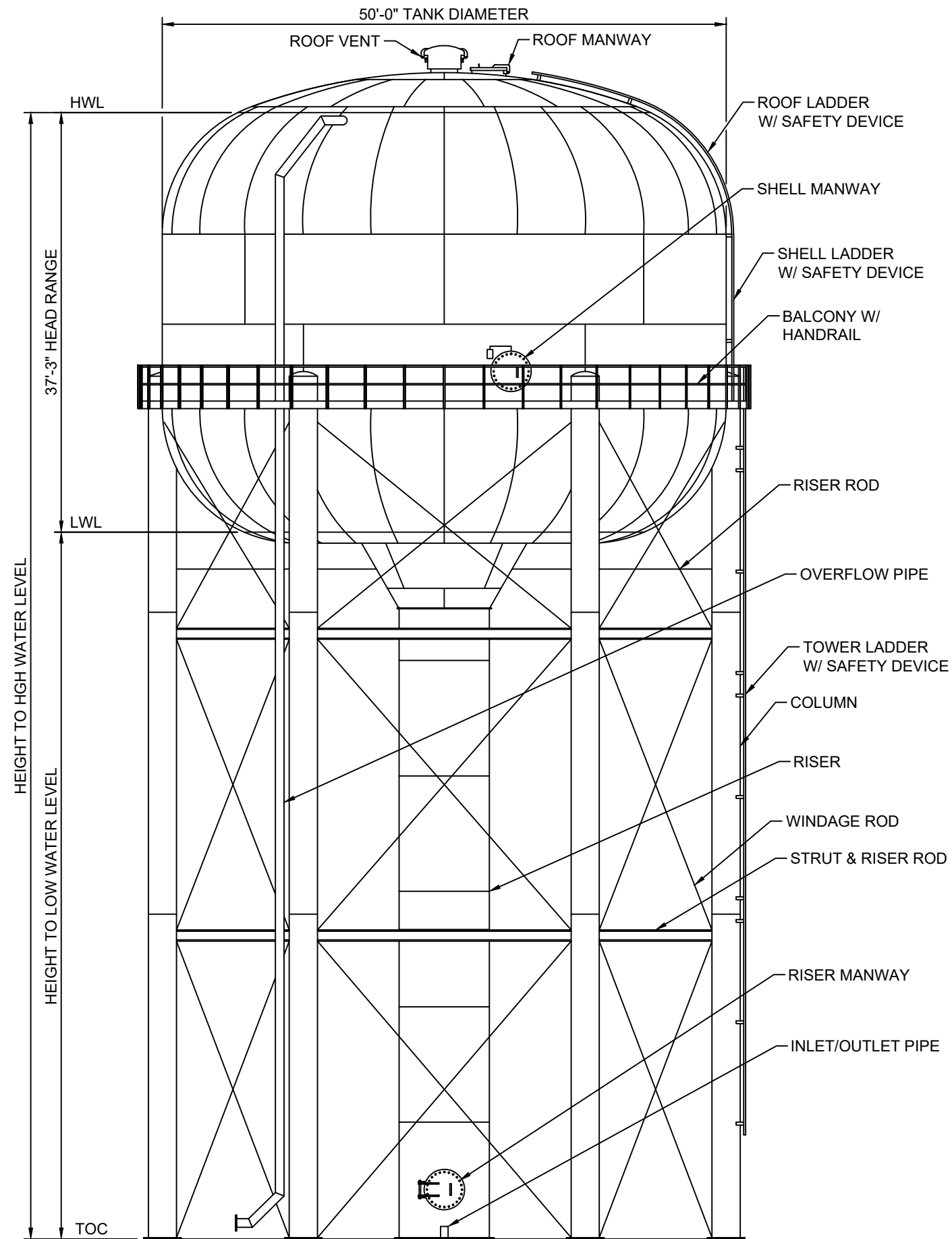
GENERAL ELEVATION



JOB. No.

SHEET

Engineer: _____ Drawn By: _____ Checked By: _____ Date: _____
Revision Description
Rev. By Rev. Date
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ELEVATION

1. DESIGN CRITERIA

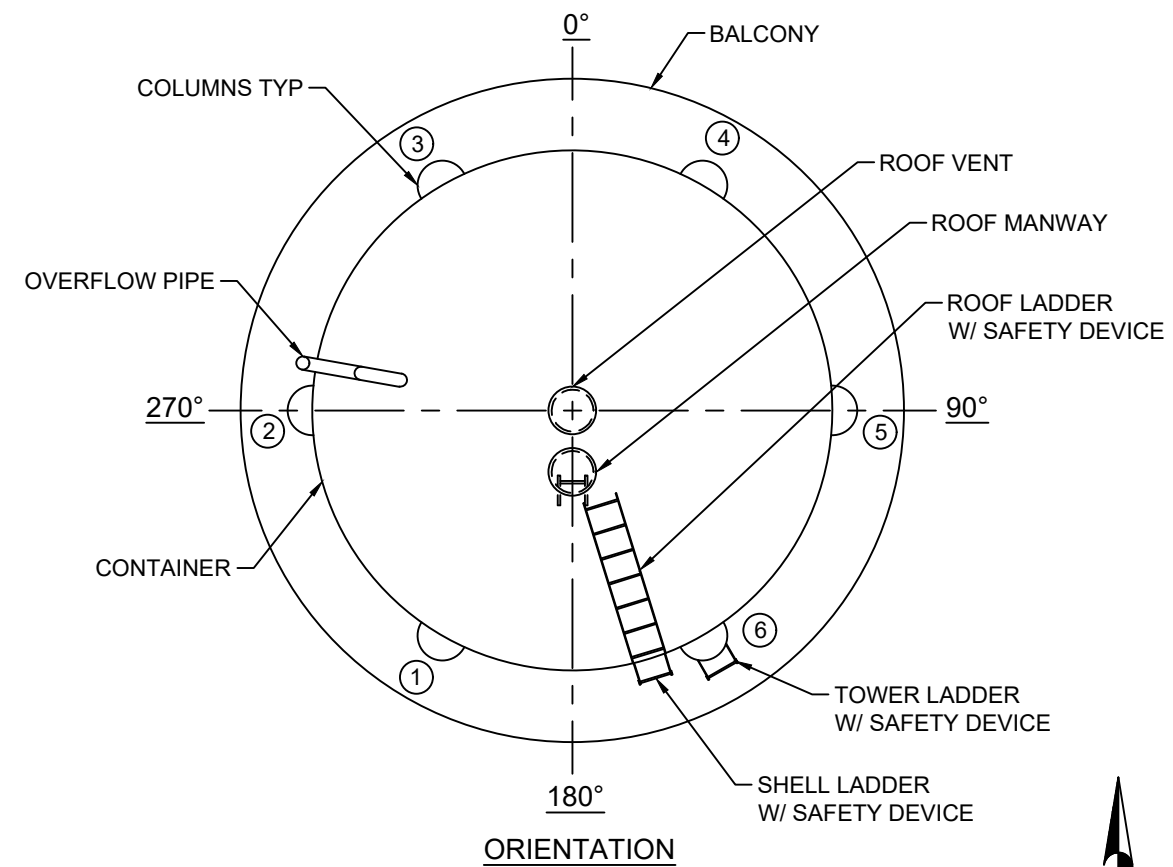
- 1.A. THE TANK AND SUPPORT STRUCTURE SHALL BE DESIGNED, FABRICATED, AND ERECTED IN ACCORDANCE WITH AWWA D100-11 AND THE PROJECT SPECIFICATIONS.
- 1.B. LOADING CRITERIA:
- 1.B.A. DESIGN WIND VELOCITY - _____ MPH
- 1.B.B. DESIGN SNOW LOAD - _____ PSF
- 1.B.C. MCE SPECTRAL RESPONSE ACCELERATION - 0.2 - SEC PERIOD (S_s) - _____
- 1.B.D. MCE SPECTRAL RESPONSE ACCELERATION - 1.0 - SEC PERIOD (S_1) - _____

2. MATERIALS

- 2.A. STEEL PLATE: ASTM A283 OR ASTM A36
- 2.B. STRUCTURAL SHAPES: ASTM A36
- 2.C. LADDER RUNGS: ASTM A706

3. GENERAL

- 3.A. ALL ACCESSORIES SHOWN ON THE ELEVATION DRAWING ARE ROTATED FOR CLARITY.
- 3.B. THE NUMBER OF PERIMETER COLUMNS SHALL BE PER MANUFACTURER'S STANDARD DESIGN.
- 3.C. ALL LADDERS, LADDER SAFETY DEVICES, PLATFORMS, HANDRAILS, ETC. SHALL CONFORM TO CURRENT OSHA REGULATIONS.
- 3.D. TANK CONTRACTOR SHALL GROUT BENEATH COLUMN AND RISER BASE PLATES UPON COMPLETION OF ERECTION.
- 3.E. SURFACE PREPARATION AND COATING REQUIREMENTS SHALL BE IN ACCORDANCE WITH THE PROJECT SPECIFICATIONS.
- 3.F. THE TANK SHALL BE DISINFECTED IN ACCORDANCE WITH AWWA C652-02.



NORTH

500,000 GALLON ELEVATED TORO-ELLIPSOIDAL TANK

GENERAL ELEVATION



JOB. No.

SHEET

Engineer: _____ Drawn By: _____ Checked By: _____ Date: _____

Revision Description
Rev. By Rev. Date

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Appendix C

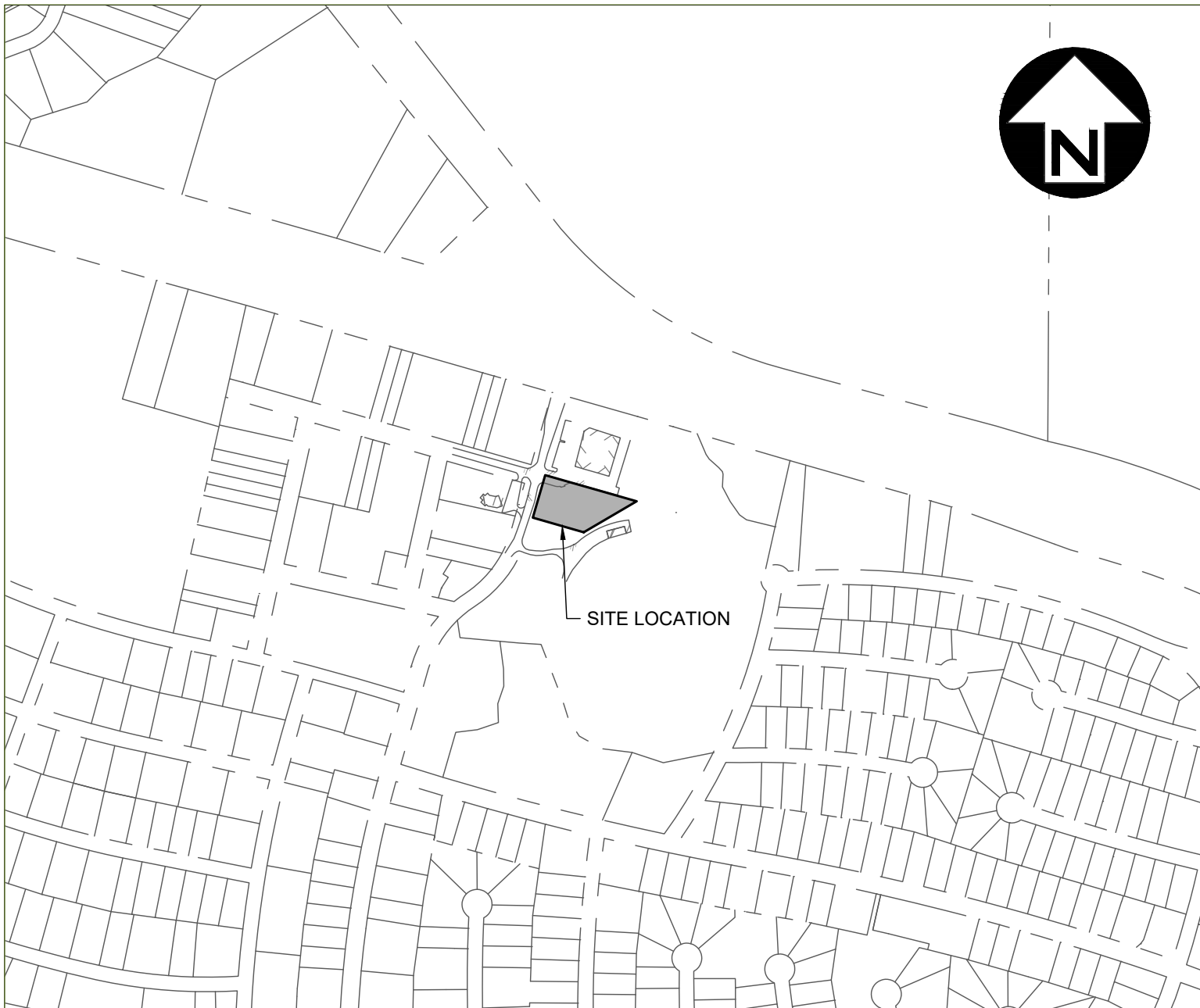
Preliminary Construction Plans

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

ELEVATED WATER STORAGE TANK

SPI PROJECT NO: 6092502

LOCATION MAP:



CITY OF BASTROP, BASTROP COUNTY, TEXAS
(N.T.S.)

BOARD PRESIDENT:

MARY BETH O'HANLON

VICE PRESIDENT:

SCOTT FERGUSON

DIRECTORS:

RON WHIPPLE
MICHELE PLUMMER
RUTH BULLOCK

SHEET INDEX:

SHEET INDEX	
SHEET #	DESCRIPTION
01	COVER SHEET
02	LEGEND
03	GENERAL NOTES
04	EXISTING SITE PLAN
05	PROPOSED SITE PLAN
06	ELEVATED STORAGE TANK DETAIL
07	EST DETAIL NOTES 1 of 7
08	EST DETAIL NOTES 2 of 7
09	EST DETAIL NOTES 3 of 7
10	EST DETAIL NOTES 4 of 7
11	EST DETAIL NOTES 5 of 7
12	EST DETAIL NOTES 6 of 7
13	EST DETAIL NOTES 7 of 7

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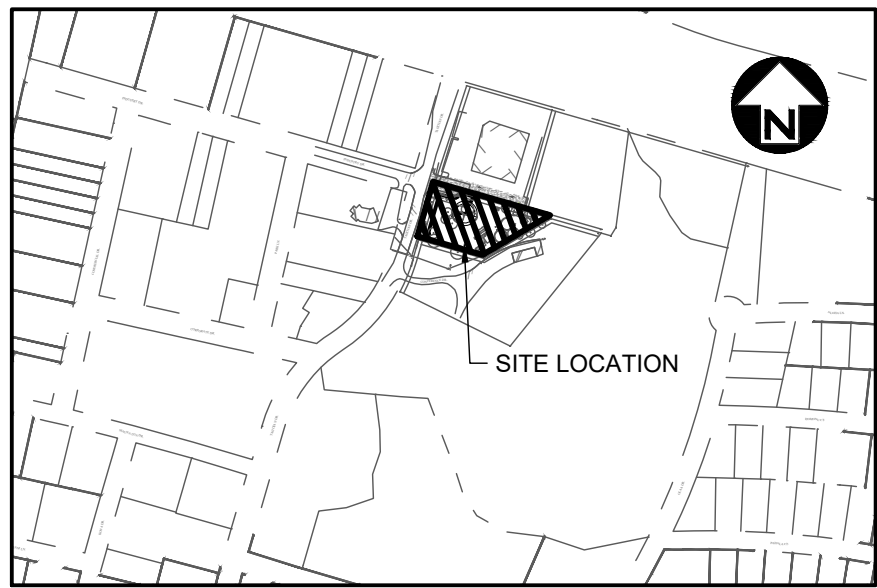
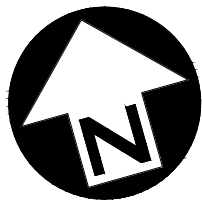
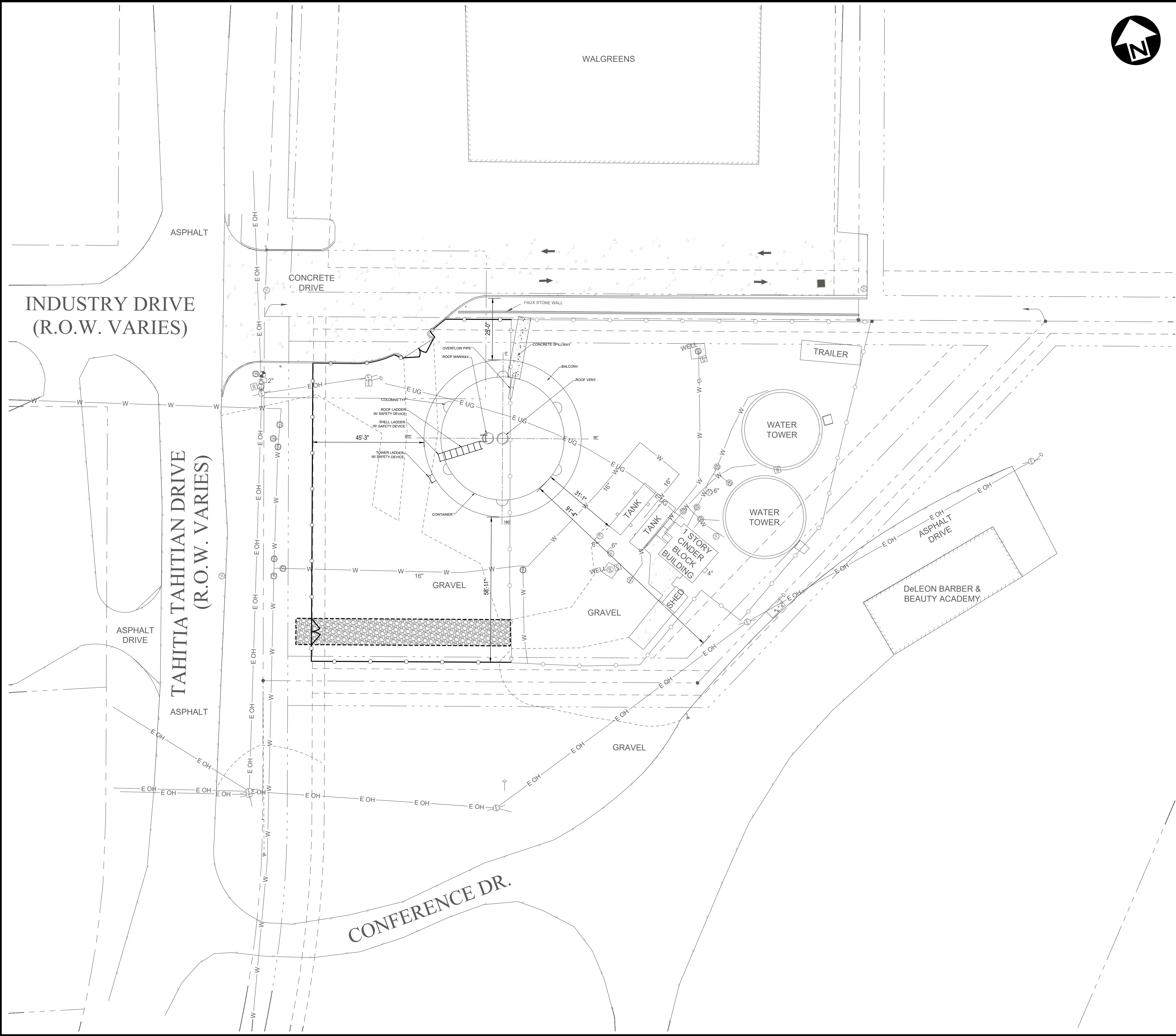
BASTROP COUNTY WCID NO. 2	ELEVATED WATER STORAGE TANK	COVER SHEET
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512.262.0440
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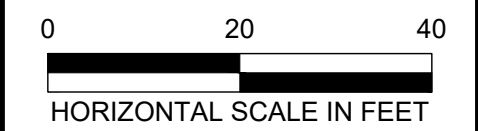
BASTROP COUNTY WCID NO. 2

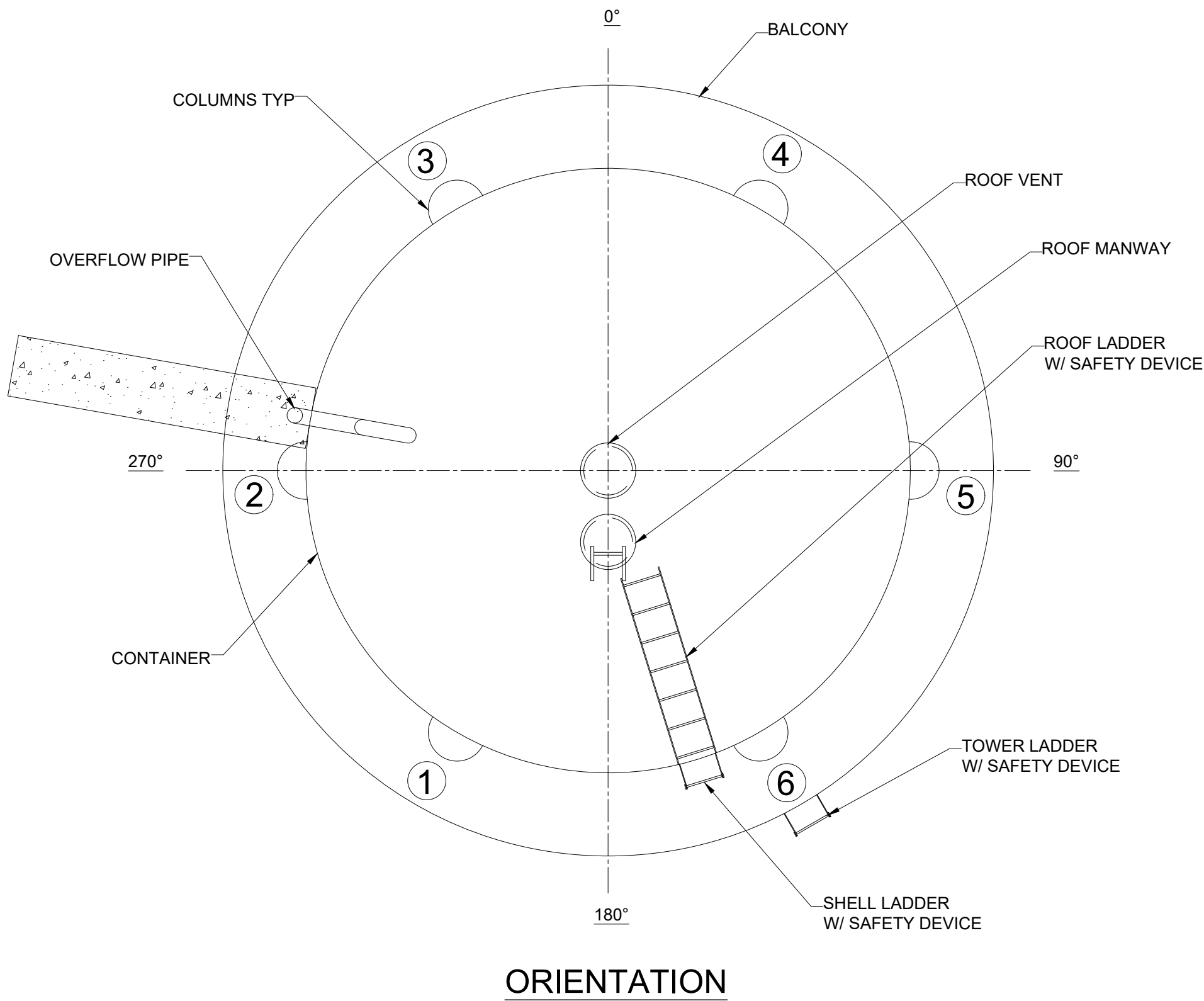
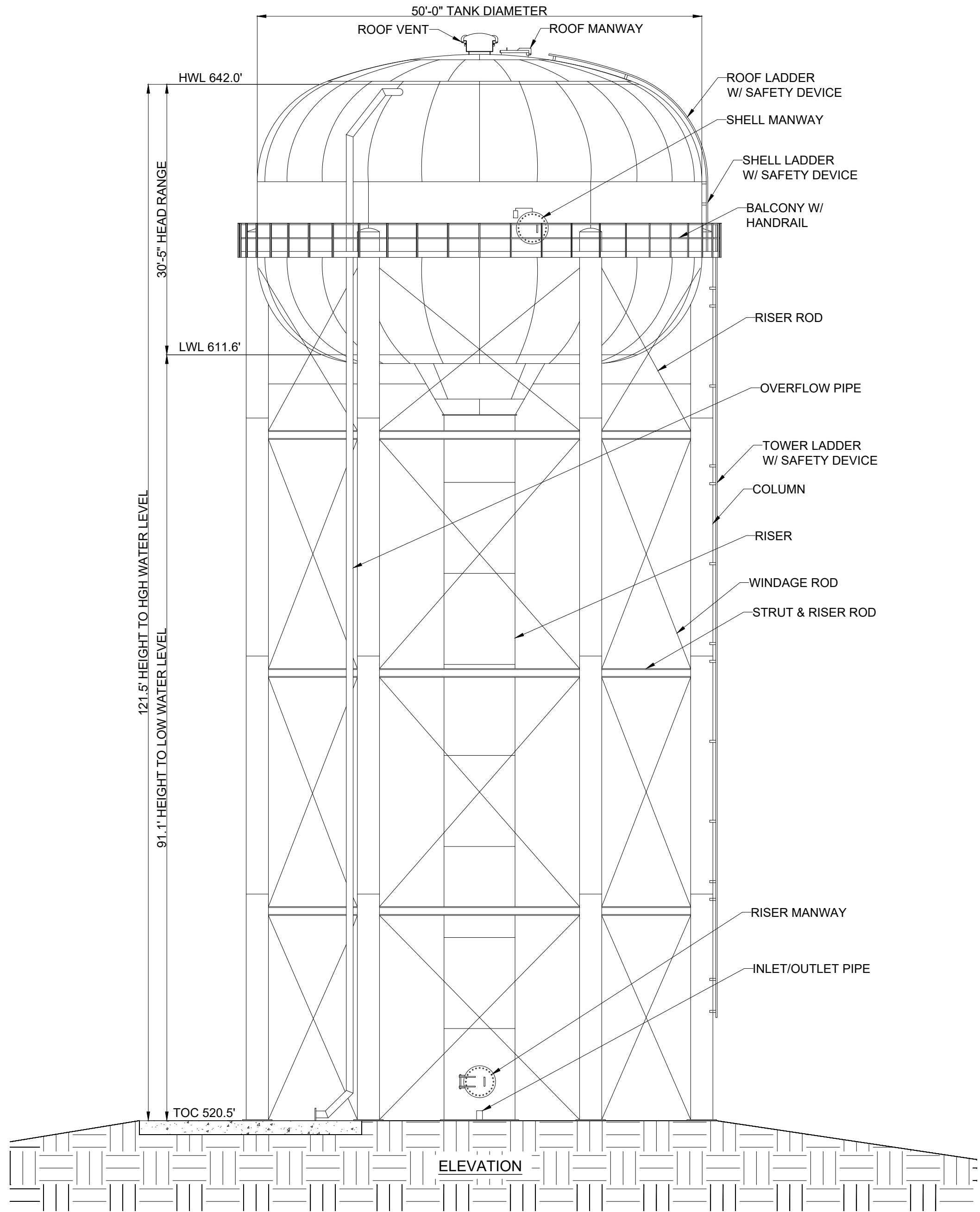
ELEVATED WATER STORAGE TANK

PROPOSED SITE PLAN

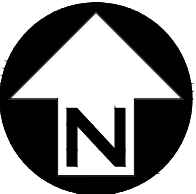
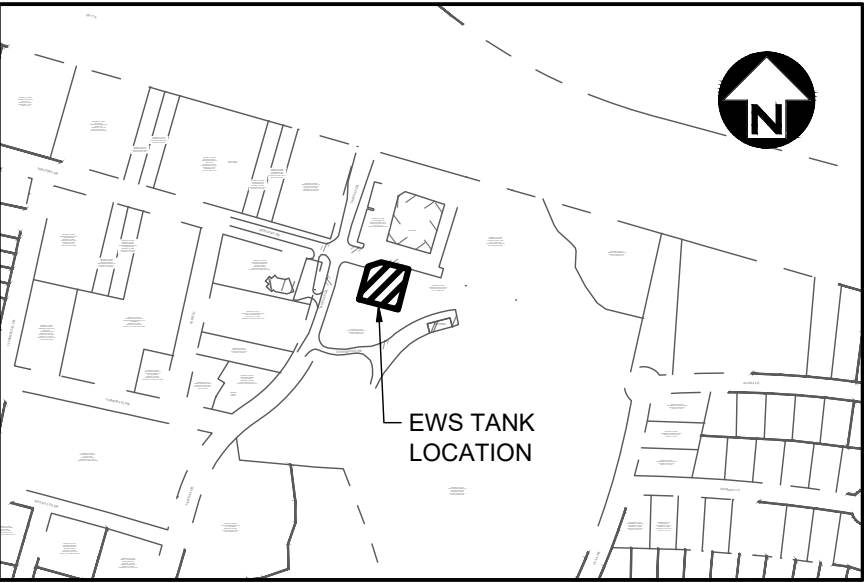
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- DESIGN CRITERIA
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- MATERIALS
 - STEEL PLATE: ASTM A283 OR ASTM A36
 - STRUCTURAL SHAPES: ASTM A36 OR ASTM A992
 - LADDER RUNGS: ASTM A706
- GENERAL
 - ALL ACCESSORIES SHOWN ON THE ELEVATION DRAWING ARE ROTATED FOR CLARITY.
 - THE NUMBER OF PERIMETER COLUMNS SHALL BE PER MANUFACTURER'S STANDARD DESIGN.
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 - TANK CONTRACTOR SHALL GROUT BENEATH COLUMN AND RISER BASE PLATES UPON COMPLETION OF ERECTION.
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 - THE TANK SHALL BE DISINFECTED IN ACCORDANCE WITH AWWA C652-02.



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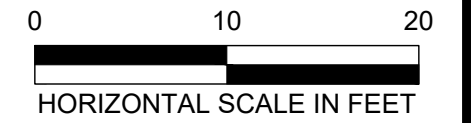
BASTROP COUNTY WCID NO. 2

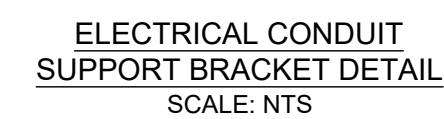
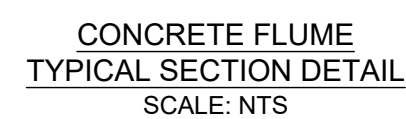
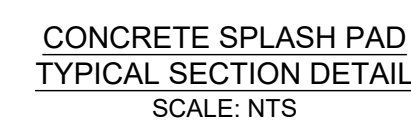
ELEVATED WATER STORAGE TANK

ELEVATED STORAGE TANK DETAIL

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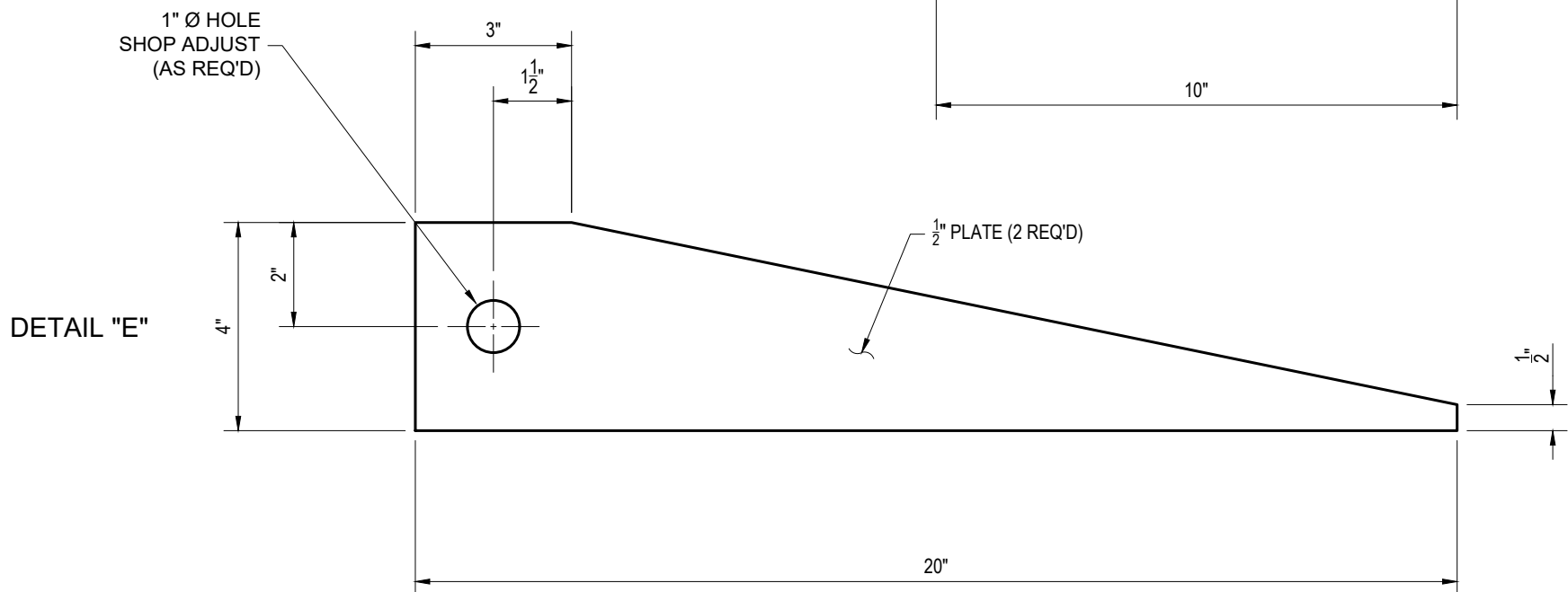
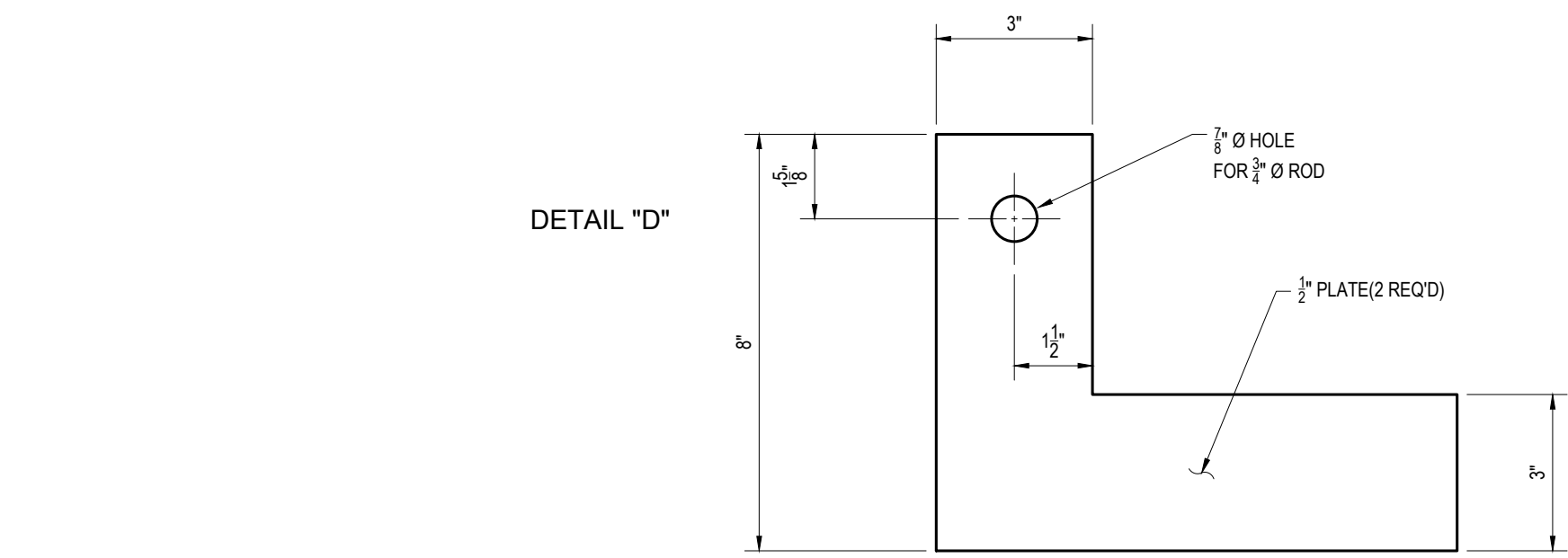
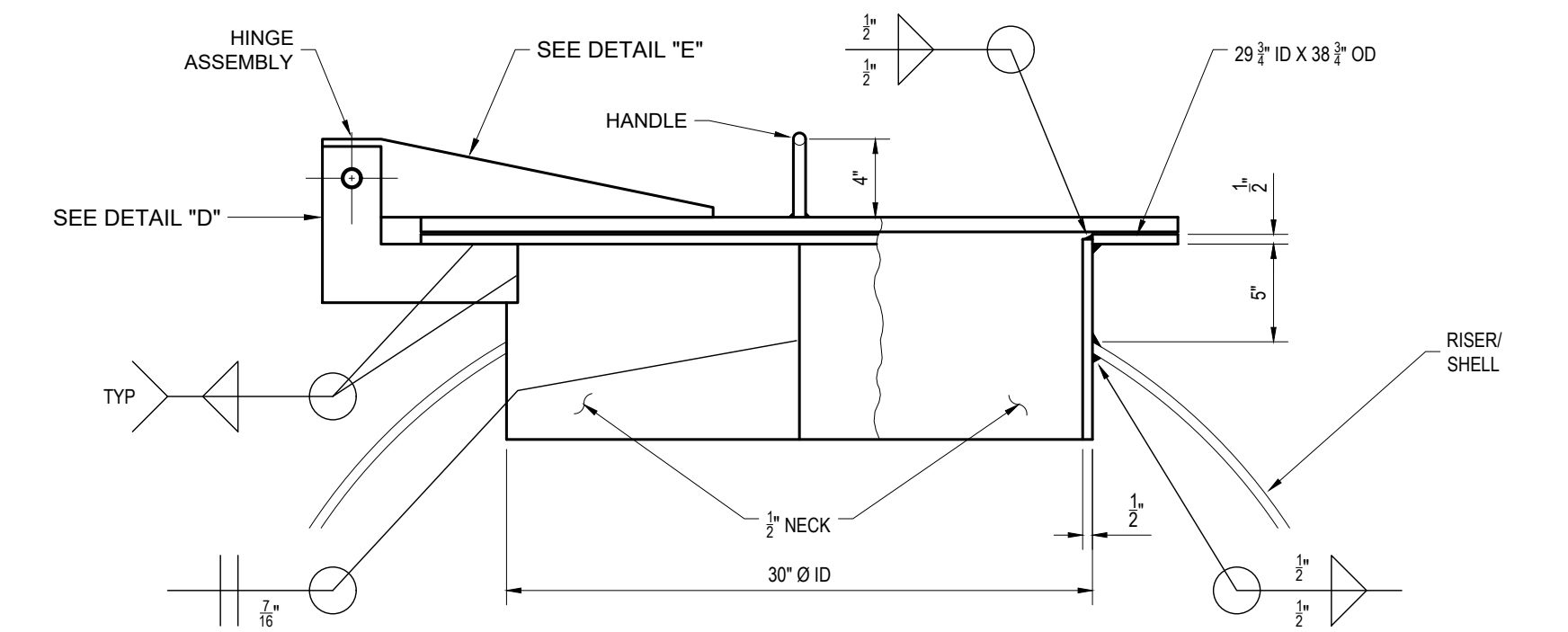
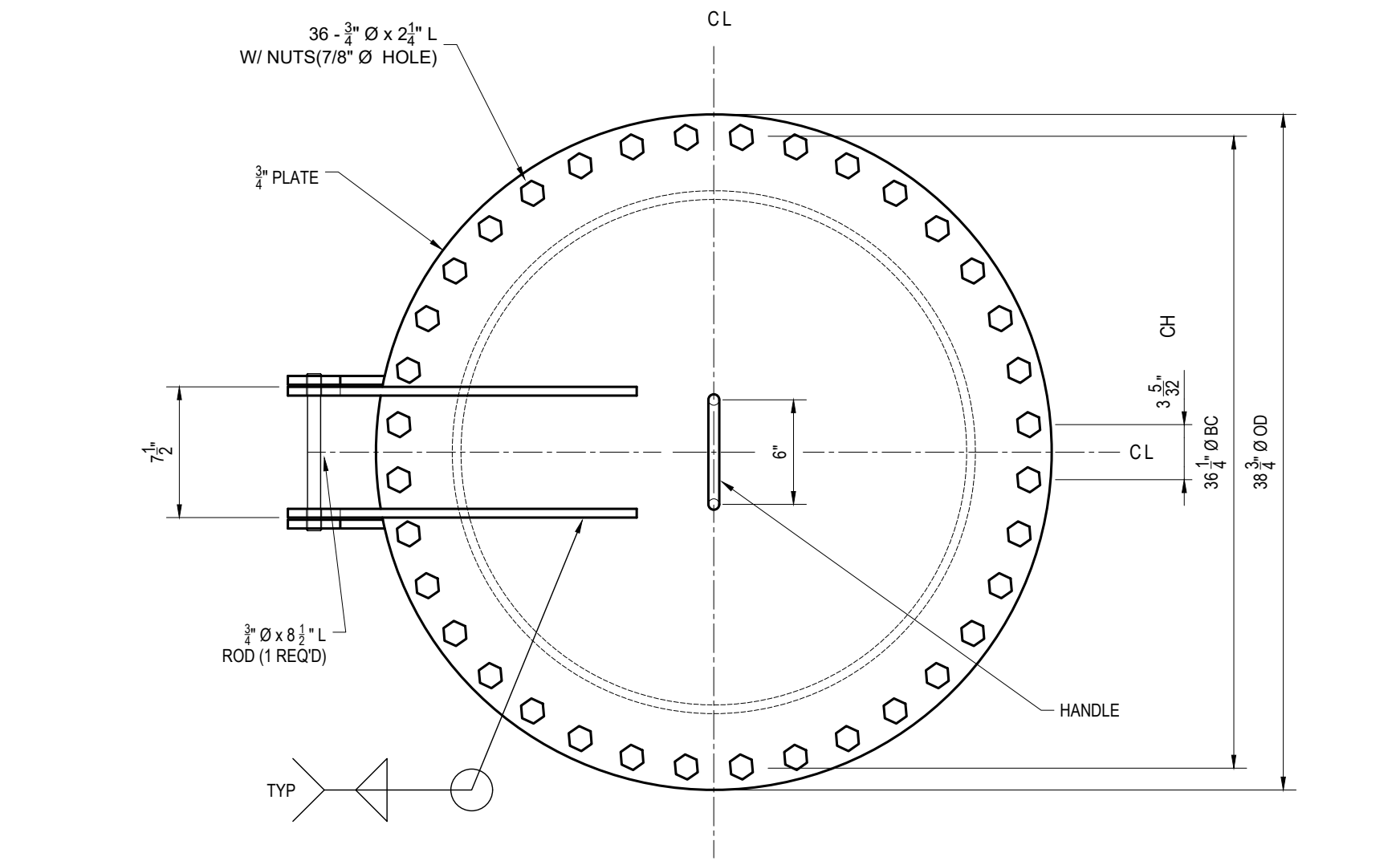
BASTROP COUNTY WCID NO. 2

ELEVATED WATER STORAGE TANK

ELEVATED STORAGE TANK DETAIL NOTES

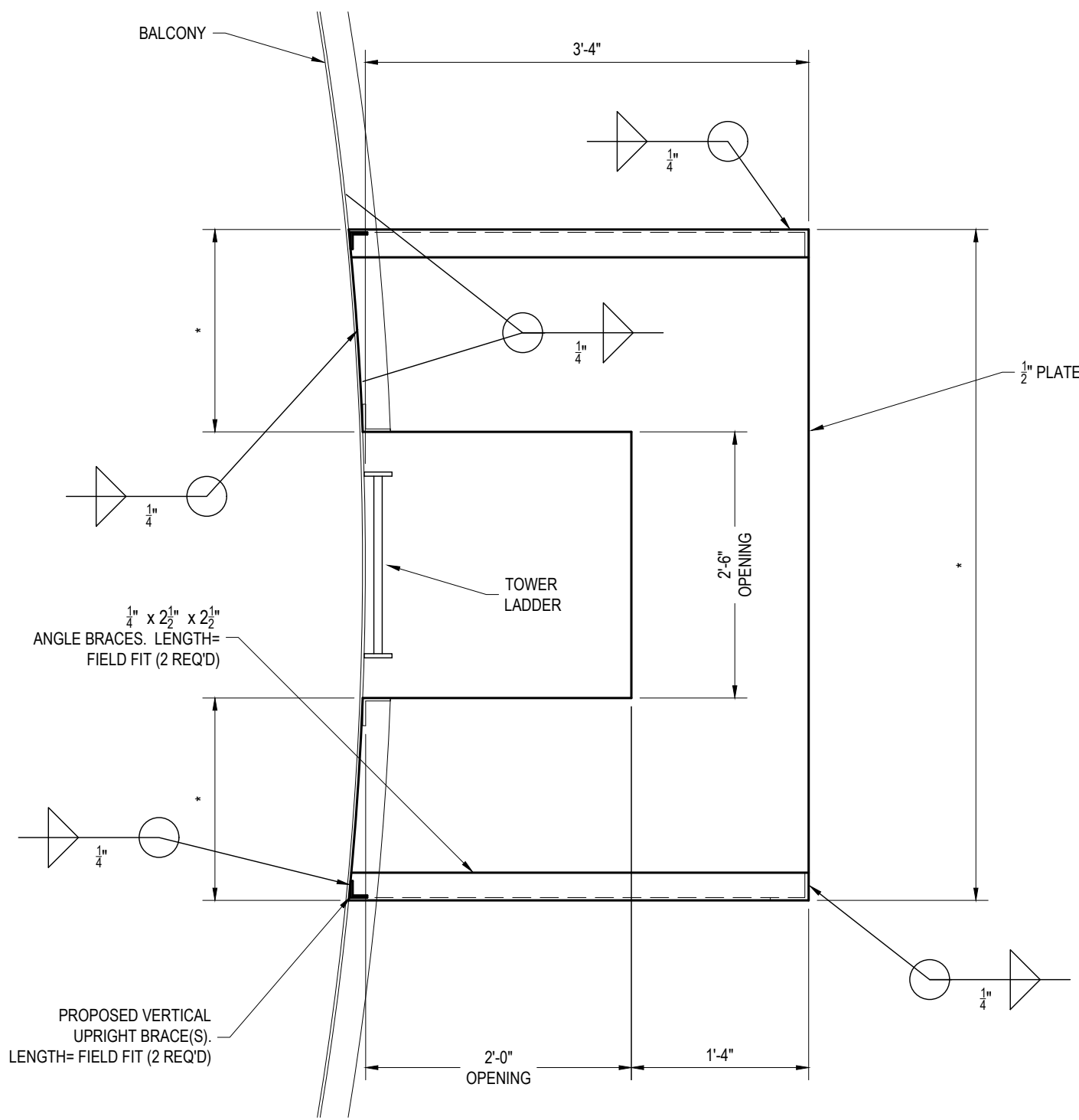
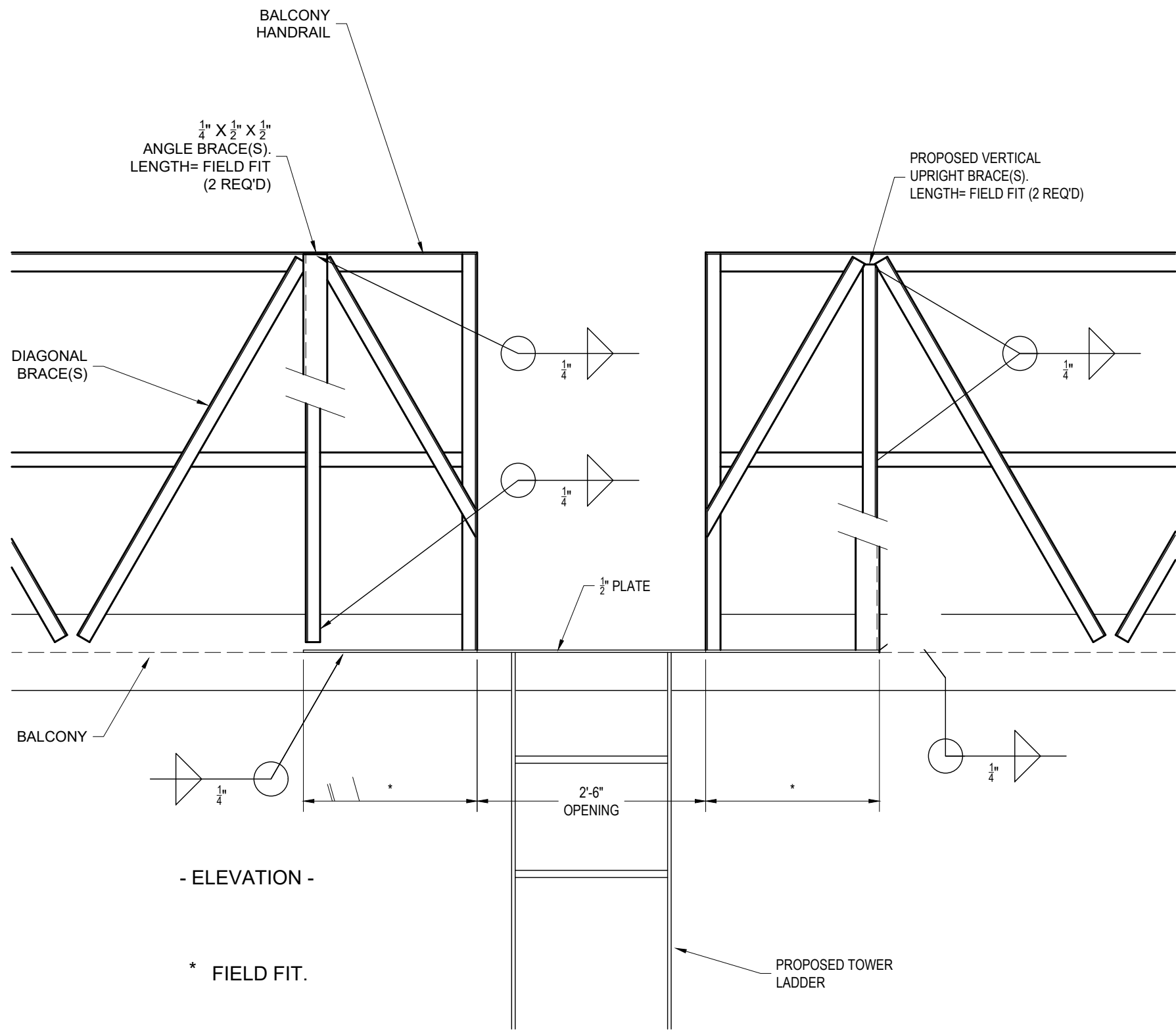


HORIZONTAL SCALE IN FEET



- GENERAL NOTES:
1. CONTRACTOR TO VERIFY ALL DIMENSIONS.
 2. DISTRICT TO FURNISH NEW PADLOCK.
 3. SEAL WELD ALL JOINTS.
 4. GRIND ALL CORNERS, WELDS, EDGES, ETC. SMOOTH.

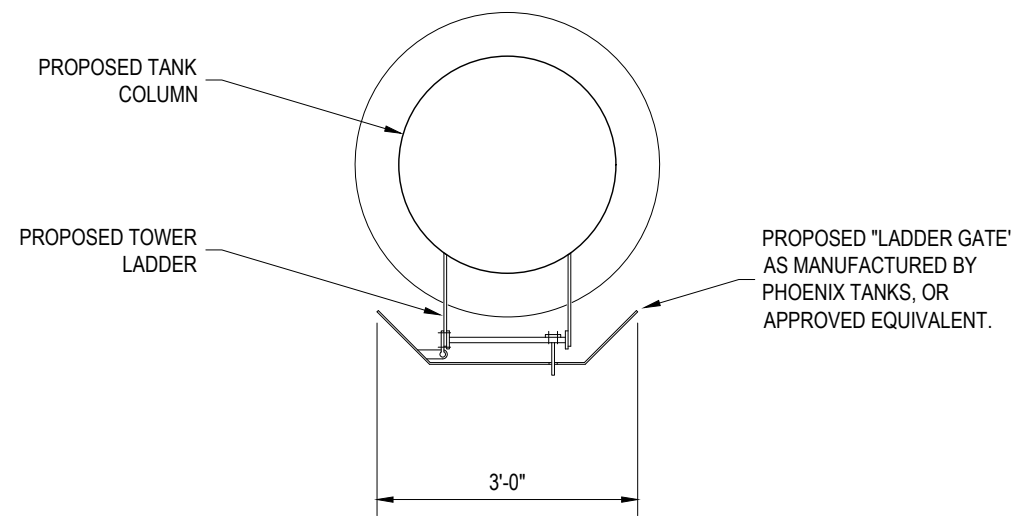
30"Ø RISER/SHELL MANWAY DETAIL
SCALE: NTS



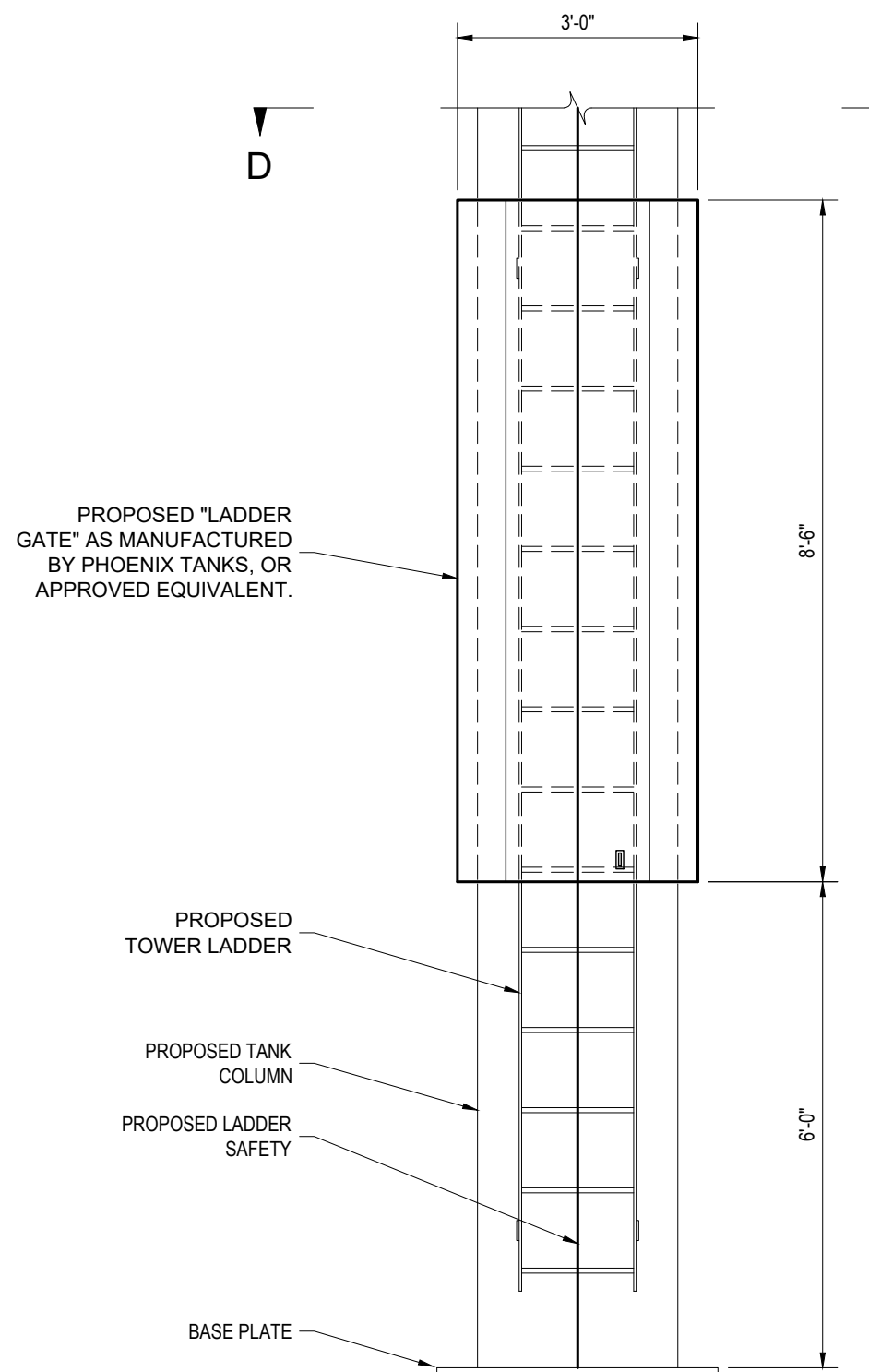
- PLAN -

- GENERAL NOTES:
1. CONTRACTOR TO VERIFY ALL DIMENSIONS.
 2. SEAL WELD ALL JOINTS.
 3. GRIND ALL CORNERS, WELDS, EDGES, ETC. SMOOTH.

TOWER ACCESS, LADDER LANDING DETAIL
SCALE: NTS



SECTION "D-D"
- LADDER GATE -



VANDAL GUARD/LADDER
GATE DETAIL
SCALE: NTS



CONFINED SPACE
PLACARD DETAIL
SCALE: NTS

PRELIMINARY

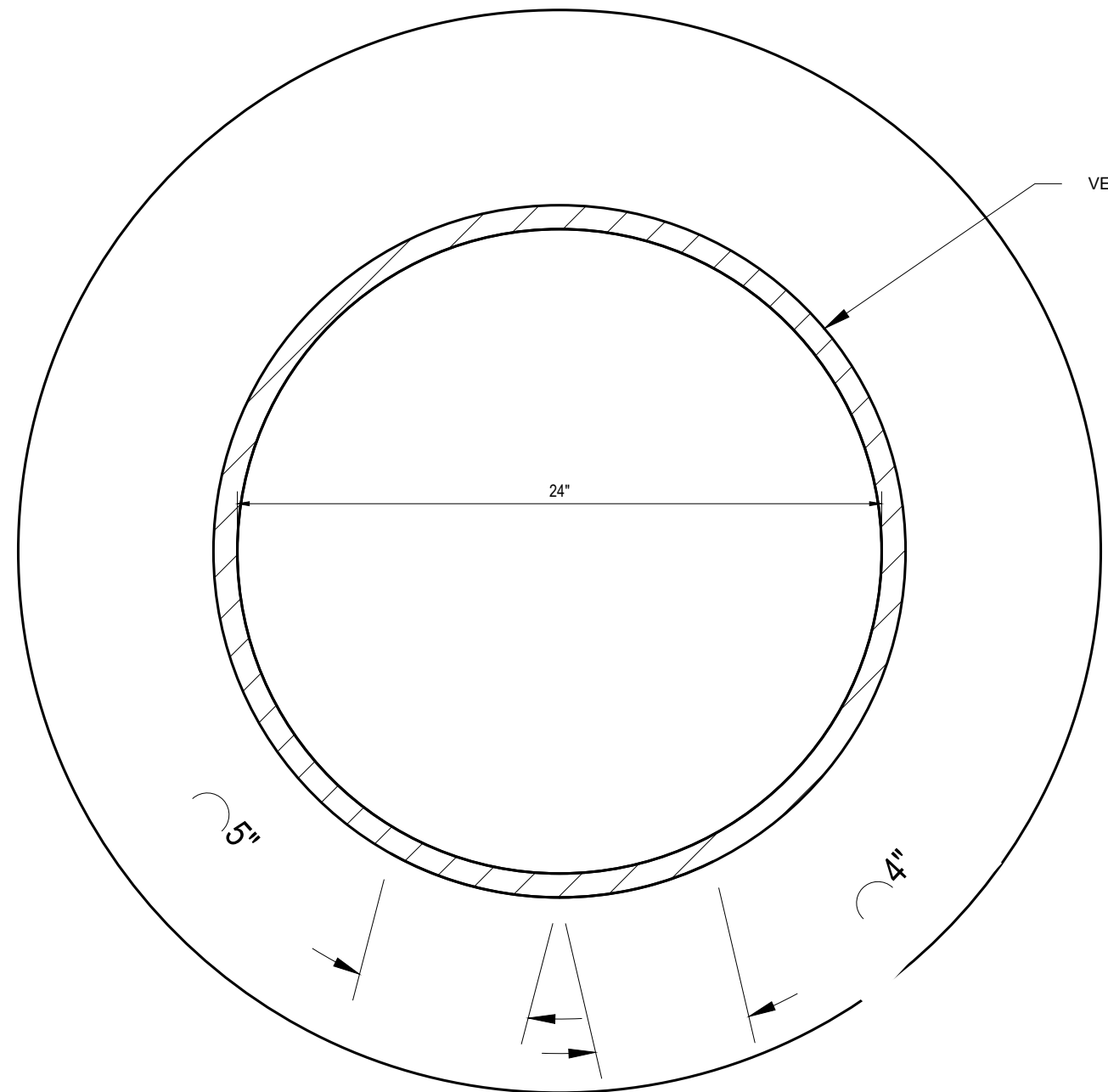
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BASTROP COUNTY WCID NO. 2 ELEVATED WATER STORAGE TANK ELEVATED STORAGE TANK DETAIL NOTES

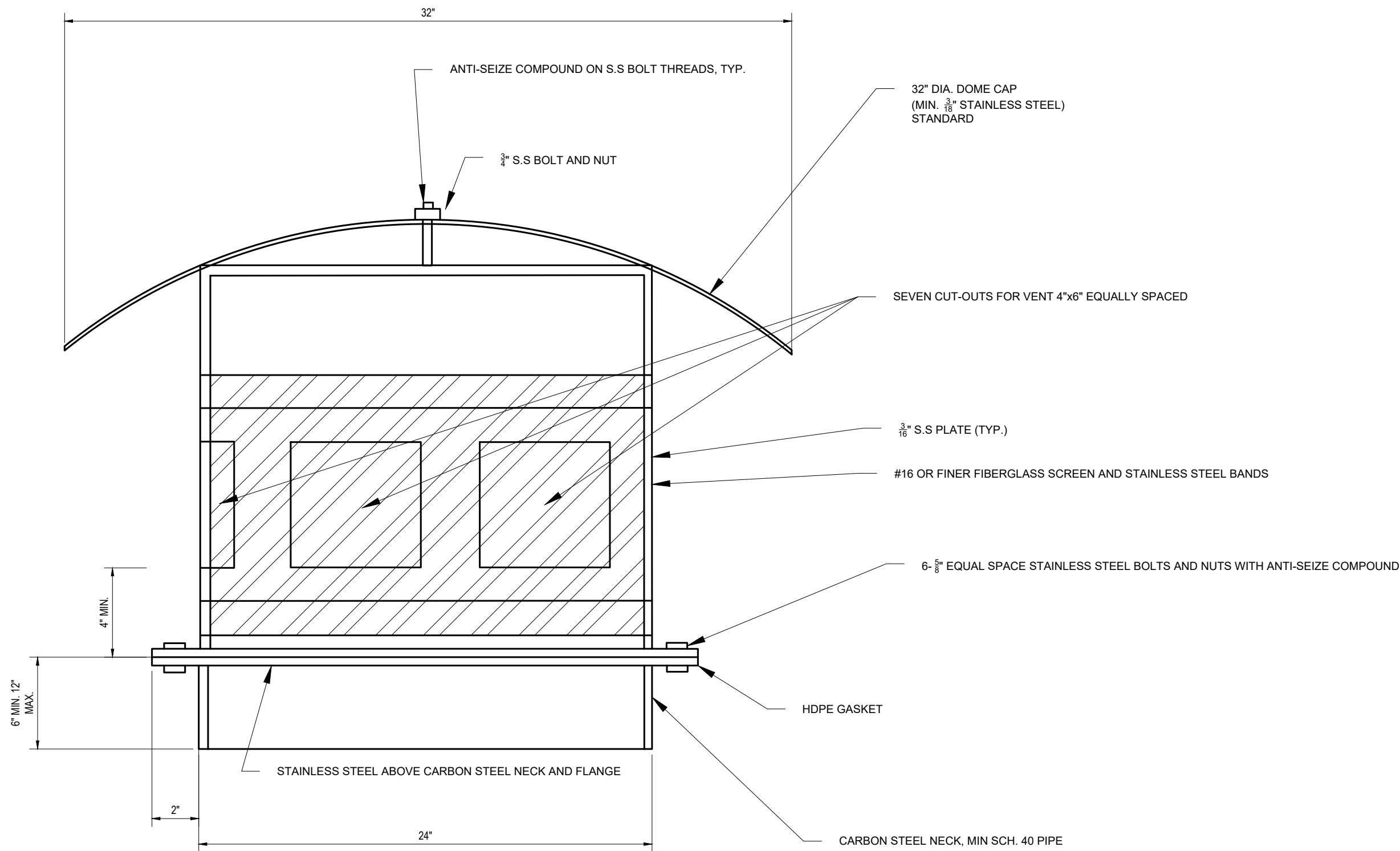
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DESIGNED BY		
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REVIEWED BY		

0 10 20
HORIZONTAL SCALE IN FEET

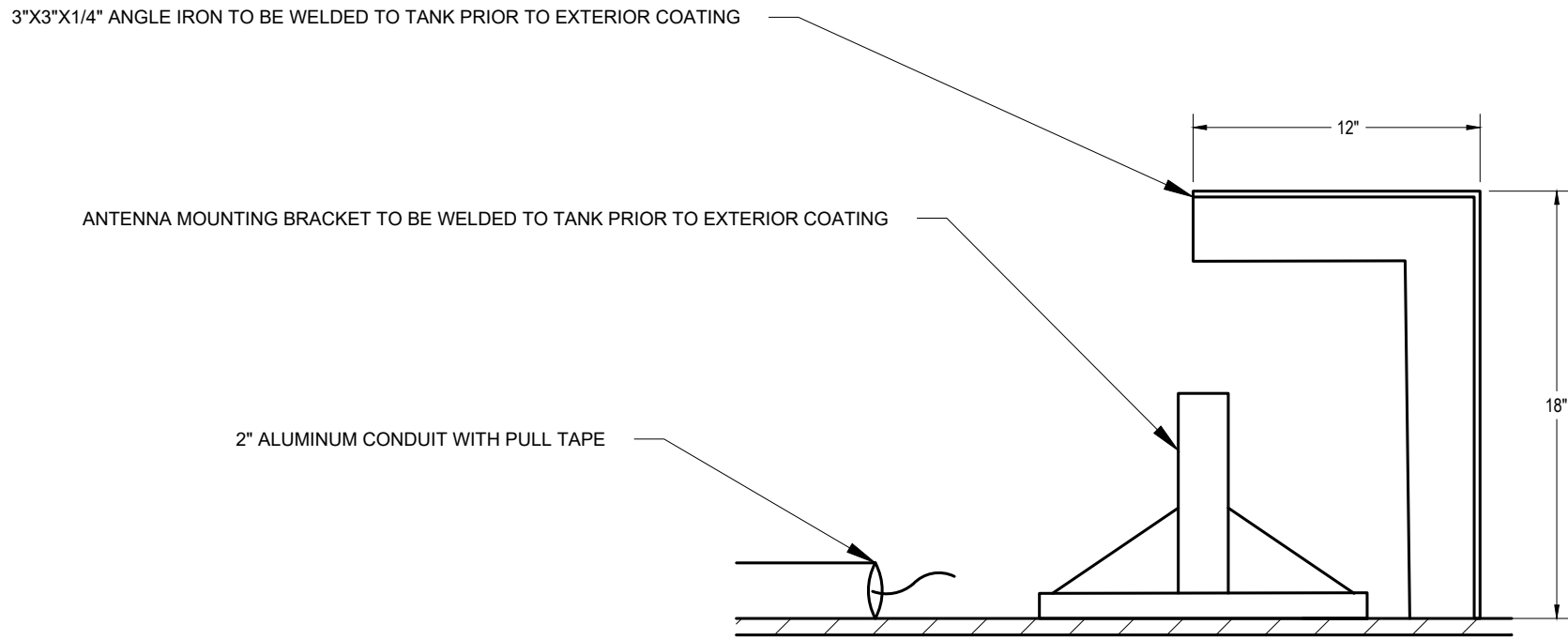


-PLAN-



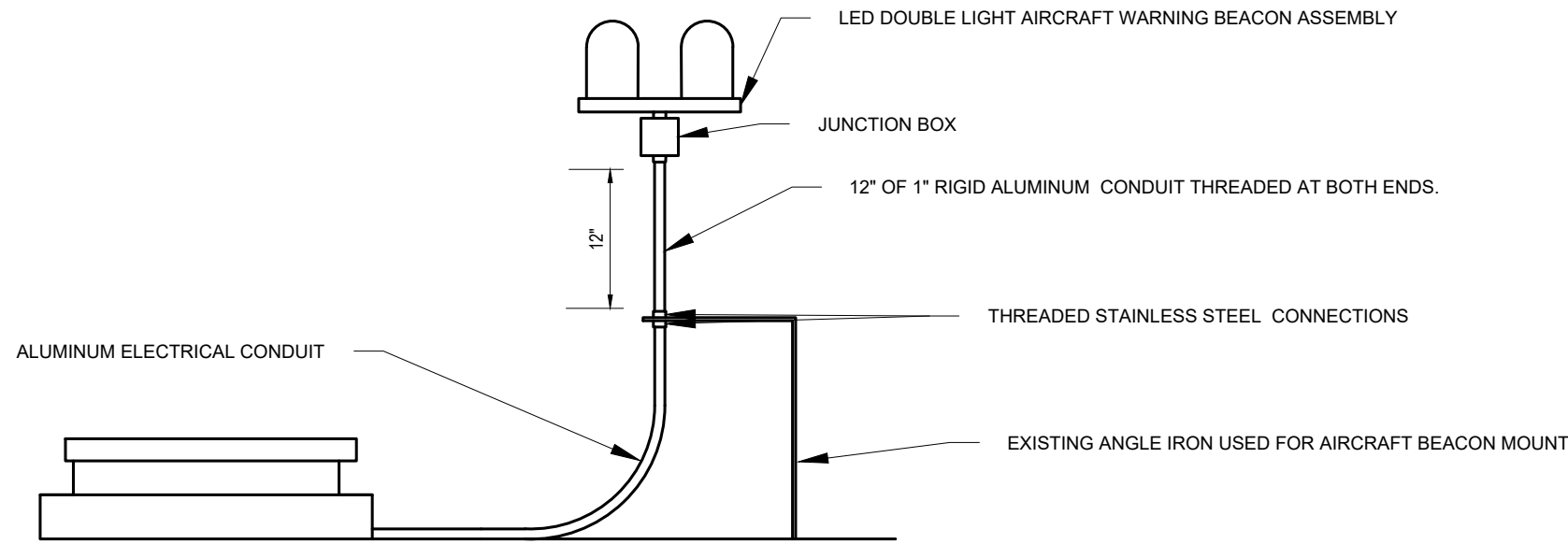
-SECTION-

ROOF VENT DETAIL
SCALE: NTS

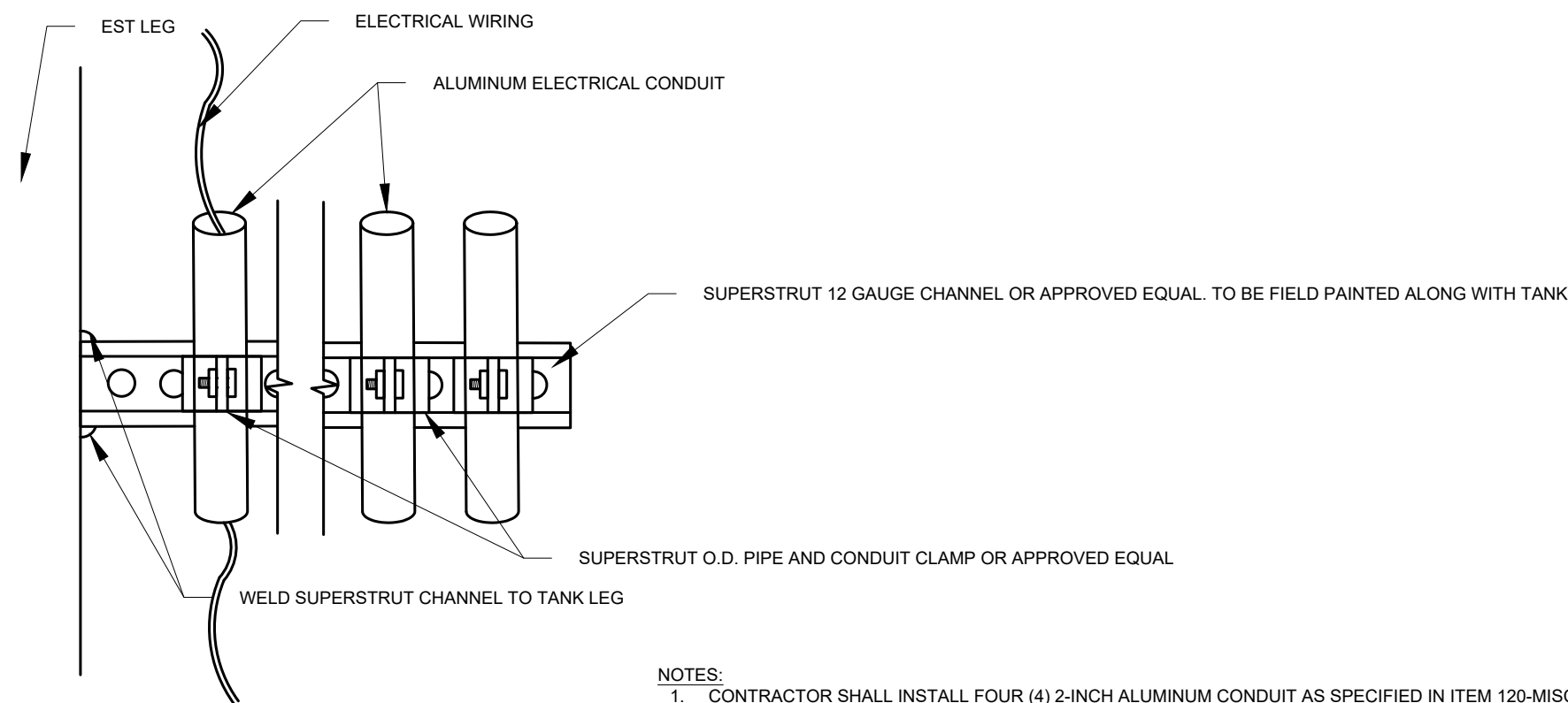


NOTE:
ANTENNA STABILIZERS SHALL BE INSTALLED ADJACENT TO ANTENNA MOUNTING BRACKET WITH ENOUGH SPACE TO INSTALL ANTENNA AND ATTACH TO STABILIZER.

ANTENNA MOUNT WITH STABILIZER DETAIL
SCALE: N.T.S.



BEACON INSTALLATION DETAIL
SCALE: N.T.S.



NOTES:
T. CONTRACTOR SHALL INSTALL FOUR (4) 2-INCH ALUMINUM CONDUIT AS SPECIFIED IN ITEM 120-MISC REPAIRS.

ELECTRICAL CONDUIT LEG
BRACKET DETAIL
SCALE: N.T.S.

BASTROP COUNTY WCID NO. 2

ELEVATED WATER STORAGE TANK

ELEVATED STORAGE TANK DETAIL NOTES

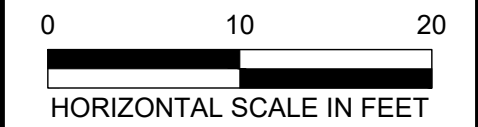
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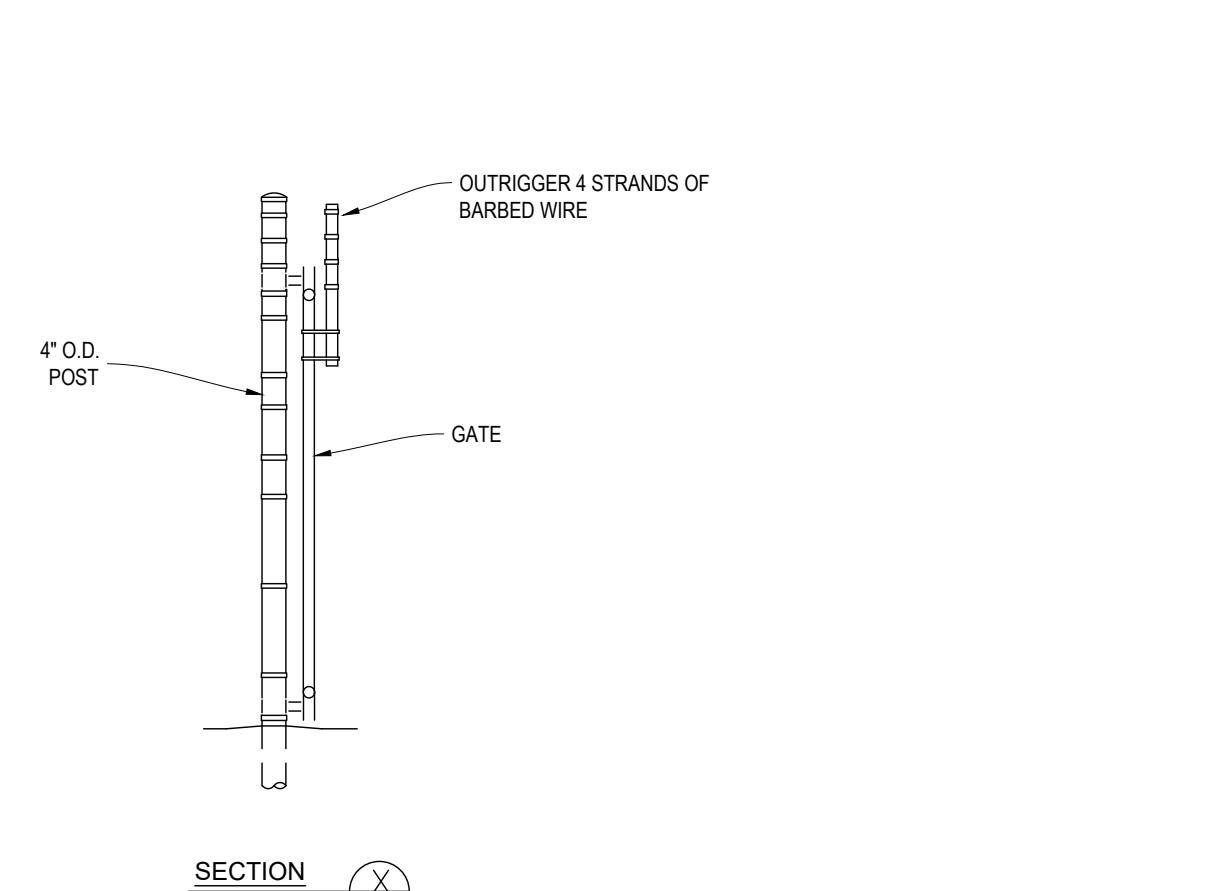
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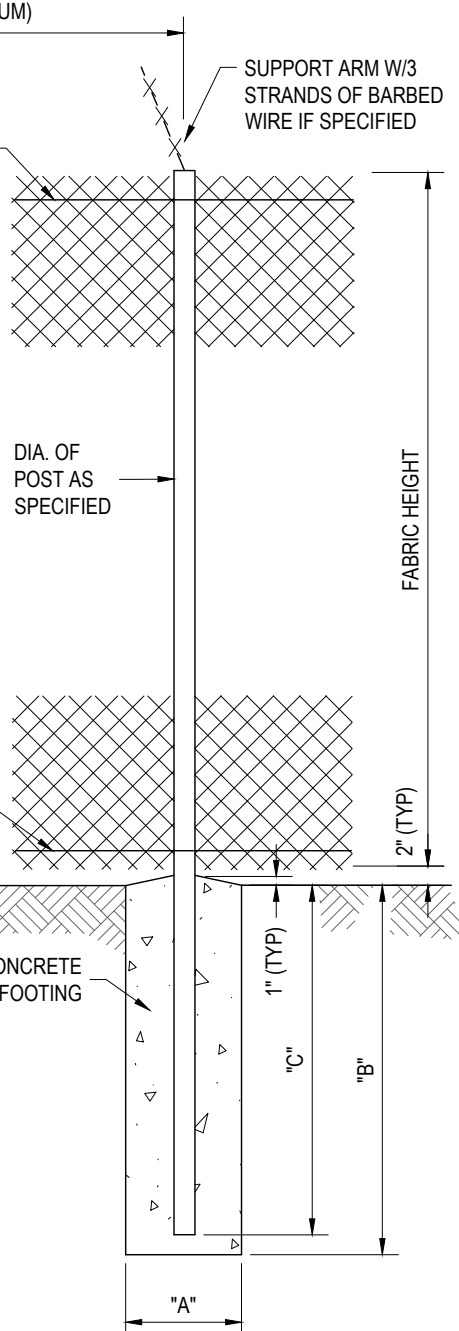
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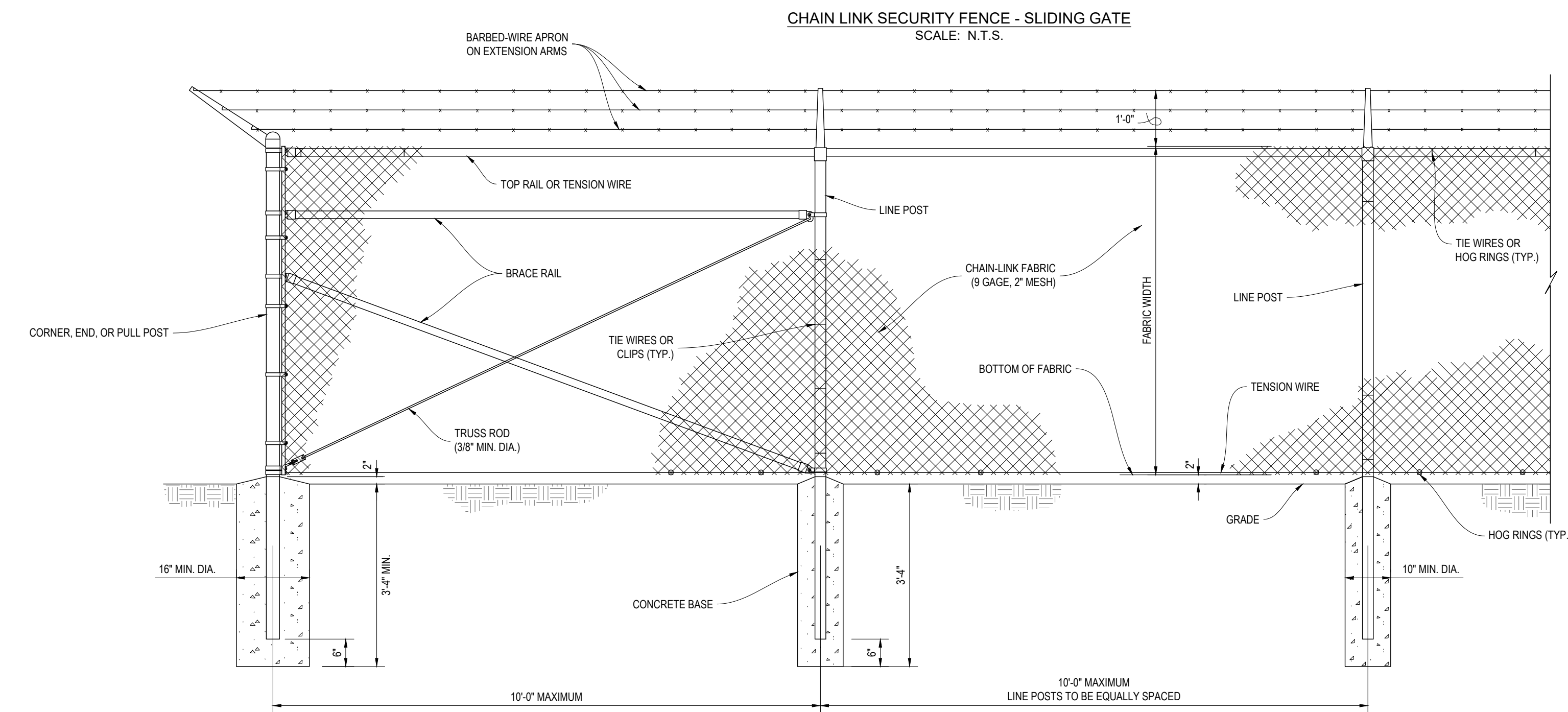


GATE LEAF WIDTH	GATE POST (OD)	FABRIC HEIGHT	"A" DIAM	"B" DEPTH	"C" POST EMBED.
3' TO 6'	2.875"	3' TO 5'	12"	38"	36"
		6' TO 9'	14"	42"	40"
		10' TO 12'	16"	46"	44"
7' TO 12'	4.000"	3' TO 5'	14"	38"	36"
		6' TO 9'	16"	42"	40"
		10' TO 12'	18"	46"	44"
13'	6.625"	8'-0"	16"	42"	40"

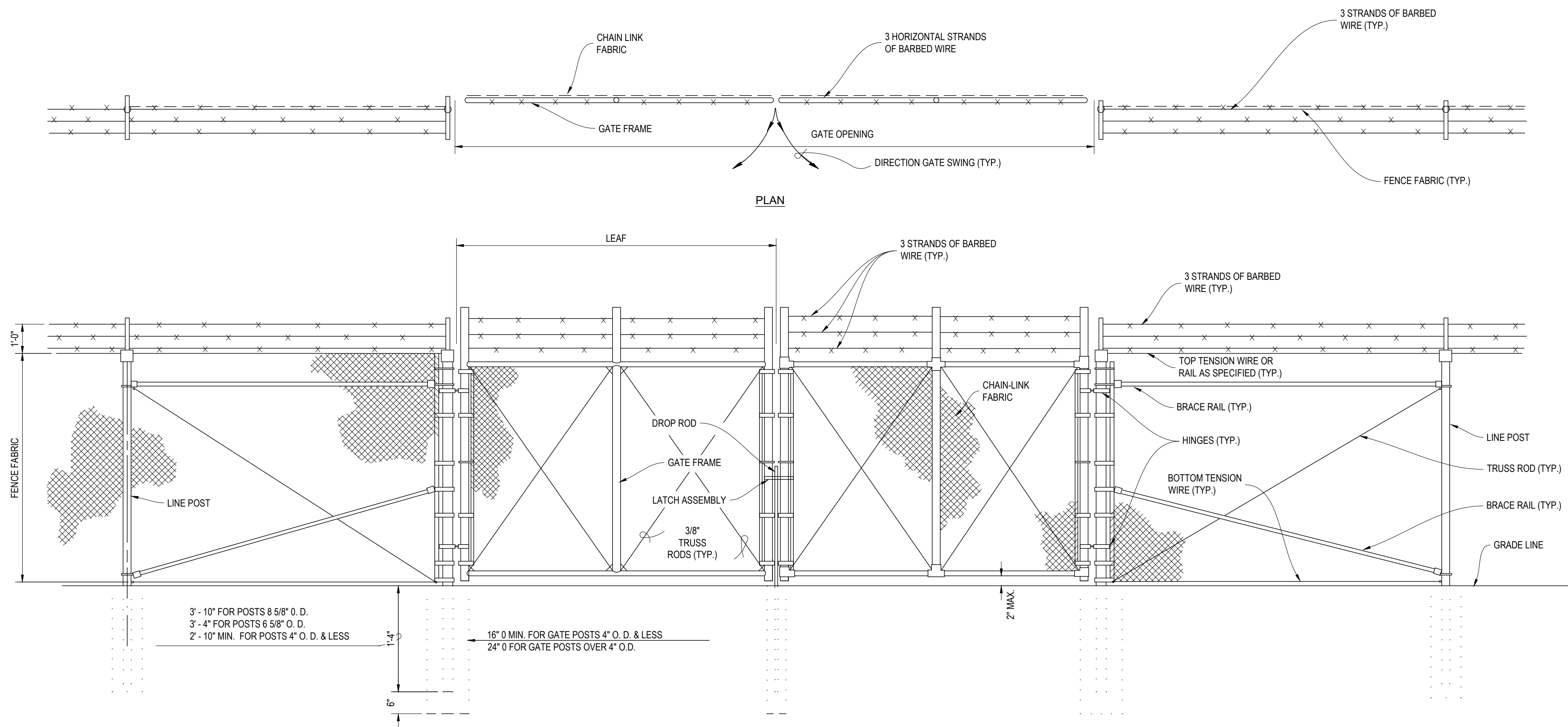
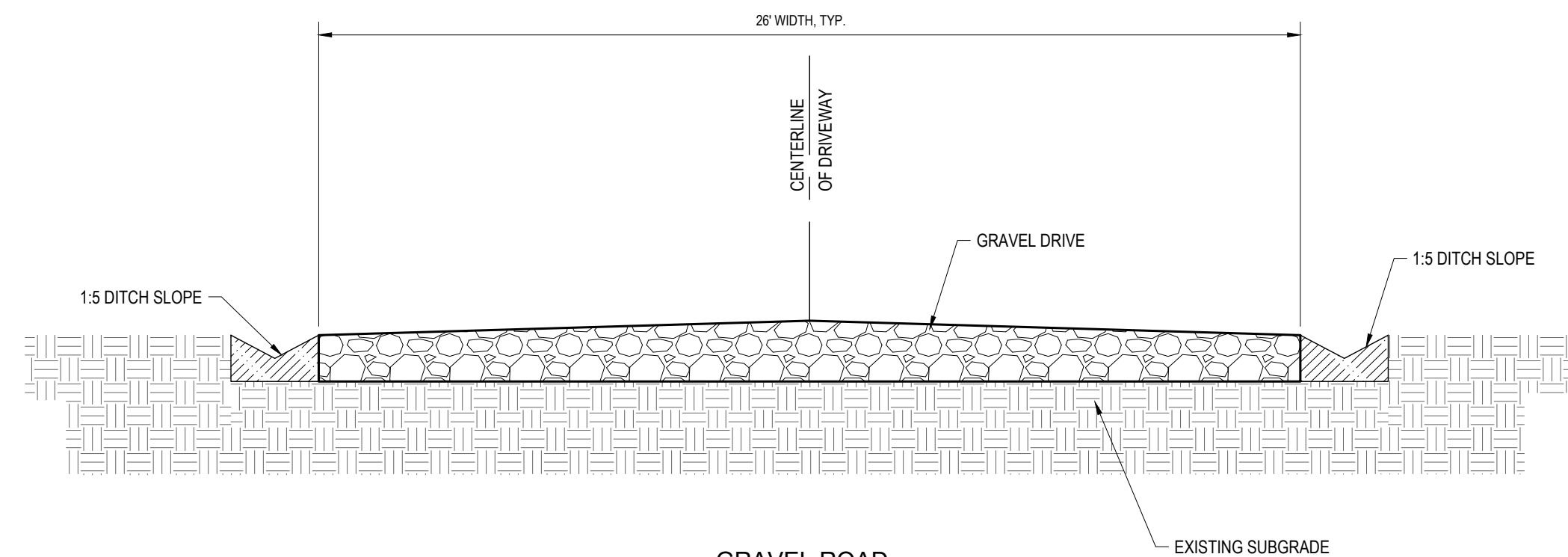
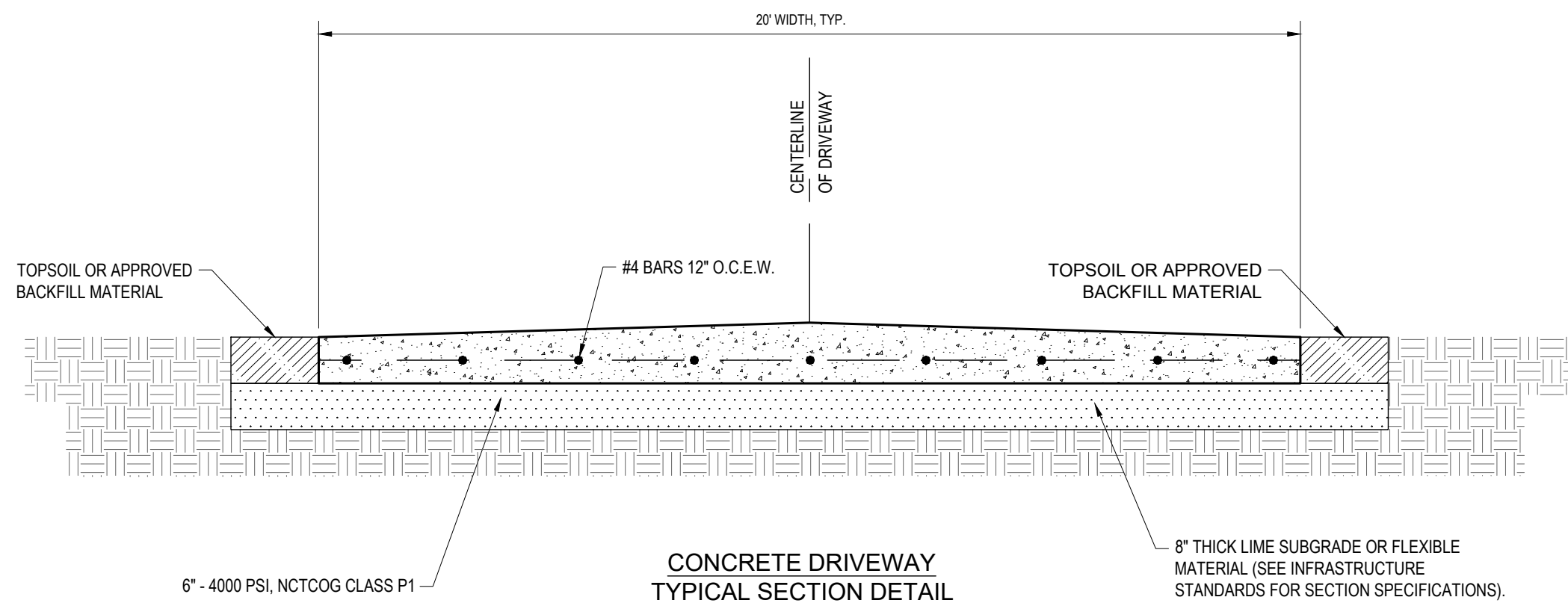
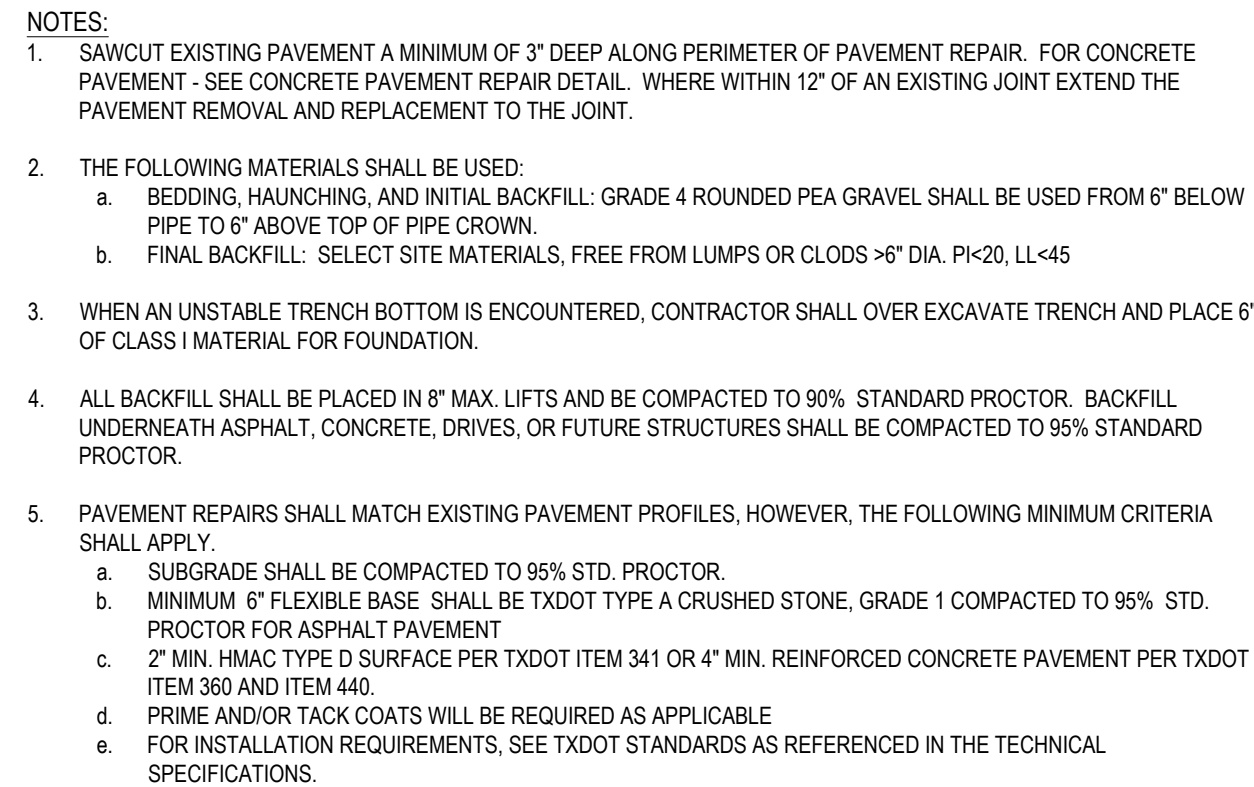


FABRIC HEIGHT	TYPE POST	"A" DIAM	"B" DEPTH	"C" POST EMBEDMENT
3'-0" to 4'-0"	LINE	6"	26"	24"
	TERMINAL	10"	32"	30"
5'-0"	LINE	8"	32"	30"
	TERMINAL	10"	32"	30"
6'-0" to 9'-0"	LINE	12"	38"	36"
	TERMINAL	12"	38"	36"
10'-0" to 12'-0"	LINE	18"	38"	36"
	TERMINAL	18"	38"	36"
13'-0" to 18'-0"	LINE	24"	42"	40"
	TERMINAL	24"	42"	40"

NOTE:
TERMINAL POSTS INCLUDE END, CORNER, AND PULL POSTS



CHAIN LINK SECURITY FENCE DETAIL
SCALE: N.T.S.

[illegible]

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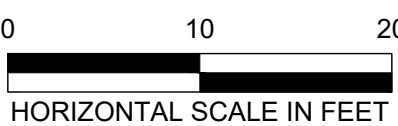
BASTROP COUNTY WCID NO. 2

ELEVATED WATER STORAGE TANK

ELEVATED STORAGE TANK DETAIL NOTES



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DESIGNED BY		
CHECKED BY		
REVIEWED BY		



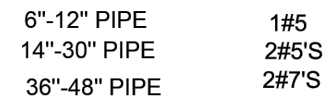
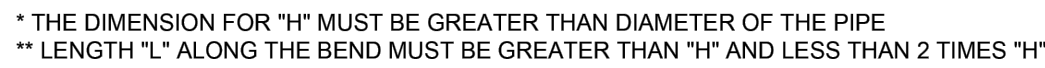


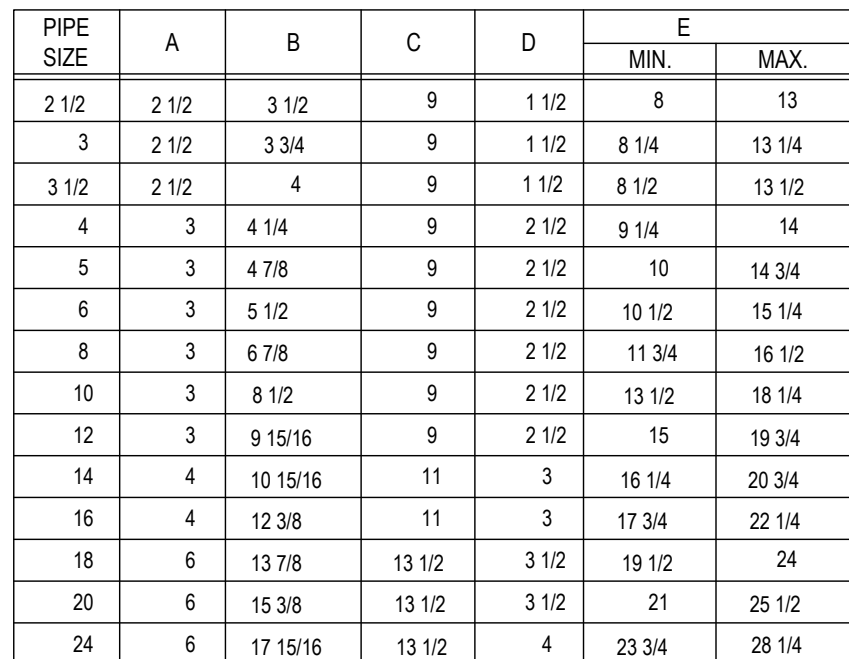
TABLE A
UPWARD THRUST GRAVITY BLOCKS

SOIL TYPES	PRESSURE
LOOSE OR SPONGY SOIL	1500 Lb/Sq.Ft.
UNDISTURBED SOIL, CALICHE	2000 Lb/Sq.Ft.
LIMESTONE ROCK	4000 Lb/Sq.Ft.

STANDARD NO.
510-6
1 OF 2



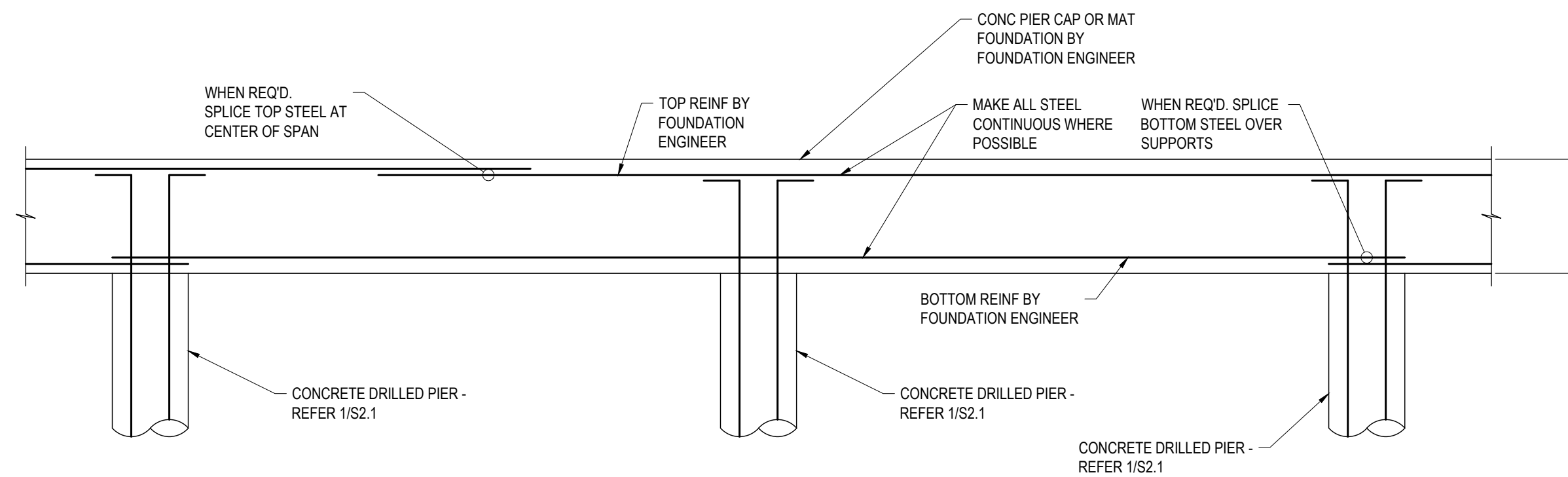
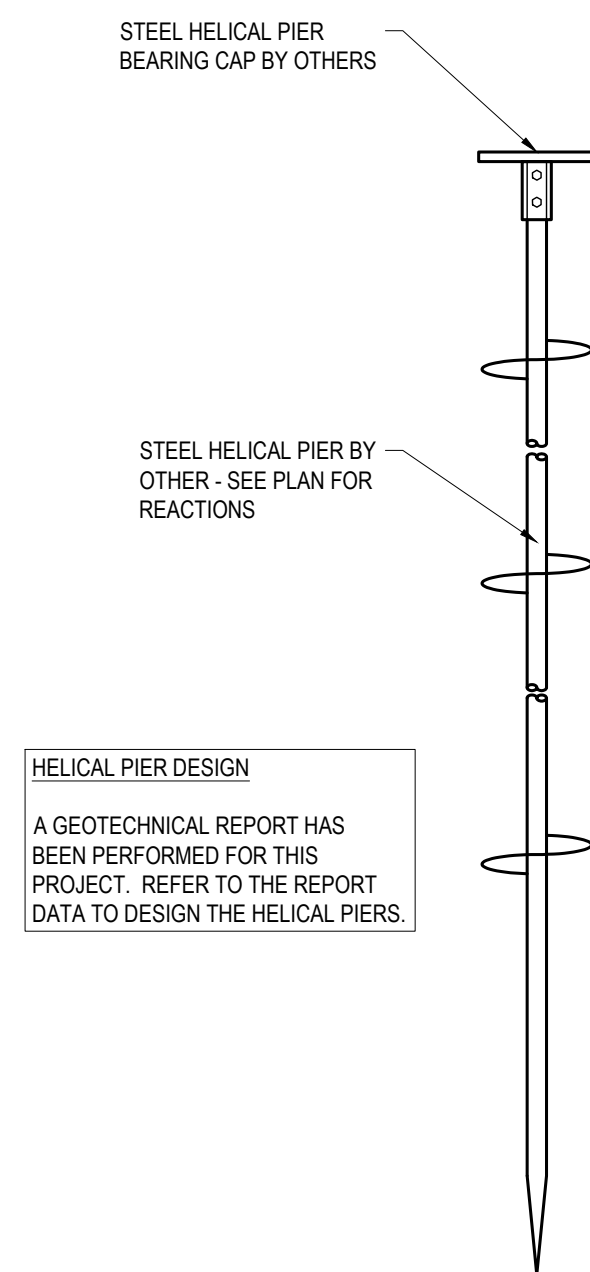
THE ENGINEER/ARCHITECT ASSUMES RESPONSIBILITY FOR APPROPRIATE USE OF THIS STANDARD. MODIFICATIONS TO THIS STANDARD ARE PROHIBITED.	STANDARD NO. 510-6 2 OF 2
--	--



BUTTERFLY VALVE AND BOX 16" AND GREATER

ELEVATED STORAGE TANK DETAIL NOTES

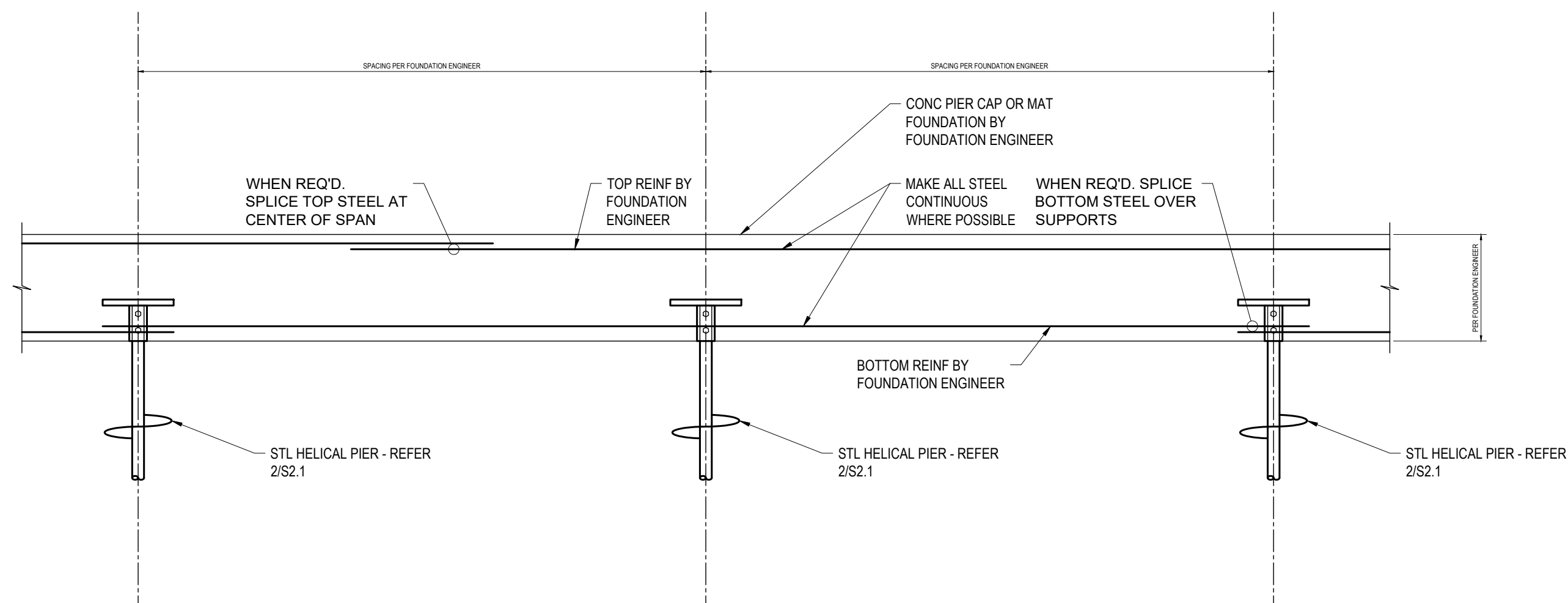




3
S2.2

1
S2.1

2
S2.1



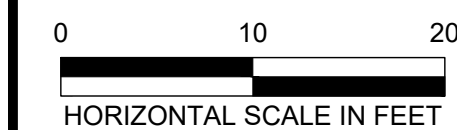
4
S2.2

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ELEVATED STORAGE TANK DETAIL NOTES



NOTES	NAME	DATE
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DESIGNED BY		
CHECKED BY		
REVIEWED BY		

[illegible]

Agenda

Item #8

**FY2023/24 Financial
Audit Report**

Board of Directors
Bastrop County Water Control & Improvement District No. 2
Bastrop County, Texas

We have audited the financial statements of Bastrop County WCID #2 (the "Entity") as of and for the year ended December 31, 2023, and have issued our report thereon dated October 14, 2025. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated April 23, 2025, our responsibility, as described by professional standards, is to form and express opinions about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Entity solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, and, as appropriate, our firm have complied with all relevant ethical requirements regarding independence.

Significant Risks Considered

We have identified the following significant risks during our audit process, which required special audit consideration. None of the specific risks below have resulted in a significant matter, finding, or issue.

Significant Risk Considered

1. Management override of controls

Reasoning for Special Audit Consideration

The risk that members of management could circumvent well-designed and effective internal controls.

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Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Entity is included in the notes to the financial statements. During the current fiscal year, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-based IT Arrangements*. New note disclosures were added, and the cumulative effect of the accounting change has been reported in the financial statements. No other matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

Management's estimate of the allowance for uncollectible receivables is based on historical collections. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the financial statements taken as a whole and in relation to the applicable opinion units.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the Entity's financial statements relate to long-term liabilities. The disclosures in the financial statements are neutral, consistent, and clear.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all identified misstatements.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. None of the misstatements identified by us as a result of our audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole or applicable opinion units.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Entity's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the management representation letter dated October 14, 2025.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the Entity, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Entity's auditors.

Significant Forthcoming Accounting Guidance

Significant new accounting guidance issued by the Governmental Accounting Standards Board (GASB) not yet implemented by the Entity include the following:

GASB Statement No. 99, *Omnibus 2022* – The objective of this Statement is to correct practice issues identified during implementation and application of certain GASB Statements and financial reporting for financial guarantees. There are various effective dates 1.) upon issuance 2.) fiscal years beginning after June 15, 2022 and 3.) fiscal years beginning after June 15, 2023.

The Government Accounting Standards Board (GASB) has amended the existing standards regarding capitalization thresholds for assets. The amended guidance for the capitalization threshold comes from GASB Implementation Guide 2021-1, Question 5.1. Capitalization policies adopted by governments include many considerations such as finding an appropriate balance between ensuring that all significant capital assets, collectively, are capitalized and minimizing the cost of recordkeeping for capital assets. A government should capitalize assets whose individual acquisition costs are less than the threshold for an individual asset if those assets in the aggregate are significant. Computers, classroom furniture and library books are examples of asset types that may not meet a capitalization policy on an individual basis yet could be significant collectively. In this example, if the \$150,000 aggregate amount (100 computers costing \$1,500 each) is significant, the government should capitalize the computers. The amended guidance is effective for reporting periods beginning after June 15, 2023, and the impact has not yet been determined.

GASB Statement No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62* – The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This Statement will become effective for reporting periods beginning after June 15, 2023, and the impact has not yet been determined.

GASB Statement No. 101, *Compensated Absences* – The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement will become effective for reporting periods beginning after December 15, 2023, and the impact has not yet been determined.

GASB Statement No. 102, *Certain Risk Disclosures* – The objective of this Statement is to provide users of government financial statements with information about risks related to a government's vulnerabilities due to certain concentrations or constraints that is essential to their analyses for making decisions or assessing accountability. This Statement will become effective for reporting periods beginning after June 15, 2024, and the impact has not yet been determined.

GASB Statement No. 103, *Financial Reporting Model Improvements* – The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. This Statement will become effective for reporting periods beginning after June 15, 2025, and the impact has not yet been determined.

GASB Statement No. 104, *Disclosure of Certain Capital Assets* – The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement requires certain types of capital assets to be presented separately in the note disclosures, including right-to-use assets related to leases, Subscription-Based Information Technology Arrangements, and public-private or public-public partnerships. Other intangible assets are also required to be presented separately by major class. Additional disclosures have also been required for capital assets held for sale. This Statement will become effective for reporting periods beginning after June 15, 2025, and the impact has not yet been determined.

Restriction on Use

This report is intended solely for the information and use of the Board of Directors and management of the Entity and is not intended to be and should not be used by anyone other than these specified parties.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
October 14, 2025



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

**FINANCIAL STATEMENTS,
SUPPLEMENTAL INFORMATION
AND
INDEPENDENT AUDITOR'S REPORT**

**FOR THE YEAR ENDED
DECEMBER 31, 2023**

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2
Annual Financial Report
For the Year Ended December 31, 2023

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FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

Board of Directors
Bastrop County Water Control & Improvement District No. 2
Bastrop, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of Bastrop County Water Control & Improvement District No. 2 (the "District"), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the District, as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter - Change of Accounting Principle

As described in the notes to the financial statements, in fiscal year 2023 the District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based IT Arrangements*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement due date, including any currently known information that may raise substantial doubt shortly thereafter.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and pension information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Texas Commission on Environmental Quality required supplementary schedules are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Texas Commission on Environmental Quality required supplementary schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
October 14, 2025

BASTROP COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 2

Management Discussion and Analysis For the Year Ended December 31, 2023

The management of Bastrop County Water Control & Improvement District No. 2 (the “District”) offers the following discussion and analysis to provide an overview of the District’s financial activities for the year ended December 31, 2023. Since this information is designed to focus on current year’s activities, resulting changes, and currently known facts, it should be read in conjunction with the District’s financial statements that follow.

The District accounts for road reconstruction and maintenance and standby fees using the General Fund. The District accounts for water and wastewater services using a proprietary fund, the Water Wastewater Fund. The government-wide statements are comprised of the Statement of Net Position and the Statement of Activities.

FINANCIAL HIGHLIGHTS

Government-Wide

- The District’s total net position decreased by approximately \$331 thousand from the previous year. While the District experienced a decrease of approximately \$689 thousand for governmental activities and an increase of approximately \$358 thousand for business-type activities, the conveyance of roads to Bastrop County most significantly impacted the overall decrease in total net position.
- During the year, the District generated approximately \$5.4 million in total revenues which was a 1.82% decrease as compared to the prior year. This was most significantly impacted by the decrease in charges for services experienced in the current year.

The District’s Funds

- Total expenditures in the General Fund were approximately \$2.1 million for the year ended December 31, 2023, which was an increase of approximately 30% compared to prior year.
- Total expenses in the Water Wastewater Fund operations were approximately \$3.7 million for the year ended December 31, 2023, which was an increase of 7% compared to prior year.

OVERVIEW OF THE FINANCIAL REPORT

The District, a political subdivision of the State of Texas, was created by the Bastrop County Commissioners Court in 1985. The District was created and organized for the purpose of providing water and wastewater services to customers within its boundaries and in the surrounding area. In 1989, the State of Texas granted the District the additional powers and duties of a road utility district.

Management complies with Sec 11001.012 of the District’s Road Powers by producing an annual financial report which also acts as a conveyance of information to each state representative and state senator who represents the area in the District’s jurisdiction.

BASTROP COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 2

Management Discussion and Analysis For the Year Ended December 31, 2023

In 2023, the following roads were conveyed to the Bastrop County or City:

E & W Keamuku Ct	Koolua	Onini
Ewa Ct	Laau Court	Pulehu Ct
Haleakala Dr	Mokolea Lane	Taro Court
Kikipua	Mokuleia Cir	Waihi Court
Koali	Nene	Waipahoehoe Dr
Kolo Court	Okoe Ct (East)	

In 2023, \$38,908 was spent in the performance of road maintenance and \$1,268,343 was spent on road construction. The following roads were reconstructed with the use of contracted labor, WCID2 labor, and support of the Bastrop County or Bastrop City via Interlocal Agreements.

At the end of 2023, there were no roads reported as not yet conveyed to Bastrop County or Bastrop City.

On March 25, 2023, at the annual road meeting, the 1992 Master plan was updated and communicated to the District residents, Bastrop County, and Bastrop City for the change in road inventory, roads to be reconstructed in 2023, future plans and cost estimates to complete. Our current estimate of costs to complete the project of 100% conveyance of roads to the Bastrop County or Bastrop City is \$6.8 Million.

USING THIS ANNUAL REPORT

The District's reporting is comprised of a series of financial statements. The Statement of Net Position and Statement of Activities (on pages 10 and 11) provide information about the activities of the District as a whole and present a longer-term view of the District's finances. Fund financial statements start on page 13. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds.

The Government-wide financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting. These statements provide information about the activities of the District as a whole and present a longer-term view of the District's property and debt obligations and other financial matters. They reflect the flow of total economic resources in a manner similar to the financial reports of a business enterprise.

The Governmental Fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. These statements show how services were financed in the short term as well as what resources remain for future spending.

The Proprietary Fund financial statements are considered to operate similar to a business enterprise. These statements present a longer-term view of the property and debt obligations, and other matters related to the District's water and wastewater operations.

The Notes to the Financial Statements provide additional information that is essential to a full understanding of the information presented in the Government-wide statements and the Fund financial statements.

BASTROP COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 2

Management Discussion and Analysis For the Year Ended December 31, 2023

The Required Supplementary Information presents a comparison statement between the District's adopted budgets and its actual results. These schedules are required for the General Fund. Also included are the required pension related schedules.

The Texas Commission on Environmental Quality Supplementary Information provides additional information and is required to be presented by the TCEQ.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The District's total assets were approximately \$21.9 million as of December 31, 2023. Of this amount, approximately \$10.8 million is accounted for by cash and cash equivalents. The District had outstanding liabilities of approximately \$13.5 million. The District's unrestricted net position, which can be used to finance day to day operations, totaled \$2.9 million. Total assets and total liabilities increased compared to the prior year due to the issuance of new debt during the fiscal year.

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 1,107	\$ 1,972	\$ 10,429	\$ 9,249	\$ 11,536	\$ 11,221
Capital assets	301	283	10,060	9,045	10,361	9,328
Total Assets	1,408	2,255	20,489	18,294	21,897	20,549
Deferred outflows of resources	-	-	174	132	174	132
Total Assets and Deferred Outflows of Resources	1,408	2,255	20,663	18,426	22,071	20,681
Non-current liabilities	-	-	11,778	10,170	11,778	10,170
Other liabilities	159	317	1,604	1,301	1,763	1,618
Total Liabilities	159	317	13,382	11,471	13,541	11,788
Deferred inflows of resources	-	-	10	42	10	42
Total Liabilities and Deferred Inflows of Resources	159	317	13,392	11,513	13,551	11,830
Net Position:						
Net investment in capital assets	301	283	4,592	3,255	4,893	3,538
Restricted - for debt service	-	-	692	2,353	692	2,353
Unrestricted	948	1,655	1,987	1,305	2,935	2,960
Total Net Position, as restated (Note 8)	\$ 1,249	\$ 1,938	\$ 7,271	\$ 6,913	\$ 8,520	\$ 8,851

BASTROP COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 2

Management Discussion and Analysis For the Year Ended December 31, 2023

Revenues were approximately \$5.4 million for the year ended December 31, 2023. Expenses were approximately \$5.8 million for the year ended December 31, 2023. Net position decreased approximately \$331 thousand from current year activities. The following chart summarizes the sources of revenue and areas of expenses. Revenues decreased compared to the prior year largely due to a decrease in charges for services. Expenses increased compared to the prior year largely due to engineering and consulting fees.

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenues:						
Charges for services	\$ 1,359	\$ 1,396	\$ 3,592	\$ 3,783	\$ 4,951	\$ 5,179
General revenues:						
Capital reserve fees	-	-	76	42	76	42
Rental income	-	-	-	6	-	6
Gain on sale of building	-	-	-	26	-	26
Investment earnings	9	132	386	106	395	238
Miscellaneous	-	-	4	-	4	-
Total Revenues	<u>1,368</u>	<u>1,528</u>	<u>4,058</u>	<u>3,963</u>	<u>5,426</u>	<u>5,491</u>
Expenses:						
General government	307	-	-	-	307	-
Public works	1,750	1,600	-	-	1,750	1,600
Water wastewater services	-	-	3,700	3,464	3,700	3,464
Total Expenses	<u>2,057</u>	<u>1,600</u>	<u>3,700</u>	<u>3,464</u>	<u>5,757</u>	<u>5,064</u>
Increase in net position	(689)	(72)	358	499	(331)	427
Net position, beginning of year, as restated (Note 8)	<u>1,938</u>	<u>2,010</u>	<u>6,913</u>	<u>6,414</u>	<u>8,851</u>	<u>8,424</u>
Net position, end of year, as restated	<u>\$ 1,249</u>	<u>\$ 1,938</u>	<u>\$ 7,271</u>	<u>\$ 6,913</u>	<u>\$ 8,520</u>	<u>\$ 8,851</u>

The general fund's fund balance decreased by \$734 thousand due to an increase in capital outlay related to road projects and a decrease in investment earnings.

BUDGETARY HIGHLIGHTS

Actual General Fund finished the year over budget by approximately \$203 thousand primarily due to increased engineering and consulting fees. More detailed information about the District's budgetary comparison is presented in the Required Supplementary Information section.

BASTROP COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 2

Management Discussion and Analysis For the Year Ended December 31, 2023

CAPITAL ASSETS

The District's investment in capital assets totals \$301 thousand for governmental activities and \$10.1 million for business-type activities as of December 31, 2023. A summary of these assets is listed below:

Bastrop County WCID #2 Capital Assets
(amounts expressed in thousands, net of accumulated depreciation/amortization)
Figure 8

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 273	\$ 269	\$ 103	\$ 100	\$ 376	\$ 369
WWW Improvements	-	-	8,437	7,584	8,437	7,584
Machinery and Equipment	15	14	530	389	545	403
Buildings	-	-	788	777	788	777
Vehicles	13	-	165	156	178	156
Right-of-use assets:						
Lease equipment	-	-	24	39	24	39
Software subscription	-	-	13	-	13	-
Net Capital Assets	<u>\$ 301</u>	<u>\$ 283</u>	<u>\$ 10,060</u>	<u>\$ 9,045</u>	<u>\$ 10,361</u>	<u>\$ 9,328</u>

LONG TERM DEBT

The District issued Revenue Note, Series 2023 during the year in the amount of \$2.5 million. Bonded indebtedness of the District at year end was \$12.7 million. More detailed information about the District's long-term debt is presented in the Notes to the Basic Financial Statements.

Bastrop County WCID #2
Outstanding Debt
(amounts expressed in thousands)
Figure 9

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenue bonds	\$ -	\$ -	\$ 12,645	\$ 10,865	\$ 12,645	\$ 10,865
Other long-term indebtedness	-	-	81	45	81	45
Total Bonds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,726</u>	<u>\$ 10,910</u>	<u>\$ 12,726</u>	<u>\$ 10,910</u>

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances and to demonstrate the District's accountability for the funds it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the District at PO Box 708, Bastrop, Texas 78602.

BASIC FINANCIAL STATEMENTS

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2**GOVERNMENT-WIDE STATEMENT OF NET POSITION
DECEMBER 31, 2023**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets:			
Cash - unrestricted	\$ 465,400	\$ 190,964	\$ 656,364
Cash equivalents - unrestricted	-	1,471,807	1,471,807
Cash equivalents - restricted	-	8,624,768	8,624,768
Receivables (net of allowance for uncollectibles):			
Accounts receivable	767,201	15,383	782,584
Internal balances	(125,805)	125,805	-
Total current assets	1,106,796	10,428,727	11,535,523
Noncurrent Assets:			
Capital assets:			
Assets not being depreciated	272,915	103,029	375,944
Assets being depreciated, net	28,435	9,957,024	9,985,459
Total noncurrent assets	301,350	10,060,053	10,361,403
Total assets	1,408,146	20,488,780	21,896,926
DEFERRED OUTFLOWS OF RESOURCES			
Pension related	-	173,922	173,922
Total deferred outflows of resources	-	173,922	173,922
LIABILITIES			
Accounts payable	159,115	316,872	475,987
Accrued payroll	-	14,979	14,979
Customer deposits	-	323,775	323,775
Current portion of long-term liabilities	-	948,523	948,523
Noncurrent Liabilities:			
Pension liability	-	56,818	56,818
Long-term liabilities, less current portion	-	11,720,705	11,720,705
Total liabilities	159,115	13,381,672	13,540,787
DEFERRED INFLOWS OF RESOURCES			
Pension related	-	9,806	9,806
Total deferred inflows of resources	-	9,806	9,806
NET POSITION			
Net investment in capital assets	301,350	4,591,791	4,893,141
Restricted for debt service	-	692,477	692,477
Unrestricted	947,681	1,986,956	2,934,637
Total net position	\$ 1,249,031	\$ 7,271,224	\$ 8,520,255

The notes to the financial statement are an integral part of this statement.

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

GOVERNMENT-WIDE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-Type Activities	
Primary government:							
Governmental activities:							
General government	\$ 307,009	\$ -	\$ -	\$ -	\$ (307,009)	\$ -	\$ (307,009)
Public works	1,750,151	1,358,950	-	-	(391,201)	-	(391,201)
Total governmental activities	2,057,160	1,358,950	-	-	(698,210)	-	(698,210)
Business-type activities:							
Water Wastewater services	3,699,669	3,591,770	-	-	-	(107,899)	(107,899)
Total primary government	<u>\$ 5,756,829</u>	<u>\$ 4,950,720</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(698,210)</u>	<u>(107,899)</u>	<u>(806,109)</u>
General revenues							
General revenues:							
Capital reserve fees					-	75,619	75,619
Investment earnings					8,757	385,729	394,486
Miscellaneous					-	5,271	5,271
Total general revenues					8,757	466,619	475,376
Change in net position					(689,453)	358,720	(330,733)
Net position – beginning					1,197,508	6,898,759	8,096,267
Restatement (Note 8)					740,976	13,745	754,721
Net position - beginning, as restated					1,938,484	6,912,504	8,850,988
Net position – ending					<u>\$ 1,249,031</u>	<u>\$ 7,271,224</u>	<u>\$ 8,520,255</u>

The notes to the financial statement are an integral part of this statement.

FUND FINANCIAL STATEMENTS

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

**BALANCE SHEET-GOVERNMENTAL FUND
DECEMBER 31, 2023**

	General Fund
ASSETS	
Cash and cash equivalents	\$ 465,400
Receivables (net of allowance for uncollectibles):	
Accounts receivable	767,201
Total assets	<u>1,232,601</u>
LIABILITIES	
Accounts payable	159,115
Due to other funds	125,805
Total liabilities	<u>284,920</u>
DEFERRED INFLOWS	
Unavailable revenues	767,201
Total deferred inflows	<u>767,201</u>
FUND BALANCES	
Assigned:	
Capital improvements	180,480
Total fund balances	<u>\$ 180,480</u>

The notes to the financial statement are an integral part of this statement.

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

**RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET TO THE
STATEMENT OF NET POSITION
DECEMBER 31, 2023**

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balance – governmental funds	\$	180,480
Capital assets of \$375,805, net of accumulated depreciation of \$74,455, used in governmental activities are not financial resources and, therefore, are not reported in the funds.		301,350
Revenues are reported on the accrual basis of accounting and not deferred until collection		767,201
Net position of governmental activities	\$	<u>1,249,031</u>

The notes to the financial statement are an integral part of this statement.

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
GOVERNMENTAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2023**

	General Fund
REVENUES	
Standby charges	\$ 1,000
Road assessment fees	1,331,725
Investment earnings	8,757
Total revenues	<u>1,341,482</u>
EXPENDITURES	
Current:	
General government	307,009
Public Works	461,238
Capital outlay	<u>1,307,251</u>
Total expenditures	<u>2,075,498</u>
Excess (deficiency) of revenues over expenditures	<u>(734,016)</u>
Net change in fund balances	(734,016)
Fund balance - beginning	<u>914,496</u>
Fund balance - ending	<u><u>\$ 180,480</u></u>

The notes to the financial statement are an integral part of this statement.

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE –
GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023**

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances--total governmental funds	\$ (734,016)
---	--------------

Governmental funds report capital outlay as expenditures.

However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expenses. This is the amount in which capital outlays exceeded depreciation expense in the current period.

18,338

Revenues are reported on the accrual basis of accounting and are not deferred until collection.

26,225

Change in net position of governmental activities

<u>\$ (689,453)</u>

The notes to the financial statement are an integral part of this statement.

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2**STATEMENT OF NET POSITION
PROPRIETARY FUND
DECEMBER 31, 2023**

	Water Wastewater Fund
ASSETS	
Current assets:	
Cash - unrestricted	\$ 190,964
Cash equivalents - unrestricted	1,471,807
Cash equivalents - restricted	8,624,768
Accounts receivable (net of allowance for uncollectibles)	15,383
Due from other funds	125,805
Total current assets	10,428,727
Noncurrent Assets:	
Capital assets:	
Assets not being depreciated	103,029
Assets being depreciated or amortized, net	9,957,024
Total noncurrent assets	10,060,053
Total assets	20,488,780
DEFERRED OUTFLOWS OF RESOURCES	
Pension related	173,922
Total deferred outflows of resources	173,922
LIABILITIES	
Current liabilities:	
Accounts payable	316,872
Salaries and related expenses payable	14,979
Customer deposits	323,775
Current portion of long-term debt	948,523
Total current liabilities	1,604,149
Noncurrent Liabilities:	
Pension liability	56,818
Long-term liabilities, less current portion	11,720,705
Total noncurrent liabilities	11,777,523
Total liabilities	13,381,672
DEFERRED INFLOWS OF RESOURCES	
Pension related	9,806
Total deferred inflows of resources	9,806
NET POSITION	
Net investment in capital assets	4,591,791
Restricted for debt service	692,477
Unrestricted	1,986,956
Total net position	\$ 7,271,224

The notes to the financial statement are an integral part of this statement.

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Water Wastewater Fund
OPERATING REVENUES:	
Charges for services, net	\$ 2,775,188
Water sales	816,582
Reserve fees	75,619
Other operating revenue	5,271
Total operating revenues	3,672,660
OPERATING EXPENSES:	
Personnel services	1,013,913
Operations	401,651
Repairs and maintenance	437,021
Consumables	157,360
Professional services	108,381
Contracted services	98,123
Office expenses	122,619
Cost of services	4,924
Insurance	32,269
Depreciation	860,862
Amortization	34,383
Total operating expenses	3,271,506
Operating income	401,154
NONOPERATING REVENUES (EXPENSES):	
Investment earnings	385,729
Interest and other charges	(428,163)
Total nonoperating revenues (expenses)	(42,434)
Income	358,720
Total net position – beginning	6,898,759
Restatement (Note 8)	13,745
Net position - beginning of year as restated	6,912,504
Total net position – ending	\$ 7,271,224

The notes to the financial statement are an integral part of this statement.

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2**STATEMENT OF CASHFLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Water Wastewater Fund
Cash flows from operating activities:	
Cash received from customers, users and others	\$ 3,745,828
Cash paid to employees for services	(1,166,122)
Cash paid for goods and services	(1,141,983)
Net cash flows from operating activities	1,437,723
Cash flows from capital and related financing activities:	
Acquisition and construction of capital assets	(1,771,769)
Proceeds from long-term debt issued	2,396,850
Principal paid on debt	(753,447)
Interest and other charges paid on debt	(410,519)
Net cash flows from capital and related financing activities	(538,885)
Cash flows from investing activities:	
Investment earnings	385,729
Net cash flows from investing activities	385,729
Net change in cash and cash equivalents	1,284,567
Cash and cash equivalents - beginning	9,002,972
Cash and cash equivalents - ending	\$ 10,287,539

The notes to the financial statement are an integral part of this statement.

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2**STATEMENT OF CASHFLOWS (CONTINUED)
PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Water Wastewater Fund
Reconciliation of operating income to net cash flows from operating activities:	
Operating income	\$ 401,154
Adjustments to reconcile operating income to net cash flows from operating activities:	
Depreciation and amortization	895,245
Changes in assets, deferred outflows, liabilities and deferred inflows:	
Utility deposits and prepaid expenses	920
Accounts and FEMA receivable	77,023
Unearned revenue	(23,500)
Due to/due from other funds	26,603
Deferred outflows of resources for pension	(41,987)
Accrued payroll	(114,170)
Accounts payable	193,762
Customer deposits	18,725
Deferred inflows of resources for pension	(32,519)
Net pension liability	36,467
Total adjustments	1,036,569
Net cash flows from operating activities	<u>\$ 1,437,723</u>

The notes to the financial statement are an integral part of this statement.

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The combined financial statements of Bastrop County Water Control and Improvement District No. 2 (the “District”) have been prepared in conformity with accounting principles applicable to governmental units that are generally accepted in the United States of America. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

A. Reporting Entity

Bastrop County Water Control and Improvement District No. 2, a political subdivision of the State of Texas, was created by the Bastrop County Commissioner’s Court under Chapter 51 of the Texas Water Code on September 23, 1985. The District was created and organized for the purpose of providing water and wastewater services to customers within its boundaries and in the surrounding area. The District’s first Board of Directors meeting was held on October 7, 1985. The original major system assets of the District were awarded to the District by judicial order in July 1986. The District has operated the system since that date.

In 1989, House Bill No. 2341 was enacted giving the District authority to administer a road utility district. As created under Article III, Section 52, of the Texas Constitution, the District may provide for the reconstruction, maintenance and operation of roads within the District. The Board may issue bonds on a vote of a two-thirds majority of the voters of the District, or the territory to be affected by the bonds, voting at an election called and held for that purpose.

Most recently, Senate Bill No. 749 was enacted effective September 1, 2017, setting the District’s maximum monthly charge for road construction and maintenance at \$21 for each developed or undeveloped lot, tract, or reserve in the District. These laws restrict to 10% the amount the District may use for administrative purposes and requires that not less than 15% of the charges be used for road maintenance.

The reporting entity of the District encompasses those activities and functions over which the District’s elected officials exercise significant oversight or control. The District is governed by a five-member Board of Directors (the Board) that has been elected by District residents. The funds presented in this report are within the oversight responsibility of the Board, in accordance with Governmental Accounting Standards Board (GASB) Codification of Governmental Accounting and Financial Reporting Standards Part II, Financial Reporting. There are no component units of the District, nor is the District a component unit of any other entity.

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of presentation

Government-wide Financial Statements:

The government-wide financial statements, the statement of net position and the statement of activities, report information on all of the activities of the District. The effect of interfund activity is removed from these statements. Governmental activities, supported by standby and road construction and maintenance assessments, are reported separately from business-type activities, which rely primarily on fees and charges for water and wastewater services.

Fund Financial Statements:

The fund financial statements provide information about the District's funds. Separate statements for each fund category—governmental and proprietary. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. The District reports the following major governmental funds:

General Fund

The *General Fund* includes road construction and maintenance activity which includes charges to property owners within the District to fund road reconstruction and maintenance within the District. Also included in the *General Fund* is standby activity which is the collection of charges to customers within the District to help fund and pay for utility costs of the District. The standby charges have been discontinued as of 2018. The *General Fund* is a budgeted fund.

Proprietary Fund

The *Water Wastewater Fund* is an enterprise fund used to account for the operations of the District's water service and wastewater collection systems, including maintenance of and capital improvements to the system.

C. Measurement focus and basis of accounting

Government-wide and Proprietary Financial Statements. The government-wide and proprietary financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Fund Financial Statements. The governmental fund financial statements are reported using the current financial resources management focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Investment earnings are recorded as earned, since they are both measurable and available. Expenditures are recorded when the liability is incurred, except for principal and interest on long term debt, which is recognized as an expenditure to the extent that it has matured. General capital asset acquisitions are reported as expenditures in major governmental funds. Proceeds of general long-term debt are reported as other financing sources.

D. Net position/Fund Balance

Net Position. Net position in government-wide and proprietary fund financial statements is classified as investment in capital assets, restricted, and unrestricted. The restricted component of net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Fund Balance. The District has adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Those fund balance classifications are described below.

- Nonspendable – Amounts that cannot be spent because they are either not in a spendable form or are legally or contractually required to be maintained intact.
- Restricted – Amounts that can be spent only for specific purposes because of constraints imposed by external providers or imposed by constitutional provisions or enabling legislation.
- Committed – Amounts that can only be used for specific purposes pursuant to approval by formal action by the Board.
- Assigned – For the General Fund, amounts that are appropriated by the Board or Board designee, if any, that are to be used for specific purposes. For all other governmental funds, any remaining positive amounts not previously classified as nonspendable, restricted or committed.
- Unassigned – Amounts that are available for any purpose; these amounts can be reported only in the District's General Fund.

Fund balance of the District may be committed for a specific purpose by formal action of the Board, the District's highest level of decision-making authority. Commitments may be established, modified, or rescinded only through a resolution approved by the Board. The Board has not delegated the authority to assign fund balance.

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Budget

The Board adopted an annual budget for the General Fund on the basis consistent with generally accepted accounting principles. The District does not prepare budgets for other funds. The District's Board of Directors utilizes the budget as a management tool for planning and cost control purposes. All annual appropriations lapse at fiscal year-end.

F. Pension

The District participates in the Texas County & District Retirement System ("TCDRS") which covers substantially all full- and part-time non-temporary employees. TCERS is a statewide, agent multiple-employer, public employee retirement system that provides retirement, disability and survivor benefits.

G. Cash and Cash Equivalents

These include cash on deposit as well as investments with maturities of three months or less at the time of purchase.

H. Assessment and Service Accounts Receivable

The District provides for uncollectible accounts receivable using the allowance method of accounting for bad debts. Under this method of accounting, a provision for uncollectible accounts is charged to earnings. The allowance account is increased or decreased based on past collection history and management's evaluation of accounts receivable. All amounts considered uncollectible are charged against the allowance account, and recoveries of previously charged off accounts are added to the allowance. As of the end of the year, the allowance for uncollectible accounts was as follows:

Fund	Receivable	Allowance for Doubtful Accounts	Receivable, net
General Fund	\$ 1,933,055	\$ (1,165,854)	\$ 767,201
Water Wastewater Fund	45,183	(29,800)	15,383
Total	<u>\$ 1,978,238</u>	<u>\$ (1,195,654)</u>	<u>\$ 782,584</u>

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Capital Assets

Capital assets, which include land, administrative facilities and equipment, water production and distribution system, wastewater collection system, road improvements, vehicles, and machinery and equipment are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Items purchased or acquired are reported at historical cost or estimated historical cost (except for intangible right-to-use lease equipment and subscription assets, the measurement of which is discussed in notes M and N, respectively, below). Contributed fixed assets are recorded as capital assets at estimated fair market value at the time received. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Water and wastewater improvements	7-39
Buildings and improvements	7-39
Road improvements	25
Machinery and equipment	5-25
Vehicles	5

Right-to-use lease equipment and subscription assets are amortized over the life of the associated contract.

J. Interfund Transactions

Transfers from one fund to another fund are reported as interfund receivable and payables if there is intent to repay that amount and if the debtor fund has the ability to repay the advance on a timely basis. Operating transfers represent legally authorized transfers from the fund receiving resources to the fund through which the resources are to be expended.

K. Accrued Leave

It is the District's policy to allow employees to accrue personal leave as earned up to a maximum of forty hours and to accrue sick leave as earned with limitation. Upon termination, employees are paid for accrued personal leave, but not for accrued sick leave. The District has not recognized a liability for accrued leave as it is immaterial to the financial statements.

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Long-Term Obligations

In the government-wide financial statements and proprietary fund type in the fund financial statements, long-term debt and other long-term obligations, including leases payable and subscriptions payable, are reported as liabilities in the applicable business-type activities statement of net position.

M. Leases

The District is a lessee for noncancellable leases of equipment. The District recognizes a lease liability and an intangible right-to-use lease asset in the government-wide and proprietary financial statements.

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the lease term.

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease and any extensions that are deemed reasonably certain to be exercised. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its leases and will remeasure lease assets and liabilities if certain changes occur that are expected to significantly affect the amount of the lease liabilities. Lease assets are reported with other capital assets and lease liabilities are reported with long-term liabilities on the Statement of Net Position.

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Subscription-Based Information Technology Arrangements

The District reports a subscription liability and an intangible right-to-use capital asset (known as the subscription asset) on the government-wide and proprietary financial statements for a subscription-based information technology arrangement (SBITA). At the commencement of a SBITA, the District initially measures the subscription liability at the present value of payments expected to be made during the SBITA term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the SBITA commencement date, plus certain initial direct costs, including development costs. Subsequently, the subscription asset is amortized on a straight-line basis over the SBITA term. Key estimates and judgments related to SBITAs include how the District determines (1) the discount rate it uses to discount the expected SBITA payments to present value, (2) SBITA term, and (3) subscription payments.

- The District uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.
- The SBITA term includes the noncancellable period of the SBITA and any extensions that are deemed certain to be exercised. Subscription payments included in the measurement of the subscription liability are composed of fixed payments to the SBITA vendor.

The District monitors changes in circumstances that would require a remeasurement of its SBITAs and will remeasure subscription assets and liabilities if certain changes occur that are expected to significantly affect the amount of the subscription liabilities. Subscription assets are reported with other capital assets and subscription liabilities are reported with long-term liabilities on the Statement of Net Position.

O. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for *Deferred Outflows of Resources*, which represent the consumption of the District's net assets that applies to future periods and therefore will not be recognized as an expense or expenditure until then. In addition to liabilities, the statement of net position will sometimes report a separate section for *Deferred Inflows of Resources*, which represent an acquisition of net assets that applies to a future period and therefore will not be recognized as a revenue until a future period. In addition to the above, the governmental and proprietary funds may also report unavailable revenues and receivables and deferred inflows of resources.

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Recently Issued Accounting Pronouncements

In May 2020, the Governmental Accounting Standards Board (“GASB”) issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, (“SBITA”). The objective of this Statement is to better meet the information needs of financial statement users by (a) establishing uniform accounting and financial reporting requirements for SBITAs; (b) improving the comparability of financial statements among governments that have entered into SBITAs; and (c) enhancing the understandability, readability, relevance, and consistency of information about SBITAs. This statement is effective for reporting periods beginning after June 15, 2022. GASB Statement No. 96 has been implemented in these financial statements.

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This statement is effective for reporting periods beginning after June 15, 2023. The District has chosen not to implement this standard early.

2. CASH AND INVESTMENTS

The investment policies of the District are governed by State statute and an adopted District Investment Policy that includes depository contract provisions and custodial contract provisions. Major provisions of the District’s Investment Policy include: depositories must be FDIC-insured Texas banking institutions; depositories must fully insure or collateralize all demand and time deposits; securities collateralizing time deposits are held by independent third-party trustees.

Cash – At year end, deposits were held by the District’s depository bank in accounts that were secured at the balance sheet date by Federal Deposit Insurance Corporation (FDIC) coverage or by pledged collateral held by the District’s agent bank in the District’s name.

Investments – The District is required by Government Code Chapter 2256, The Public Funds Investment Act, to adopt, implement, and publicize an investment policy. That policy must be written; primarily emphasize safety of principal and liquidity; address investment diversification, yield, and maturity and the quality and capability of investment management; and include a list of the types of authorized investments in which the investing entity’s funds may be invested; and the maximum allowable stated maturity of any individual investment owned by the entity.

The Public Funds Investment Act (the “Act”) requires an annual audit of investment practices. Audit procedures in this area conducted as part of the audit of the general-purpose financial statements disclosed that in the areas of investment practices, management reports and establishment of appropriate policies, the District adhered to the requirements of the Act. Additionally, investment practices of the District were in accordance with local policies.

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

2. CASH AND INVESTMENTS (CONTINUED)

The Act determines the types of investments which are allowable for the District. These include, with certain restriction, (1) obligations of the US Treasury, certain US Agencies, and the State of Texas, (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) banker's acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, and (10) commercial paper.

Not all assets meeting the definition of an investment are required to be reported at fair value. Including among excepted investments are certain investments held by 2a7-like external investments pools. As detailed below the District has invested funds in specific 2a7-like external investment pools that are valued at amortized cost and not subject to the fair value hierarchy levels.

The District's investments at year end are shown below.

Investment	Fair Value Level	Rating	Maturity	Fair Value
Unrestricted				
TexPool	N/A	AAAm	1 Day	\$ 1,236,964
Restricted				
TexPool	N/A	AAAm	1 Day	\$ 7,831,910

The District has restricted \$524,944 of investments in accordance with Texas Water Development Board (the "TWDB") note requirements for escrow and future debt service payments.

Analysis of Specific Cash and Investment Risks – GASB Statement No. 40 requires a determination as to whether the District was exposed to the following specific investment risks at year end and, if so, the reporting of certain related disclosures.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. At year end, the District was not significantly exposed to credit risk.

Custodial Credit Risk – Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the District's name. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterpart or the counterparty's trust department or agent but not in the District's name. At year end, the District was not exposed to custodial credit risk.

Concentration of Credit Risk – This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the District was not exposed to concentration of credit risk.

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

2. CASH AND INVESTMENTS (CONTINUED)

Interest Rate Risk – This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end, the District was not exposed to interest rate risk.

Investment Accounting Policy – The District’s general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term “short-term” refers to investments which have a remaining term of one year or less at time of purchase. The term “nonparticipating” means that the investment’s value does not vary with market interest rate changes. Nonnegotiable certificates of deposit are examples of nonparticipating interest-earning investment contracts.

Public Funds Investment Pools – Public funds investment pools in Texas (“Pools”) are established under the authority of the Interlocal Cooperation Act, Chapter 79 of the Texas Government Code, and are subject to the provisions of the Public Funds Investment Act (the “Act”), Chapter 2256 of the Texas Government Code. In addition to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires Pools to: 1) have an advisory board composed of participants in the Pool and other person who do not have a business relationship with the Pool and are qualified to advise the Pool; 2) maintain a continuous rating of no lower than AAA or AAA-m or an equivalent rating by at least on nationally recognized rating service; and 3) maintain the market value of its underlying investment portfolio with one half of one percent of the value of its shares.

The District’s investments in Pools are reported at an amount determined by the fair value per share of the Pool’s underling portfolio, unless the Pool is 2a7-like, in which case they are reported at share value. A 2a7-like Pool is one which is not registered with the Securities and Exchange Commission (“SEC”) as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC’s Rule 2a7 of the Investment Company Act of 1940.

TexPool – The District invests in the Texas Local Government Investment Pool (TexPool), which is a local government investment pool that was established in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and operates under the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. The State Comptroller of Public Accounts oversees TexPool. Federated Investors, Inc. is the administrator and investment manager of TexPool under a contract with the State Comptroller. In accordance with the Public Funds Investment Act, the State Comptroller has appointed the TexPool Investment Advisory Board to advise with respect to TexPool. The board is composed equally of participants in TexPool Portfolios and other persons who do not have a business relationship with TexPool Portfolios and are qualified to advise in respect to TexPool Portfolios. The Advisory Board members review the investment policy and management fee structure. TexPool is rated AAAM by Standard & Poor’s and operates in a manner consistent with the SEC’s Rule 2a7 of the Investment Company Act of 1940. All investments are stated at amortized cost, which usually approximates the market value of the securities. The stated objective of TexPool is to maintain a stable

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

2. CASH AND INVESTMENTS (CONTINUED)

average \$1.00 per unit net asset value; however, the \$1.00 net asset value is not guaranteed or insured. The financial statements can be obtained from the Texas Trust Safekeeping Trust Company website at www.ttstc.org.

3. CAPITAL ASSETS

During the year the District used operating funds to reconstruct \$1,268,343 in Road Improvements. The District used operating funds and bond proceeds to acquire \$1,931,236 in Water and Wastewater System Improvements and other supporting assets serving the District's residents. All of the District's facilities, other than Road Improvements, are being depreciated over their estimated useful lives. Depreciation and amortization in the amount of \$2,570 and \$895,245 has been charged to governmental activities and business-type activities, respectively. The majority of governmental activities capital assets are road and related improvements that have been conveyed to the County.

A summary of changes in governmental activities capital assets, net of accumulated depreciation, for the fiscal year ended December 31, 2023 follows:

	Beginning Balances	Additions	Retirements	Transfers In (Out)	Ending Balances
Governmental activities:					
Capital assets, non-depreciable:					
Land	\$ 269,074	\$ 3,841	\$ -	\$ -	\$ 272,915
Road improvements	-	1,268,343	-	(1,268,343)	-
Total capital asset, non-depreciable	269,074	1,272,184	-	(1,268,343)	272,915
Capital assets, depreciable:					
Machinery and equipment	75,545	3,593	-	-	79,138
Vehicles	10,278	13,474	-	-	23,752
Total capital asset, depreciable	85,823	17,067	-	-	102,890
Less accumulated depreciation for:					
Machinery and equipment	(61,607)	(2,570)	-	-	(64,177)
Vehicles	(10,278)	-	-	-	(10,278)
Total accumulated depreciation	(71,885)	(2,570)	-	-	(74,455)
Total capital assets, depreciable, net	13,938	14,497	-	-	28,435
Governmental activities capital assets, net	\$ 283,012	\$ 1,286,681	\$ -	\$ (1,268,343)	\$ 301,350

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

3. CAPITAL ASSETS (CONTINUED)

A summary of changes in business-type activities capital assets, net of accumulated depreciation and amortization, for the fiscal year ended December 31, 2023 follows:

	Beginning Balances	Additions	Retirements	Transfers In (Out)	Ending Balances
Business-type activities:					
Capital assets, non-depreciable:					
Land	\$ 100,029	\$ 3,000	\$ -	\$ -	\$ 103,029
Total capital asset, non-depreciable	100,029	3,000	-	-	103,029
Capital assets, depreciable:					
Water wastewater improvements	14,597,319	1,557,411	-	-	16,154,730
Machinery and equipment	1,141,525	204,336	-	-	1,345,861
Buildings	872,264	34,211	-	-	906,475
Vehicles	634,210	78,811	-	-	713,021
Right-of-use assets:					
Lease equipment	-	32,559	-	-	32,559
Software subscription	38,717	-	-	-	38,717
Total capital asset, depreciable	17,284,035	1,907,328	-	-	19,191,363
Less accumulated depreciation/amortization for:					
Water wastewater improvements	(7,012,804)	(704,647)			(7,717,451)
Machinery and equipment	(752,836)	(63,132)	-	-	(815,968)
Buildings	(95,268)	(23,158)			(118,426)
Vehicles	(478,186)	(69,925)	-	-	(548,111)
Right-of-use assets:					
Lease equipment	-	(8,571)	-	-	(8,571)
Software subscription	-	(25,812)	-	-	(25,812)
Total accumulated depreciation/amortization	(8,339,094)	(895,245)	-	-	(9,234,339)
Total capital assets, depreciable, net	8,944,941	1,012,083	-	-	9,957,024
Business-type activities capital assets, net, restated	\$ 9,044,970	\$ 1,015,083	\$ -	\$ -	\$ 10,060,053

Depreciation and amortization expense was charged as follows:

Governmental Activities:

Public works	\$ 2,570
Total depreciation, governmental activities	\$ 2,570

Business-Type Activities:

Water Wastewater services	\$ 895,245
Total depreciation/amortization, business-type activities	\$ 895,245

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

4. LONG-TERM LIABILITIES

Long-Term Debt

On June 23, 2016, the District issued \$6,345,000 of revenue notes funded by a private placement with TWDB. The notes are payable to the TWDB from the revenue of and are secured by a pledge of the net water and wastewater revenues of the District. The debt agreement with the TWDB requires certain deposits and reserves in place to cover future debt service payments. At December 31, 2023, the District was in compliance with these deposit and reserve requirements.

On August 30, 2021, the District issued \$6,775,000 of revenue notes funded by a private placement with Truist Bank. The notes are payable from the revenue of and are secured by a pledge of the net water and wastewater revenues of the District. The debt agreement with the bank requires certain deposits and reserves in place to cover future debt service payments. At December 31, 2023, the District was in compliance with these deposit and reserve requirements.

On December 7, 2023, the District issued \$2,500,000 of revenue notes funded by a private placement with Amegy Bank. The notes are payable to Amegy Bank from the revenue of and are secured by a pledge of the net water and wastewater revenues of the District. The debt agreement with the bank requires certain deposits and reserves in place to cover future debt service payments. At December 31, 2023, the District was in compliance with these deposit and reserve requirements.

These notes described above are summarized as follows:

	Issue Date	Final Maturity	Interest Rate	Original Issue	Principal Balance December 31, 2023
Series 2016	6/23/2016	12/1/2035	1.15 - 4.120%	\$ 6,345,000	\$ 4,230,000
Series 2021	8/30/2021	12/1/2035	1.1750%	6,775,000	5,915,000
Series 2023	12/7/2023	12/31/2033	5.2300%	2,500,000	2,500,000
Total Revenue Notes				<u>\$ 15,620,000</u>	<u>\$ 12,645,000</u>

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

4. LONG-TERM LIABILITIES (CONTINUED)

Future debt service requirements as of the end of the year are as follows:

<u>Years Ending December 31,</u>	<u>Revenue Bonds</u>		<u>Leases payable</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 940,000	\$ 309,917	\$ 8,523	\$ 125
2025	965,000	289,674	7,206	77
2026	995,000	266,134	6,794	34
2027	1,025,000	241,444	1,705	2
2028	1,055,000	215,616	-	-
2029-2033	5,765,000	649,501	-	-
2034-2035	1,900,000	53,777	-	-
	<u>\$ 12,645,000</u>	<u>\$ 2,026,062</u>	<u>\$ 24,228</u>	<u>\$ 238</u>

Lease liabilities

In March 2020 the District entered into lease agreement for mailing equipment with monthly payments of approximately \$152 ending in March 2025.

In January of 2022 the District entered into a lease agreement for a copier with monthly payments of approximately \$569 ending in April of 2027.

Subscription liabilities

In July of 2021 the District entered into a subscription-based information technology arrangement for software as a service with annual payments of approximately \$25,359 ending in July 2024.

Changes in long-term liabilities

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Current Portion of Balance</u>
Business-Type Activities:					
Revenue bonds	\$ 10,865,000	\$ 2,500,000	\$ (720,000)	\$ 12,645,000	\$ 940,000
Lease liabilities	-	32,703	(8,475)	24,228	8,523
Subscription liabilities	24,972	-	(24,972)	-	-
Net pension obligation - TCDRS	20,351	36,467	-	56,818	-
Total business-type activities, restated	<u>\$ 10,910,323</u>	<u>\$ 2,569,170</u>	<u>\$ (753,447)</u>	<u>\$ 12,726,046</u>	<u>\$ 948,523</u>

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

5. PENSION PLAN

Plan Description

The District participates in the Texas County & District Retirement System (“TCDRS”), which is a statewide, agent multiple-employer, public employee retirement system. All full- and part-time employees participate in the plan, regardless of the number of hours they work in a year. Temporary employees are not eligible for membership. The plan provides retirement, disability and survivor benefits. TCERS is a savings-based plan.

Benefits

TCERS provides retirement, disability and survivor benefits for all eligible employees. Benefit terms are established by the TCERS Act. The benefit terms may be amended as of January 1, each year, but must remain in conformity with the Act.

Members can retire at age 60 and above with 8 or more years of service, with 30 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after eight years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer. Benefit amounts are determined by the sum of the employee’s contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCERS Act so that the resulting benefits can be expected to be adequately financed by the employer’s commitment to contribute. At retirement, death or disability, the benefit is calculated by converting the sum of the employee’s accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCERS Act.

For the District’s plan, 6% of each employee’s pay is deposited into their TCERS account. By law, employee accounts earn 7% interest on beginning of year balances annually. At retirement, the account is matched at an employer set percentage (current match is 200%) and is then converted to an annuity. There are no automatic COLAs. Each year, the District may elect an ad hoc COLA for its retirees (if any). There are two COLA types, each limited by actual inflation. Benefit terms are established under the TCERS Act. They may be amended as of January 1 each year but must remain in conformity with the Act.

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

5. PENSION PLAN (CONTINUED)

Membership

At December 31, 2022, the valuation and membership date, the following employees were covered by the benefit terms:

<u>Membership Information</u>	<u>December 31, 2022</u>
Number of active employees entitled to but not yet receiving benefits	7
Number of active employees	19
Average monthly salary*	\$3,909
Average age*	40.78
Average length of service*	4.67
*Averages reported for active employees	
<u>Inactive Employees (or their Beneficiaries) Receiving Benefits</u>	
Number of benefit recipients	3
Average monthly benefit	\$184

Contributions

The contribution rates for employees in TCDRS are either 4%, 5%, 6%, or 7% of employee gross earnings, as adopted by the employer's governing body. Participating employers are required to contribute at actuarially determined rates to ensure adequate funding for each employer's plan. Under the state law governing TCDRS, the contribution rate for each entity is determined annually by the actuary and approved by the TCDRS Board of Trustees. The replacement life entry age actuarial cost method is used in determining the contribution rate. The actuarially determined rate is the estimated amount necessary to fund benefits in an orderly manner for each participant over his or her career so that sufficient funds are accumulated by the time benefit payments begin, with an additional amount to finance any unfunded accrued liability.

The District's contribution rate is calculated annually on an actuarial basis, although the employer may elect to contribute at a higher rate. The Bastrop County Water Control and Improvement District 2 contribution rate is based on the TCDRS funding policy adopted by the TCDRS Board of Trustees and must conform with the TCDRS Act. The employee contribution rate is set by the District and was 6% during the current fiscal year. The contribution rate for the District was 10.4% and 10.6% for the calendar years 2023 and 2022 respectively. The District's contributions to TCDRS for the year ended December 31, 2023 was \$100,636 and equal to the required contributions.

The most recent annual comprehensive financial report for TCDRS can be found at the following link, [TCDRS.org/Employer](https://www.tcdrs.org/Employer).

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

5. PENSION PLAN (CONTINUED)

Actuarial Assumptions

The following is a description of the assumptions used in the December 31, 2022 actuarial valuation analysis for Bastrop County Water Control and Improvement District 2. This information may also be found in the Bastrop County Water Control and Improvement District 2 December 31, 2022 Summary Valuation Report:

Economic Assumptions	
Real rate of return	5.00%
Inflation	2.50%
Long-term investment return	7.50%

The assumed long-term investment return of 7.50% is net after investment and administrative expenses. It is assumed returns will equal the nominal annual rate of 7.50% for calculating the actuarial accrued liability and the normal cost contribution rate for the retirement plan of each participating employer.

Mortality rates for active members, retirees, and beneficiaries were based on the following:

Depositing members – 135% of the Pub-2010 General Employees Amount-Weighted Mortality Table for males and 120% of the Pub-2010 General Employees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.

Service retirees, beneficiaries and non-depositing members – 135% of the Pub-2010 General Retirees Amount-Weighted Mortality Table for males and 120% of the Pub-2010 General Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.

Disabled retirees – 160% of the Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for males and 125% of the Pub-2010 General Disable Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.

All actuarial assumptions that determined the total pension liability as of December 31, 2022, were based on the results of an actuarial experience study for the period January 1, 2017, through December 31, 2020, except where required to be different by GASB 68. The assumptions are reviewed annually for continued compliance with the relevant actuarial standards of practice.

Long-term Expected Rate of Return. The long-term expected rate of return on pension plan investments is 7.6%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TCDRS Board of Trustees. The application of the investment return assumptions was changed for purposes of determining plan liabilities at the March 2022 meeting. All plan liabilities are now valued using a 7.6% discount rate.

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

5. PENSION PLAN (CONTINUED)

The long-term expected rate of return on TCDRS is determined by adding inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions and information below are based on January 2023 information for a 10-year time horizon. The valuation assumption for long-term expected return is reassessed at a minimum of every four years and the TCDRS Board of Trustees adopted the current assumption at their March 2021 meeting. The target allocation and best estimates of geometric real rates return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Expected Return
US Equities	11.5%	4.95%
Global Equities	2.5%	4.95%
International Equities - Developed Markets	5.0%	4.95%
International Equities - Emerging Markets	6.0%	4.95%
Investment-Grade Bonds	3.0%	2.40%
Strategic Credit	9.0%	3.39%
Direct Lending	16.0%	6.95%
Distressed Debt	4.0%	7.60%
REIT Equities	2.0%	4.15%
Master Limited Partnerships	2.0%	5.30%
Private Real Estate Partnerships	6.0%	5.70%
Private Equity	25.0%	7.95%
Hedge Funds	6.0%	2.90%
Cash	2.0%	0.20%
	<u>100.0%</u>	

Discount Rate

The discount rate is the single rate of return that, when applied to all projected benefit payments, results in an actuarial present value of projected benefit payments equal to the sum of:

1. The actuarial present value of benefit payments projected to be made in future periods where the plan assets are projected to be sufficient to meet benefit payments, calculated using the Long-Term Expected Rate of Return.
2. The actuarial present value of projected benefit payments not included in (1), calculated using the Municipal Bond Rate.

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023****5. PENSION PLAN (CONTINUED)**

Therefore, if plan investments in a given future year are greater than projected benefit payments in that year and are invested such that they are expected to earn the long-term rate of return, the discount rate applied to projected benefit payments in that year should be the long-term expected rate of return on plan investments. If future years exist where this is not the case, then an index rate reflecting the yield on a 20-year, tax-exempt municipal bond should be used to discount the projected benefit payments for those years. The discount rate used is 7.60%.

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension Liability
Balance as of December 31, 2021	\$ 460,910	\$ 440,559	\$ 20,351
Changes for the year:			
Service cost at the end of the year	125,387	-	125,387
Interest on TOL and cash flows	44,440	-	44,440
Effect of economic/demographic gains or losses	(6,656)	-	(6,656)
Refund of contributions	(1,749)	(1,749)	-
Benefit Payments	(1,424)	(1,424)	-
Administrative expenses	-	(331)	331
Member contributions	-	57,626	(57,626)
Net investment income	-	(37,890)	37,890
Employer contributions	-	87,015	(87,015)
Other	-	20,284	(20,284)
Balance as of December 31, 2022	<u>\$ 620,908</u>	<u>\$ 564,090</u>	<u>\$ 56,818</u>

Sensitivity Analysis

The following presents the net pension liability calculated using the discount rate of 7.60%, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower, or 1 percentage point higher than the current rate.

	1% Decrease (6.60%)	Discount Rate (7.60%)	1% Increase (8.60%)
District's proportionate share of the net pension liability (asset)	<u>\$ 175,409</u>	<u>\$ 56,818</u>	<u>\$ (39,875)</u>

TCDRS Pension liability, expense, and related deferred outflows of resources and deferred inflows of resources

At December 31, 2023 the District reported a liability of \$56,818. The net pension liability was measured as of December 31, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022.

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

5. PENSION PLAN (CONTINUED)

For the year ended December 31, 2023 the District recognized a pension expense of \$64,088. At December 31, 2023, the District reported deferred outflows and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 18,849	\$ 9,806
Changes of assumptions	20,455	-
Net difference between projected and actual earnings on pension plan investments	33,982	-
District contributions made subsequent to the measurement date	100,636	-
Total	<u>\$ 173,922</u>	<u>\$ 9,806</u>

The \$100,636 reported as deferred outflows of resources related to the pension liability, resulting from District contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

<u>Year Ended December 31:</u>	<u>Pension Expense</u>
2024	\$ 10,975
2025	11,413
2026	11,419
2027	20,579
2028	5,104
Thereafter	3,990
Total	<u>\$ 63,480</u>

6. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft, damage or destruction of assets, errors and omissions, injuries to employees, and natural disasters. During the year, the District obtained liability coverage to address this risk.

7. ESTIMATES

The preparation of financial statements in accordance with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

8. RESTATEMENT OF FUND BALANCE/NET POSITION

During the fiscal year ended December 31, 2022, the District identified and corrected certain reporting and accounting errors in previously issued financial statements. In addition, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITAs), which required changes in accounting treatment for certain IT subscription contracts. As a result of these corrections and the implementation of GASB 96, the beginning fund balance and beginning net position as of January 1, 2022 are as follows.

The District identified the Standby Fund amounting to \$99,478 and the Road Fund amounting to \$815,018 were previously reported as major governmental funds. It was determined that these funds should not have been classified as major. As a result, both funds were reclassified into the General Fund, totaling \$914,496.

The District identified the Debt Service Fund amounting to \$2,353,398 and the Capital Projects Fund amounting to \$5,113,485 were previously reported as major proprietary funds. It was determined that these funds should not have been classified as major. As a result, both funds were reclassified into the Water Wastewater Fund, totaling \$7,466,883.

During the fiscal year, the District changed its allowance methodology to align with recent collection trends. As a result, beginning net position for Governmental Activities was restated by \$740,976.

As a result of the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, the Water Wastewater Fund net position increased by \$13,745.

The following is a summary of the adjustments for the restatement of beginning fund balance and beginning net position:

	12/31/2022 As Previously Reported	Reclassification of Funds	Change in Allowance Methodology	Implementation of GASB 96	12/31/2022 As Restated
Government-wide					
Governmental Activities	\$ 1,197,508	\$ -	\$ 740,976	\$ -	\$ 1,938,484
Business-type Activities	6,898,759	-	-	13,745	6,912,504
Total primary government	<u>\$ 8,096,267</u>	<u>\$ -</u>	<u>\$ 740,976</u>	<u>\$ 13,745</u>	<u>\$ 8,850,988</u>
Governmental funds					
Major funds:					
General Fund	\$ -	\$ 914,496	\$ -	\$ -	\$ 914,496
Standby Fund	99,478	(99,478)	-	-	-
Road Fund	815,018	(815,018)	-	-	-
Total governmental funds	<u>\$ 914,496</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 914,496</u>
Proprietary funds					
Major funds:					
Water Wastewater Fund	\$ (568,124)	\$ 7,466,883	\$ -	\$ 13,745	\$ 6,912,504
Debt Service	2,353,398	(2,353,398)	-	-	-
Capital Projects	5,113,485	(5,113,485)	-	-	-
Total proprietary funds	<u>\$ 6,898,759</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,745</u>	<u>\$ 6,912,504</u>

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

9. Subsequent Events

The District has evaluated subsequent events as of October 14, 2025, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
GOVERNMENTAL FUND
BUDGET TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES				
Standby charges	\$ 3,444	\$ 3,444	\$ 1,000	\$ (2,444)
Road assessment fees	1,386,896	1,386,896	1,331,725	(55,171)
Investment earnings	-	-	8,757	8,757
Total revenues	1,390,340	1,390,340	1,341,482	(48,858)
EXPENDITURES				
Current:				
General government	387,906	387,906	307,009	80,897
Public works	246,652	246,652	461,238	(214,586)
Capital expenditures	1,286,696	1,286,696	1,307,251	(20,555)
Total expenditures	1,921,254	1,921,254	2,075,498	(154,244)
Excess (deficiency) of revenues over expenditures	(530,914)	(530,914)	(734,016)	(203,102)
OTHER FINANCING SOURCES (USES)				
Appropriated fund balance	530,914	530,914	-	(530,914)
Total other financing sources (uses)	530,914	530,914	-	(530,914)
Net change in fund balance	\$ -	\$ -	\$ (734,016)	\$ (734,016)

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2**TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM (TCDRS)
SCHEDULE OF DISTRICT CONTRIBUTIONS
FOR THE YEAR ENDED DECEMBER 31, 2023**

SCHEDULE OF DISTRICT CONTRIBUTIONS ⁽¹⁾

Year Ending December, 31	Actuarially Determined Contribution ⁽¹⁾	Actual Employer Contribution ⁽¹⁾	Contribution Deficiency (Excess)	Pensionable Covered Payroll ⁽²⁾	Actual Contribution as a % of Covered Payroll
2018	\$ 36,853	\$ 36,853	\$ -	\$ 518,328	7.1%
2019	45,191	45,191	-	635,593	7.1%
2020	51,494	51,494	-	679,341	7.6%
2021	64,303	64,303	-	745,115	8.6%
2022	87,015	87,015	-	823,222	10.6%
2023	100,636	100,636	-	972,332	10.4%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

⁽¹⁾ TCDRS calculates actuarially determined contributions on a calendar year basis. GASB Statement No. 68 indicates the employer should report employer contribution amounts on a fiscal year basis.

⁽²⁾ Payroll is calculated based on contributions as reported to TCDRS

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM (TCDRS) SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS FOR THE YEAR ENDED DECEMBER 31, 2023

Schedule of Changes in Net Pension Liability and Related Ratios

	Year Ended December 31,				
	2022	2021	2020	2019	2018
Total Pension Liability					
Service cost	\$ 125,387	\$ 111,408	\$ 73,365	\$ 58,854	\$ 59,781
Interest on total pension liability	44,440	32,859	18,552	9,613	4,842
Effect of plan changes	-	-	33,895	19,212	-
Effect of assump. changes or inputs	-	3,375	26,888	-	-
Effect of economic/demographic (gains) or losses	(6,655)	(1,980)	19,952	9,983	(4,796)
Benefit payments/refunds	(3,174)	(11,191)	(3,702)	-	-
Net change in total pension liability	159,998	134,471	168,950	97,662	59,827
Total pension liability, beginning	460,910	326,439	157,489	59,827	-
Total pension liability, ending (a)	620,908	460,910	326,439	157,489	59,827
Fiduciary Net Position					
Employer contributions	87,015	64,303	51,494	45,191	36,853
Member contributions	57,626	52,158	40,760	31,780	25,916
Investment income net of inv exp	(37,890)	69,797	16,239	10,643	701
Benefit payments/refunds	(3,174)	(11,191)	(3,702)	-	-
Administrative expenses	(331)	(238)	(192)	(118)	(52)
Other	20,285	3,055	2,636	2,656	1,870
Net change in fiduciary net position	123,531	177,884	107,235	90,152	65,288
Fiduciary net position, beginning	440,559	262,675	155,440	65,288	-
Fiduciary net position, ending (b)	564,090	440,559	262,675	155,440	65,288
NPL / (asset), ending = (a) - (b)	\$ 56,818	\$ 20,351	\$ 63,764	\$ 2,049	\$ (5,461)
Fiduciary net position as a % of total pension liability	90.85%	95.58%	80.47%	98.70%	109.13%
Pensionable covered payroll	\$ 823,222	\$ 745,115	\$ 679,341	\$ 635,593	\$ 518,328
NPL/(asset) as % of covered payroll	6.90%	2.73%	9.39%	0.32%	-1.05%

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 67/68, they should not be shown here. Therefore, we have shown only years for which the new GASB statements have been implemented.

Data is based on actuarial valuation performed as of December 31, 2022 pursuant to Governmental Accounting Standards Board 68. Results are presented as of December 31, 2022 (Measurement Date) and are reported as of December 31, 2023.

**TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
SUPPLEMENTARY INFORMATION**

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

**INDEX OF SUPPLEMENTAL SCHEDULES REQUIRED
BY THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
FOR THE YEAR ENDED DECEMBER 31, 2023**

(Schedules included are checked; explanatory notes are provided for omitted schedules).

☒ Schedule of Services and Rates

☒ Schedule of General Fund Expenditures

☒ Temporary Investments

☐ Analysis of Taxes Levied and Receivable

- None

☒ General Long Term Debt Service Requirements by Years

☒ Analysis of Changes in General Long Term Debt

☒ Comparative Schedule of Revenues and Expenditures – All Funds

☒ Board Members, Key Personnel, and Consultants

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

SERVICES AND RATES DECEMBER 31, 2023

1. Services Provided by the District:

- a.) Retail Water
- b.) Retail Wastewater
- c.) Roads

2. Retail Rates Based on 5/8" Meter

Service	Minimum Charge	Minimum Usage	Flate Rate	Rate per first 1000 Gallons Over Minimum	Rate per add'l 1000 Gallons Over Minimum
Water	\$ 35.53	-	No	\$ 4.87	\$4.87-8.18
Wastewater	\$ 90.00	-	Yes	\$ -	\$ -
Surcharge	\$ 8.50	-	Yes	\$ -	\$ -

Total water and wastewater charges per 10,000 gallons usage: \$ 101.44

3. Retail Service Provided:

Number of retail water and/or wastewater connections.

	Active Connections	Active ESFC	Inactive Connections (ESFC)
Single Family & Total	2,256	2,256	-

4. Total Water Consumption During the Fiscal Year:

- a.) Gallons pumped into system: 162,114,857
- b.) Gallons billed to customers: 152,524,635

5. Standby Fees:

The District ceased assessing standby fees after 2017.

6. Anticipated sources of funds to be used for debt service payments:

Water & Wastewater Revenue

7. Location of District:

The District is located entirely within Bastrop County.

The District is located partially within the City of Bastrop.

The District is located partially within the City of Bastrop ETJ.

The general membership of the Board is not appointed by an office outside the District.

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2**SCHEDULE OF EXPENSES BY FUND
DECEMBER 31, 2023**

	Water Wastewater Fund	General Fund
Personnel (including benefits)	<u>\$ 1,013,913</u>	<u>\$ 340,364</u>
Professional Fees		
Audit	32,588	11,400
Engineering	42,200	20,167
Legal	27,863	29,652
Accounting	5,730	4,542
	<u>108,381</u>	<u>65,761</u>
Contracted Services		
Repairs	<u>98,123</u>	<u>-</u>
Administrative		
Directors	-	-
Insurance	32,269	-
Office supplies	122,619	36,834
	<u>154,888</u>	<u>36,834</u>
Maintenance		
Operations	406,575	204,414
Repairs and manintenance	437,021	120,874
Supplies	157,360	-
	<u>1,000,956</u>	<u>325,288</u>
Capital expenditures	<u>-</u>	<u>1,307,251</u>
Depreciation	<u>895,245</u>	<u>-</u>
Interest	<u>428,163</u>	<u>-</u>
TOTAL EXPENDITURES	<u><u>\$ 3,699,669</u></u>	<u><u>\$ 2,075,498</u></u>

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2**TEMPORARY INVESTMENTS
DECEMBER 31, 2023**

Fund	Identification or Certificate Number	Interest Rate	Maturity Date	Balance at End of Year	Accrued Interest Receivable at End of Year
Water Wastewater Fund					
Money Market	2065076	Variable	N/A	\$ 146,932	\$ -
Money Market	573543	Variable	N/A	346,167	-
State Investment Pool	7966400002	Variable	N/A	1,236,964	-
Money Market	831041	Variable	N/A	87,911	-
Money Market	2134385	Variable	N/A	122,916	-
State Investment Pool	7966400001	Variable	N/A	214,762	-
State Investment Pool	7966400004	Variable	N/A	310,182	-
State Investment Pool	7966400005	Variable	N/A	4,901,301	-
State Investment Pool	7966400006	Variable	N/A	2,405,665	-
				<u>\$ 9,772,800</u>	<u>\$ -</u>

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2**LONG-TERM DEBT SERVICE REQUIREMENTS
DECEMBER 31, 2023**

ANNUAL REQUIREMENTS FOR SERIES 2016			
Due During Fiscal Years Ending	Total Principal Due	Total Interest Due	Total Principal and Interest Due
2024	\$ 295,000	\$ 77,833	\$ 372,833
2025	305,000	73,659	378,659
2026	315,000	68,977	383,977
2027	325,000	63,843	388,843
2028	335,000	58,269	393,269
2029	345,000	52,272	397,272
2030	355,000	45,907	400,907
2031	365,000	39,198	404,198
2032	380,000	32,135	412,135
2033	390,000	24,630	414,630
2034	405,000	16,791	421,791
2035	415,000	8,549	423,549
	<u>\$ 4,230,000</u>	<u>\$ 562,063</u>	<u>\$ 4,792,063</u>

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2**LONG-TERM DEBT SERVICE REQUIREMENTS
DECEMBER 31, 2023**

ANNUAL REQUIREMENTS FOR SERIES 2021			
Due During Fiscal Years Ending	Total Principal Due	Total Interest Due	Total Principal and Interest Due
2024	\$ 445,000	\$ 103,513	\$ 548,513
2025	450,000	95,725	545,725
2026	460,000	87,850	547,850
2027	470,000	79,800	549,800
2028	480,000	71,575	551,575
2029	490,000	63,175	553,175
2030	495,000	54,600	549,600
2031	505,000	45,938	550,938
2032	515,000	37,100	552,100
2033	525,000	28,088	553,088
2034	535,000	18,900	553,900
2035	545,000	9,538	554,538
	<u>\$ 5,915,000</u>	<u>\$ 695,802</u>	<u>\$ 6,610,802</u>

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2**LONG-TERM DEBT SERVICE REQUIREMENTS
DECEMBER 31, 2023**

ANNUAL REQUIREMENTS FOR SERIES 2023			
Due During Fiscal Years Ending	Total Principal Due	Total Interest Due	Total Principal and Interest Due
2024	\$ 200,000	\$ 128,571	\$ 328,571
2025	210,000	120,290	330,290
2026	220,000	109,307	329,307
2027	230,000	97,801	327,801
2028	240,000	85,772	325,772
2029	255,000	73,220	328,220
2030	265,000	59,884	324,884
2031	280,000	46,024	326,024
2032	295,000	31,380	326,380
2033	305,000	15,948	320,948
	<u>\$ 2,500,000</u>	<u>\$ 768,197</u>	<u>\$ 3,268,197</u>

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2**LONG-TERM DEBT SERVICE REQUIREMENTS
DECEMBER 31, 2023**

ANNUAL REQUIREMENTS FOR ALL SERIES			
Due During Fiscal Years Ending	Total Principal Due	Total Interest Due	Total Principal and Interest Due
2024	\$ 940,000	\$ 309,917	\$ 1,249,917
2025	965,000	289,674	1,254,674
2026	995,000	266,134	1,261,134
2027	1,025,000	241,444	1,266,444
2028	1,055,000	215,616	1,270,616
2029	1,090,000	188,667	1,278,667
2030	1,115,000	160,391	1,275,391
2031	1,150,000	131,160	1,281,160
2032	1,190,000	100,615	1,290,615
2033	1,220,000	68,666	1,288,666
2034	940,000	35,691	975,691
2035	960,000	18,087	978,087
	<u>\$ 12,645,000</u>	<u>\$ 2,026,062</u>	<u>\$ 14,671,062</u>

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

ANALYSIS OF CHANGES IN GENERAL LONG-TERM DEBT YEAR ENDED DECEMBER 31, 2023

	Series 2016	Series 2021	Series 2023	Totals
Interest Rate	1.15 - 4.12%	1.75%	5.23%	
Dates Interest Payable	6/1 : 12/1	6/1 : 12/1	6/1 : 12/1	
Maturity Dates	12/31/2035	12/31/2035	12/31/2033	
Bonds at Beginning of Year	\$ 4,515,000	\$ 6,350,000	\$ -	\$ 10,865,000
Bonds Sold During the Year	-	-	2,500,000	2,500,000
Bonds Defeased During the Year	-	-	-	-
Retirements During the Year	(285,000)	(435,000)	-	(720,000)
Bonds at End of Year	<u>\$ 4,230,000</u>	<u>\$ 5,915,000</u>	<u>\$ 2,500,000</u>	<u>\$ 12,645,000</u>
Interest Paid During the Year	\$ 162,962	\$ 111,125	\$ -	\$ 274,087
Change in Accrued Interest	-	-	-	-
Interest Expense	<u>\$ 162,962</u>	<u>\$ 111,125</u>	<u>\$ -</u>	<u>\$ 12,645,000</u>
Paying Agent	TWDB			
	Revenue Bonds			
Bond Authority:				
Bonds	\$ 15,620,000 (a)			
Amount Issued	15,620,000			
Remaining to Be Issued	<u>\$ -</u>			
Cash and Temporary Investments balances as of December 31, 2023				\$ 10,287,539
Average annual debt service payment (principal & interest) for remaining term of all debt				\$ 1,222,589

(a) Since the District has no taxing authority, it has no specific standing authorization to issue bonds.

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES – WATER WASTEWATER FUND YEAR ENDED DECEMBER 31, 2023

	AMOUNTS					PERCENT OF FUND TOTAL REVENUE				
	2023 [1]	2022	2021	2020	2019	2023	2022	2021	2020	2019
REVENUES										
Water and Wastewater Service	\$ 2,775,188	\$ 2,700,659	\$ 2,365,053	\$ 2,375,667	\$ 2,121,670	68%	51%	46%	47%	50%
Tap Connection Fees	816,582	698,587	620,779	734,567	467,329	20%	13%	12%	15%	11%
Debt Service Reserve Fee	75,619	383,779	285,567	236,241	160,173	2%	7%	6%	5%	4%
Standby Charges [1]	-	3,240	14,741	15,790	3,407	0%	0%	0%	0%	0%
Road Assessment Fees [1]	-	1,393,043	1,576,034	1,260,055	1,328,741	0%	26%	31%	25%	31%
FEMA Grants	-	-	-	126,669	-	0%	0%	0%	3%	0%
Interest and Other	391,000	137,875	255,673	310,836	202,277	10%	3%	5%	6%	5%
TOTAL REVENUES	4,058,389	5,317,183	5,117,847	5,059,825	4,283,597	100%	100%	100%	100%	100%
EXPENDITURES										
Salary Allocation	1,013,913	1,281,686	1,078,540	989,473	900,443	25%	24%	21%	20%	21%
Operations	401,651	726,138	482,321	416,521	475,934	10%	14%	9%	8%	11%
Repairs and Maintenance	437,021	214,819	225,523	156,800	171,738	11%	4%	4%	3%	4%
Contract Services	98,123	16,100	62,100	800	65,725	2%	0%	1%	0%	2%
Consumable Supplies	157,360	393,211	284,826	177,737	171,221	4%	7%	6%	4%	4%
Professional Fees	108,381	365,490	360,179	237,017	300,740	3%	7%	7%	5%	7%
Office	122,619	171,300	99,523	101,759	102,046	3%	3%	2%	2%	2%
Insurance and Other	37,193	45,013	32,121	36,252	54,566	1%	1%	1%	1%	1%
Capital Expenditures [1]	-	695,927	806,976	849,021	182,148	0%	13%	16%	17%	4%
Depreciation / amortization	895,245	836,313	729,569	700,154	684,890	22%	16%	14%	14%	16%
Interest	428,163	318,204	175,747	180,999	185,349	11%	6%	3%	4%	4%
TOTAL EXPENDITURES	3,699,669	5,064,201	4,337,425	3,846,533	3,294,800	91%	95%	85%	76%	77%
Excess (Deficit) of										
Revenues over Expenditures	<u>\$ 358,720</u>	<u>\$ 252,982</u>	<u>\$ 780,422</u>	<u>\$ 1,213,292</u>	<u>\$ 988,797</u>	9%	5%	15%	24%	23%
TOTAL ACTIVE RETAIL										
WATER CONNECTIONS	2,256	2,187	2,087	2,053	1,964					
TOTAL ACTIVE RETAIL										
WASTEWATER CONNECTIONS	889	852	828	796	753					

[1] In 2023 the District identified the General Fund had been incorrectly comingled with the Water Wastewater Fund. The District has corrected this in 2023 by removing General Fund activity from this schedule.

BASTROP COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

BOARD MEMBERS, KEY PERSONNEL, AND CONSULTANTS DECEMBER 31, 2023

Complete District Mailing Address: P.O. Box 708, Bastrop, Texas 78602

District Business Telephone Number: (512) 321-1688

Submission Date of the most recent District Registration form February 21, 2025
(TWC Sections 36.054 and 49.054):

Limit on Fee of Office that a Director may received during a fiscal year: \$7,200
(Set by Board Resolution - TWC Section 49.060)

Names	Term of Office (Elected or Appointed) or Date of Hire	Fees of Office Paid* (FYE date)	Expense Reimburse- ments (FYE date)	Title at Year End
Directors				
Mary Beth O'Hanlon	Elected 5/22-5/26	\$ -	\$ -	President
Scott Ferguson	Elected 11/20-5/24	\$ -	\$ -	Vice-President
Michele Plummer	Elected 5/22-5/26	\$ -	\$ -	Secretary
Ron Whipple	Elected 11/20-5/24	\$ -	\$ -	Treasurer
Butch Carmack	Elected 5/22-5/26	\$ -	\$ -	Director
Key Administrative Personnel:				
Paul Hightower				
Tyler Walsh/Adam Brown				
Dale Culberson				
Consultants				
McLean & Howard		\$ -	\$ -	Attorney
SAMCO Capital Markets		\$ -	\$ -	Financial Advisor
Schaumburg & Polk		\$ -	\$ -	Engineer
West, Davis & Company		\$ -	\$ -	Auditor

Agenda

Item #9

Discussion regarding
renewal of District's
employee insurance
benefits

Medical Plan Options

Prepared For: Bastrop County WCID #2

THIS PROPOSAL IS ONLY A BRIEF SUMMARY AND IS NOT INTENDED TO BE A COMPLETE OUTLINE.

Effective Date: 12-1-2025

RATES ARE SUBJECT TO CHANGE PENDING FINAL ENROLLMENT.

		Blue Cross Blue Shield P621CHC		Blue Cross Blue Shield P621CHC		Blue Cross Blue Shield G9K8CHC		Blue Cross Blue Shield P903CHC	
		CURRENT		RENEWAL / OPTION 1		OPTION 2		OPTION 3	
Rates	Counts								
Single	10	\$1,087.39		\$1,222.16		\$1,050.01		\$1,193.65	
Employee + Spouse	0	\$2,174.78		\$2,444.32		\$2,100.02		\$2,387.30	
Employee + Child(ren)	3	\$2,174.78		\$2,444.32		\$2,100.02		\$2,387.30	
Family	4	\$3,262.17		\$3,666.48		\$3,150.03		\$3,580.95	
Estimated Annual Premium		\$365,363		\$410,646		\$352,803		\$401,066	
Estimated Monthly Premium		\$30,446.92		\$34,220.48		\$29,400.28		\$33,422.20	
Rate Change				12.4%		-3.4%		9.8%	
Deductible		In-Network	Out-of-Network	In-Network	Out-of-Network	In-Network	Out-of-Network	In-Network	Out-of-Network
Individual		\$1,250	\$2,500	\$1,350	\$2,700	\$1,050	\$2,100	\$1,000	\$2,000
Family		\$3,750	\$7,500	\$4,050	\$8,100	\$3,150	\$6,300	\$3,000	\$6,000
Coinsurance (Member Share)		0%	20%	0%	20%	20%	40%	20%	50%
Out-of-pocket Maximum									
Individual		\$1,250	Unlimited	\$1,350	Unlimited	\$6,300	Unlimited	\$3,000	Unlimited
Family		\$3,750	Unlimited	\$4,050	Unlimited	\$12,600	Unlimited	\$6,000	Unlimited
PCP/Specialist		\$25 / \$45	See full Summary of Benefits for a complete list of Out-Of-Network Coverage.	\$30 / \$55	See full Summary of Benefits for a complete list of Out-Of-Network Coverage.	\$55 / \$110	See full Summary of Benefits for a complete list of Out-Of-Network Coverage.	\$0 / \$40	See full Summary of Benefits for a complete list of Out-Of-Network Coverage.
Preventive Care		No Charge		No Charge		No Charge		No Charge	
Prescription Drugs									
Tier Costs		Pref Participating \$0/\$10/\$35/\$75 Participating \$10/\$20/\$55/\$95		Pref Participating \$0/\$10/\$35/\$75 Participating \$10/\$20/\$55/\$95		Pref Participating \$0/\$10/\$50/\$100 Participating \$10/\$20/\$70/\$120		Pref Participating \$0/\$10/\$50/\$100 Participating \$10/\$20/\$70/\$120	
Specialty Costs		\$150 / \$250		\$150 / \$250		\$150 / \$250		\$150 / \$250	
Emergency Room		\$400 + Ded		\$400 + Ded		\$600 + Ded + 20%		Ded + 20%	
Urgent Care		\$25		\$30		\$100		\$50	
Hospitalization		\$150 + Ded		\$150 + Ded		\$150 + Ded + 20%		Ded + 20%	

*Services provided from an out-of-network facility or provider during a true medical emergency may be covered under in-network benefit. Balance billing may occur.

**Prescription Drug Tiers do not include all prescription medication as exclusions do apply. Please verify benefits for medications with carrier.

Account Name:
BASTROP COUNTY WCID #2

Account Number: 252796
Agent: THE NITSCHKE GROUP, INC.

Renewal Effective Date: Dec 1, 2025
Rating Area: 3

	Current Plan	Renewal Plan
Plan ID	P621CHC	P621CHC
Metallic	Platinum	Platinum
Network Name	Blue Choice PPO	Blue Choice PPO
Deductible In-Network // Out-of-Network	\$1250//\$2500	\$1350//\$2700
Primary Care/Virtual Visit	\$25/\$25	\$30/\$30
Coinsurance In-Network // Out-of-Network	100%//80%	100%//80%
Out-of-Pocket Max In-Network // Out-of-Network	\$1250//Unlimited	\$1350//Unlimited
Specialist Office Visit	\$45	\$55
Non Preferred Pharmacy Copays	\$10/\$20/\$55/\$95/\$150/\$250	\$10/\$20/\$55/\$95/\$150/\$250

	Enrolled Count	Current Plan	Renewal Plan
Plan ID		P621CHC	P621CHC
Composite Rates - Medical	10	EO: \$1,087.39	EO: \$1,222.16
	0	ES: \$2,174.78	ES: \$2,444.32
	3	EC: \$2,174.78	EC: \$2,444.32
	4	EF: \$3,262.17	EF: \$3,666.48
Total Monthly Medical Premium		\$30,446.92	\$34,220.48

BCBS				TOTAL \$	EMP PD		BCBS	PLAN			TOTAL \$	EMP PD	EMP \$ PPP
EMP	1222.16	37.50	10	12221.6	750.00		EMP	1222.16	75.00	10	12221.6	1500.00	69.23
E/S	2444.32	75.00	0	0	0.00		E/S	2444.32	100.00	0	0	0.00	92.31
E/C	2444.32	75.00	3	7332.96	450.00		E/C	2444.32	100.00	3	7332.96	600.00	92.31
E/F	3666.48	150.00	4	14665.92	1200.00		E/F	3666.48	200.00	4	14665.92	1600.00	184.62
			TOTAL	34220.48	2400					TOTAL	34220.48	3700	
			DISTRICT MONTHLY	\$31,820.48						DISTRICT MONTHLY	\$30,520.48		
	CURRENT 2025:			\$30,446	2400	\$28,046							



Important news about your 2025 benefit rates

BASTROP COUNTY WATER CONTROL IMPROVEMENT DISTRICT #2 Policy 471711

As another plan year comes to a close, we'd like to thank you for being a Unum customer since 6/1/2017.

At your next renewal, you'll pay \$72.86 more per month for the Unum benefits you offer. Here are your renewal rates for 2025.

	Current rate	Renewal rate	Current premium*	New premium	Effective date	Guaranteed until
Long Term Disability Insurance	0.55	0.59	\$440.65	\$472.70	12/1/2025	12/1/2027
Short Term Disability Insurance	0.30	0.32	\$336.24	\$358.66	12/1/2025	12/1/2027
Life Insurance	0.27	0.29	\$248.40	\$266.80	12/1/2025	12/1/2027
AD&D Insurance	0.02	0.02	\$19.00	\$19.00	12/1/2025	12/1/2027

*Monthly premium based on current enrollment as of 7/1/2025.

Long, Short, Life and AD&D are all 100% District paid, +/- \$1,096 a month.
New rate will \$1,117 monthly.

COVERAGE

EFFECTIVE DATE

Dental Insurance			12/01/2025	
	CURRENT MONTHLY RATE		RENEWAL MONTHLY RATE	
<i>Employee</i>	\$23.06	\$5.00	\$25.14	\$10.00
<i>Employee + spouse</i>	\$45.10	\$10.00	\$49.16	\$15.00
<i>Employee + children</i>	\$58.06	\$10.00	\$63.29	\$15.00
<i>Employee + family</i>	\$86.60	\$10.00	\$94.39	\$20.00

DENTAL				TOTAL \$	EMP PD	DENTAL				TOTAL \$	EMP PD	EMP \$ PPP
EMP	25.14	5.00	8	201.12	80.00	EMP	25.14	10.00	8	201.12	160.00	9.23
E/S	49.16	10.00	1	49.16	20.00	E/S	49.16	15.00	1	49.16	30.00	13.85
E/C	63.29	10.00	3	189.87	60.00	E/C	63.29	15.00	3	189.87	90.00	13.85
E/F	94.39	10.00	5	471.95	100.00	E/F	94.39	20.00	5	471.95	200.00	18.46
			TOTAL	912.1	260				TOTAL	912.1	480	
			DISTRICT MONTHLY	\$652.10					DISTRICT MONTHLY	\$432.10		

Vision Insurance			12/01/2025	
	CURRENT MONTHLY RATE		RENEWAL MONTHLY RATE	
<i>Employee</i>	\$5.00		\$5.15	
<i>Employee + spouse</i>	\$9.99		\$10.29	
<i>Employee + children</i>	\$10.94		\$11.27	
<i>Employee + family</i>	\$17.17		\$17.69	

Vision for all employees is currently 100% District paid @ +/- \$175 a month.

Agenda

Item #10

Discussion & review
of proposed
FY 2026 Budget

BASTROP COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 2

Fiscal Year Budget Worksheet

	Water			
	2025	2025	2025	2026
	CYE			
	3rd Qtr	Budget	Variance	Proposed
Revenues:				
Irrigation-Usage	\$ 363	\$ 250	\$ 113	\$ 500
Water Late Charge Income	34,834	30,000	4,834	35,000
Water Line Bore	34,250	30,000	4,250	35,000
Capital Reserve Fee	234,111	210,000	24,111	235,000
Copies & Faxes	15	50	(36)	100
Interest-Bond	314,087	300,000	14,087	315,000
Maps Sold	25	100	(75)	100
Office Rents	7,200	7,200	-	7,200
Pools Fees	225	300	(75)	300
Reconnect Fee	23,150	20,000	3,150	23,000
TV Tap Fees	289,900	255,000	34,900	290,000
TV Water Sales	1,872,084	2,000,000	(127,916)	2,000,000
Interest-Investments	24,905	25,000	(95)	30,000
Other Miscellaneous Revenues	3,000	10,000	(7,000)	5,000
Proceeds From Sale	-	-	-	-
Backflow Inspections Collected	6,450	6,000	450	6,000
Returned Check Fee	1,410	3,000	(1,590)	3,000
Total Revenues	\$ 2,846,009	\$ 2,896,900	\$ (50,891)	\$ 2,985,200

Expenditures:

Payroll and Taxes

Salaries	\$ 450,174	\$ 500,000	\$ (49,826)	\$ 500,000
Holidays	43,174	50,000	(6,826)	45,000
Annual Leave	41,378	35,000	6,378	42,000
Sick	31,263	25,000	6,263	35,000
Over Time	20,435	25,000	(4,565)	20,000
On Call Pay	5,689	10,000	(4,311)	7,000
Double Time	3,106	5,000	(1,894)	3,500
Personal Time	4,021	4,250	(229)	4,000
Bereavement	1,353	2,500	(1,147)	2,000
Birthday Pay	3,471		3,471	3,500
Jury Duty Pay	75	300	(225)	300
Longevity Pay	3,170	12,680	(9,510)	11,000
FICA Taxes	66,660	20,000	46,660	60,000
FUTA	1,589	2,250	(661)	2,000
SUI	3,773	5,000	(1,227)	4,000
Total Payroll and Taxes	\$ 679,332	\$ 696,980	\$ (17,648)	\$ 739,300

BASTROP COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 2

Fiscal Year Budget Worksheet

	Water			
	2025	2025	2025	2026
	CYE			
	3rd Qtr	Budget	Variance	Proposed
<u>Benefits and Insurance</u>				
Retirement-Life	\$ 184,318	\$ 140,000	\$ 44,318	\$ 170,000
Health Insurance-Other Medical	39,981	32,400	7,581	40,000
Insurance-Dental	13,126	13,000	126	13,000
Insurance-Life	4,774	10,000	(5,226)	7,000
Insurance-Medical	466,175	378,400	87,775	450,000
Insurance-Vision	3,423	4,000	(577)	4,000
Medical	11,388	20,000	(8,612)	-
Workers' Compensation	2,500	10,000	(7,500)	5,000
Total Benefits and Insurance	\$ 726,113	\$ 608,300	\$ 117,813	\$ 689,500
<u>Administrative:</u>				
ProfServ-IT Services - Water	\$ 22,134	\$ 15,000	\$ 7,134	\$ 15,000
Meter Reading Software Fee	29,936	-	29,936	30,000
ProfServ-Answering Service	4,670	4,100	570	2,500
Payroll Processing Fee	4,048	4,000	48	4,000
Cleaning-Office	3,419	3,500	(81)	3,500
Pest Control	1,657	2,500	(843)	3,000
Legal Fees	12,075	15,000	(2,925)	14,000
Accounting System (MIP)	2,685	1,000	1,685	7,500
Investment Management Fee	1,525	1,500	25	1,000
Auditing Services	78,658	15,000	63,658	20,000
Security Agreement	1,090	1,000	90	1,200
Maint Agreement-Billing System	33,212	35,000	(1,788)	35,000
Insurance-Property	1,625	6,500	(4,875)	6,500
Insurance-General Liability	375	1,500	(1,125)	2,000
Insurance-Vehicle	500	2,000	(1,500)	5,000
Insurance-E&O	300	1,200	(900)	2,000
Insurance-Wells	1,875	7,500	(5,625)	5,000
Insurance-Bonding	188	750	(563)	750
Insurance-Misc	8,083	100	7,983	100
Travel-Air	1,719	5,000	(3,281)	5,000
Travel-Lodging	3,872	4,500	(628)	4,500
Travel-Meals	1,305	2,500	(1,195)	2,500
Travel-Rental Car	612	1,000	(388)	500
Communication-Telephone	8,186	7,500	686	7,500

BASTROP COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 2

Fiscal Year Budget Worksheet

	Water			
	2025	2025	2025	2026
	CYE			
	3rd Qtr	Budget	Variance	Proposed
Electricity-Office Bldg	\$ 3,679	\$ 4,500	\$ (821)	\$ 4,000
Postage and Freight	16,017	13,000	3,017	13,000
Communication/Radios	2,064	5,000	(2,936)	5,000
Fax	25	100	(75)	100
Office Supplies	9,747	10,000	(253)	10,000
Printing	4,472	5,000	(528)	5,000
Advertising	188	750	(563)	500
Internet Services	6,374	4,500	1,874	6,000
Misc. Licenses & Permits	125	500	(375)	500
Misc-Credit Card Fees	53,765	50,000	3,765	50,000
Bank Fees	4,648	15,000	(10,352)	10,000
Misc-Late Fees	250	1,000	(750)	500
Mileage Reimbursement	759	1,500	(741)	1,500
Vehicle Usage	250	1,000	(750)	1,000
Pre-Employment Screening	685	1,000	(315)	1,000
Public Notice	1,074	2,500	(1,426)	2,000
Dues, Licenses, Subscriptions	5,157	5,000	157	5,000
Computer Supplies / Equipment	3,544	5,000	(1,456)	5,000
Computer Expense	12,366	20,000	(7,634)	20,000
Office Equipment Lease (delete)	19,838	12,000	7,838	-
Janitorial Supplies	63	250	(188)	250
Misc. Office	250	1,000	(750)	1,000
Election Costs	375	1,500	(1,125)	1,500
Education/Training	1,258	6,000	(4,742)	3,000
Total Other Administrative	\$ 372,747	\$ 305,775	\$ 68,997	\$ 325,926
Operations				
Yard Maintenance-Mowing	\$ 17,568	\$ 9,000	\$ 8,568	8,500
Labor-Service Lines & Taps	12,500	50,000	(37,500)	10,000
Fuel, Gasoline and Oil	34,088	40,000	(5,912)	40,000
Garbage Removal	4,482	3,000	1,482	4,000
Electricity-Wells	61,866	50,000	11,866	55,000
Electricity-Maint Bldg	3,789	4,000	(211)	4,000
Cleaning-Maint Bldg	1,250	5,000	(3,750)	5,000
Equipment Rental	11,750	15,000	(3,250)	10,000
R&M-Equipment	38,851	40,000	(1,149)	40,000
R&M-Well Maintenance	34,457	25,000	9,457	25,000
R&M-Vehicles	28,893	35,000	(6,107)	30,000

BASTROP COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 2

Fiscal Year Budget Worksheet

	Water			
	2025	2025	2025	2026
	CYE			
	3rd Qtr	Budget	Variance	Proposed
Repairs-Contracted	\$ 15,965	\$ 50,000	\$ (34,035)	\$ 5,000
Contract Labor	12,420	500	11,920	500
R&M-Backflow Inspection	1,250	5,000	(3,750)	5,000
Building Maintenance & Repairs	5,770	20,000	(14,230)	10,000
Water Samples	4,822	-	4,822	5,000
Water Well Admin Service Fee	16,888	10,000	6,888	15,000
TCEQ Fees	5,000	20,000	(15,000)	10,000
Damage Claim	7,545	5,000	2,545	5,000
Filing Fees	125	500	(375)	500
Meter Testing	63	250	(188)	250
License	1,369	2,500	(1,131)	2,500
OP Supplies-Hand Tools	3,625	5,000	(1,375)	5,000
OP Supplies-Uniforms	7,853	10,000	(2,147)	10,000
Meters & Supplies	60,302	25,000	35,302	25,000
OP Supplies-Chemicals	27,969	25,000	2,969	30,000
Safety Supplies	13,590	7,000	6,590	7,000
Small Equipment Purchase	5,984	5,000	984	5,000
Materials	77,979	75,000	2,979	70,000
Materials-Hauling	1,250	5,000	(3,750)	-
Miscellaneous Services	4,185	2,500	1,685	2,000
Activated Carbon - Water	49,395	-	49,395	50,000
Depreciation Expense	68,750	275,000	(206,250)	150,000
Total Operations	\$ 643,616	\$ 826,275	\$ (180,634)	\$ 646,276
Total Expenses	\$ 2,421,809	\$ 2,437,330	(\$11,471)	\$2,401,002
Net Ordinary Income	\$ 424,200	\$ 459,570	(\$39,420)	\$584,198
Debt Service				
Interest Expense Bonds	\$ 155,870	\$ 150,000	\$ 5,870	\$ 87,850
2023 Bond Debt Service	210,000	65,000	(32,500)	220,000
2021 Bond Debt Service	450,000	110,400	(55,200)	460,000
Total Debt Service	\$ 815,870	\$ 325,400	\$ (81,830)	\$ 767,850

BASTROP COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 2

Fiscal Year Budget Worksheet

	Water			
	2025	2025	2025	2026
	CYE			
	3rd Qtr	Budget	Variance	Proposed
<u>Capital Outlay/Projects</u>				
Capital Outlay	\$ 175,807	\$ -	\$ 175,807	\$ -
Capital Outlay-Culverts	25,000	100,000	(75,000)	-
Capital Outlay - Line Extension	23,250	45,000	(21,750)	-
Capital Outlay - Water Tank	22,500	90,000	(67,500)	123,200
Capital Outlay -Water Wells	30,022	25,000	5,022	-
Capital Outlay - Buildings	73,172	5,000	68,172	-
Capital Outlay - Equipment	46,500	-	46,500	-
Capital Outlay - Vehicles	110,176	-	110,176	-
Total Capital Outlay Projects	\$ 506,428	\$ 265,000	\$ 241,428	\$ 123,200
Revenue Over (Under) Expenditures	\$ (898,099)	\$ (130,830)	(\$199,019)	(\$306,852)

BASTROP COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 2

Fiscal Year Budget Worksheet

Wastewater

	2025 CYE	2025	2025	2026
	3rd Qtr	Budget	Variance	Proposed
Revenues:				
Wastewater Fees	\$ 890,090	\$ 850,000	\$ 40,090	\$ 900,000
Wastewater Tap Fees	417,975	400,000	17,975	450,000
Wastewater Bore	21,500	20,000	1,500	22,000
Commercial Fees	33,670	35,000	(1,330)	35,000
Debt Service Reserve Fee	93,094	85,000	8,094	90,000
Interest-Investments	29,741	60,000	(30,259)	60,000
Interest-Reserves	-	-	-	-
Total Revenues	\$ 1,486,071	\$ 1,450,000	\$ 36,071	\$ 1,557,000

Expenditures:**Administration**

Salaries & Wages - Wastewater	\$ 118,246	\$ 110,000	\$ 8,246	\$ 220,000
Holidays	8,918	5,000	3,918	12,000
Sick	7,253	4,000	3,253	10,000
Over Time	4,296	3,000	1,296	5,000
On Call Pay	1,047	1,000	47	2,000
Double Time	714	1,000	(286)	1,000
Medical	250	1,000	(750)	1,000
Workers' Compensation	1,250	5,000	(3,750)	5,000
ProfServ-IT Services - Wastewater	1,250	5,000	(3,750)	
Legal Fees	1,250	5,000	(3,750)	5,000
Accounting System (MIP)	2,660	900	1,760	7,500
Auditing Services	77,408	10,000	67,408	10,000
Cleaning-Office	3,369	3,300	69	3,300
Travel-Lodging	397	1,000	(603)	1,000
Travel-Rental Car	125	500	(375)	500
Travel-Meals	125	500	(375)	500
Communication-Telephone	625	2,500	(1,875)	2,500
Maint Agreement-Billing System	250	1,000	(750)	
Insurance-Property	250	1,000	(750)	1,000
Insurance-General Liability	250	1,000	(750)	1,000
Insurance-Vehicle	250	1,000	(750)	1,000
Insurance-E&O	250	1,000	(750)	1,000
Insurance-Misc.	250	1,000	(750)	1,000
Office Supplies	5,385	1,500	3,885	2,000
Education/Training	(408)	4,000	(4,408)	3,000
Total Administration	\$ 235,661	\$ 170,200	\$ 65,461	\$ 296,300

BASTROP COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 2

Fiscal Year Budget Worksheet

Wastewater

	2025 CYE	2025	2025	2026
	3rd Qtr	Budget	Variance	Proposed
Operations				
Yard Maintenance-Mowing	\$ 13,761	\$ 8,000	\$5,761	8,500
Contract Labor	15,340	40,000	(24,660)	20,000
Labor-Service Lines & Taps	5,000	20,000	(15,000)	10,000
Fuel, Gasoline and Oil	31,409	30,000	1,409	40,000
Electricity-Lift Station	5,731	6,000	(269)	6,000
Wastewater Service	190,670	185,000	5,670	190,000
Equipment Rental	625	2,500	(1,875)	2,500
R&M-Equipment	27,850	10,000	17,850	15,000
R&M-Lift Station-WW	8,191	10,000	(1,809)	10,000
R&M-Vehicles	17,812	20,000	(2,188)	15,000
Repairs & Maintenance	13,106	25,000	(11,894)	20,000
Grinder Pump Repair	73,651	40,000	33,651	40,000
Op & Maint-City	-	-	-	-
Tools And Equipment	625	2,500	(1,875)	2,000
Op Supplies - Hand Tools	375	1,500	(1,125)	1,500
Miscellaneous Services	250	1,000	(750)	1,000
TCEQ Fees	875	3,500	(2,625)	3,500
Filing Fees	988	750	238	750
Meter Testing	-	-	-	-
License	188	750	(563)	750
Lift Station Admin Service Fee	375	1,500	(1,125)	1,500
OP Supplies-Uniforms	1,664	1,000	664	1,500
Op Supplies -Chemicals	-	-	-	-
Safety Supplies	5,902	5,000	902	5,000
Small Equipment Purchase	6,848	1,000	5,848	1,500
Materials	53,159	75,000	(21,841)	70,000
Materials-Hauling	1,250	5,000	(3,750)	-
Total Operations	\$ 475,645	\$ 495,000	\$ (19,355)	\$ 466,000
Total Expenses	\$ 711,306	\$ 665,200	\$ 46,106	\$ 762,300
Net Ordinary Income	\$ 774,765	\$ 784,800	\$ (10,035)	\$ 794,700

BASTROP COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 2

Fiscal Year Budget Worksheet

Wastewater

	2025 CYE 3rd Qtr	2025 Budget	2025 Variance	2026 Proposed
Debt Service				
Interest Expense	\$ 73,659	\$ 165,000	(91,341)	\$ 69,000
2016 Bond Debt Service	305,000			315,000
Total Debt Service	\$ 378,659	\$ 165,000	(91,341)	\$ 384,000
Capital Outlay/Projects				
Capital Outlay - Systems	\$ 31,250	\$ 125,000	\$ (93,750)	\$ -
Capital Outlay - Equipment	14,118	-	14,118	-
Capital Outlay -Line Extensions	23,006	25,000	(1,994)	-
Capital Outlay-Grinder Pumps	219,205	125,000	94,205	150,000
Capital Outlay- Vehicles	96,059	-	96,059	-
Total Capital Outlay/Projects	\$ 287,579	\$ 275,000	108,638	\$ 150,000
Revenue Over (Under) Expenditures	\$ 108,527	\$ 344,800	\$ (27,332)	\$ 260,700

RESOLUTION NO. 2025-1016-01

RESOLUTION APPROVING COLLABORATION AGREEMENT WITH CITY OF AUSTIN RELATING TO AQUIFER STORAGE AND RECOVERY PROJECT

WHEREAS, Bastrop County Water Control and Improvement District No. 2 (the “*District*”) is a conservation and reclamation district, a body corporate and political subdivision of the State of Texas, created under Article XVI, Sec. 59 of the Texas Constitution, and the District operates under Chapters 49 and 51 of the Texas Water Code, as amended;

WHEREAS, Section 49.213 of the Texas Water Code authorizes a water district to contract with any public entity in the performance of any purpose or function permitted by a district;

WHEREAS, under Section 51.121 of the Texas Water Code, the District is authorized to provide for the protection, preservation, and restoration of the purity and sanitary condition of water within the state;

WHEREAS, the City of Austin intends to commence studies to investigate the feasibility of an aquifer storage and recovery project (the “*Project*”) pursuant to which the City would store drinking water from Austin’s water treatment plants within one or more aquifers located in Bastrop County for subject recovery;

WHEREAS, the Board of Directors of the District desires to ensure that the Project will not adversely impact the groundwater or water supplies utilized by the District for the provision of retail water service to District customers;

WHEREAS, the City of Austin has provided a Collaboration Agreement pursuant to which it shall share Project data with the District; and

WHEREAS, the Board of Directors of the District desires to approve the Collaboration Agreement in the form attached hereto.

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

Section 1. The facts and recitations in the preamble of this Resolution are hereby found and declared to be true and correct, and are incorporated by reference herein and expressly made a part hereof, as if copied verbatim.

Section 2. The Board of Directors of the District hereby approves the Collaboration Agreement in the form attached hereto, and authorizes execution of the agreement by the President or General Manager of the District.

Section 3. An executed copy of this Resolution shall be filed in the permanent records of the District.

PASSED AND APPROVED this ____ day of _____, 2025.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(SEAL)

Exhibit “A”
Collaboration Agreement for ASR Project

Agenda

Item #11

Discussion regarding
Collaboration Agreement
with the City of Austin

DRAFT ASR COLLABORATION AGREEMENT

In preparation for development of an agreement related to Austin Water's Planned Aquifer Storage & Recovery (ASR) Project in Bastrop, County, Texas

1) Definitions

- a) A 'stakeholder' refers to a party that is working to explore Austin's Aquifer Storage and Recovery (ASR) Project while representing the interests of their constituents. Stakeholders party to this agreement are listed in Section 2.
- b) A 'partner' refers to a party that is performing an action to support the ASR project and/or, via subsequent contractual agreements, may receive community benefits such as water supply from the ASR project. Partners may be identified in future contractual agreements.
- c) A 'technical representative' refers to a person affiliated with, employed by, or contracted by a partner or stakeholder who has at least a bachelor's degree in Engineering, Geology, or other related physical sciences or is a licensed water operator, and has related experience in aquifer science, hydrogeology, municipal water supply, water quality testing, or other related experiences.

2) Stakeholders

- a) City of Austin / Austin Water
- b) Aqua Water Supply Corporation
- c) City of Bastrop
- d) Bastrop County
- e) Lost Pines Groundwater Conservation District (LPGCD)
- f) City of Smithville
- g) Simsboro Aquifer Water Defense Fund (SAWDF)
- h) Bastrop County Water Control and Improvement District (WCID) #2
- i) Additional parties as needed

3) Background

- a) Austin's Aquifer Storage and Recovery (ASR) project is planned to store drinking water from Austin's water treatment plants. This water would be available under Austin's existing water rights and would be stored in the aquifer during periods when water is more plentiful, and returned to Austin's distribution system primarily during times of drought. Stored water would be treated as needed to be compatible with native groundwater and Austin's drinking water quality. After completing a desktop study that evaluated all major and minor aquifer systems within an eight county area based on hydrogeological, water quality, and implementation criteria, Austin Water has identified the Carrizo-Wilcox aquifer in northeastern Bastrop County as a feasible location for field testing and a potential ASR pilot project.

4) Collaboration Framework Assumptions

- a) The parties acknowledge that this agreement is a binding and enforceable contract unless it is specifically stated herein that a provision or section is not binding and enforceable. If at any point Austin Water determines that this project is not feasible or decides to formally terminate the ASR project this agreement will terminate. If the ASR project proceeds beyond field testing (Phase 1B) to subsequent phases, additional contractual agreements will be

developed to formalize roles, responsibilities, and obligations during future project phases between parties choosing to either continue as stakeholders or become partners.

- b) Austin Water provision of community benefits, including an education component and center and water supply, are contingent on successful completion of a full-scale City of Austin-owned and operated ASR project sized to meet Water Forward 2024 goals. Austin Water will use subsection “h” below to modify this agreement if the Water Forward goals change.
- c) City of Austin will not use eminent domain to acquire land in Bastrop County with regard to the ASR project discussed herein.
- d) Application to Texas Commission on Environmental Quality (TCEQ) for a Class V injection well permit will not proceed any sooner than the completion of Phase 1B.
- e) Parties signing a non-disclosure agreement will have the opportunity to review an unredacted version of Phase 1A desktop study materials.
- f) Austin Water will provide testing methods, protocols, data, results, and information to partners and stakeholders during Phase 1B Field Testing.
- g) Austin Water will not seek a groundwater permit from LPGCD.
- h) Upon agreement of all of the parties, this agreement can be modified.

5) Phase 1B Field Testing Collaboration Framework Components

- a) Communication Approach
 - i) Partners and stakeholders will collaborate on public communication of factual information related to the development of the project. Stakeholders will discuss project information in good faith and in an open, objective, and factual manner with their constituents or the public when presenting this project, addressing possible benefits and impacts.
 - ii) Partners and stakeholders will make Bastrop County residents aware of opportunities for engagement in the project through public meetings or forums, utility bill inserts, neighbor meetings, community events, online surveys, and other methods.
- b) Decision-Making Framework
 - i) Austin Water will form an Aquifer Storage and Recovery Technical Advisory Group to include stakeholders’ technical representatives, partners’ technical representatives, and independent technical experts to provide input on testing methods, protocols, data, results, and information and advise on the technical aspects of the ASR project from the beginning to the completion of Phase 1B Field Testing. The ASR Technical Advisory Group will provide input on criteria for success to move to subsequent project phases.
 - (1) Non-technical stakeholders and partners signing this agreement will be invited to attend these Technical Advisory Group meetings.
 - ii) At the completion of Phase 1B Field Testing, Austin Water will provide a written report including data, results, and information to summarize the findings of field testing and the work of the ASR Technical Advisory Group. This report will include a science-based recommendation from the ASR Technical Advisory Group on whether to move forward to the next project phase based on the criteria for success identified in Section 5b(i) and any potential adjustments that should be made to the project plan for the subsequent phase. Austin Water will contract with a research firm to conduct a survey of Bastrop

County residents regarding this ASR project and the results will be included in this report. This report will be posted on the ASR project webpage.

- (1) Austin Water will provide notice to partners and stakeholders at the end of Phase 1B Field Testing, allowing time for discussions, recommendations, and input.
- (2) Austin Water will hold a meeting with partners and stakeholders to discuss the written report. Austin Water will provide the report to partners and stakeholders two weeks in advance of the meeting.
- (3) Partners and stakeholders will have the opportunity to review the report and provide recommendations related to moving forward to Phase 2 piloting to Austin Water.
- iii) The science-based recommendations from the ASR Technical Advisory Group, Austin Water's project recommendations, and the recommendations from partners and stakeholders will be provided by Austin Water in a report to Austin City Council members, as has been requested by Bastrop County stakeholders.
- iv) Austin Water may end or pause the project in Bastrop County during Phase 1B Field Testing if Austin Water determines the project will not meet Water Forward project goals as referenced in Section 4a or other goals.
- v) Initiation of each phase of the project is contingent on Austin City Council approval, including authorization of required funding.
- c) ASR Project On-Ramps for Phase 2 Piloting
 - i) The ASR Technical Advisory Group will give input regarding on-ramps throughout Phase 1B and will review recommendations prior to moving forward to Phase 2 piloting in alignment with the decision-making framework described in Sections 5b(i) and 5b(ii).
 - (1) Phase 1A – Desktop Study
 - (a) Austin Water does not plan to proceed from Phase 1A to Phase 1B as it pertains to the Bastrop County wellfield until this agreement has been executed.
 - (2) Phase 1B – Field Testing
 - (a) Austin Water plans to make required adjustments to the pilot project plan based on field testing results and the recommendations from the ASR Technical Advisory Group described in 5b(ii) prior to proceeding from Phase 1B to Phase 2.
 - (b) Austin Water does not plan to proceed from Phase 1B to Phase 2 if Austin Water does not have the ability to achieve necessary real estate access and/or agreements.
 - (c) As appropriate, Austin Water will make an application to TCEQ for necessary authorization for Phase 2 ASR piloting at the successful conclusion of Phase 1B, after following the decision-making process outlined in Section 5b.
 - (3) Phase 2 – Pilot Testing
 - (a) Austin Water, partners, and stakeholders will develop additional contractual agreements to formalize roles, responsibilities, and obligations in future project phases as described in Section 4a.
- d) Phase 1B Field Testing
 - i) If the project proceeds to Phase 1B Field Testing, Austin Water will:
 - (1) Share information with and seek feedback from the ASR Technical Advisory Group regarding laboratory testing methods, protocols and test results related to City of

Austin finished water, core samples, and native groundwater samples, in alignment with the decision-making framework described in Sections 5b(i) and 5b(ii).

- (2) Drill two sampling wells. At least one sampling well will be converted into a monitoring well after the conclusion of Phase 1B. Subject to future land agreements, ownership of this monitoring well may be transferred to LPGCD to access and monitor the well if the ASR project does not proceed into future phases.
 - (3) Provide funding in an amount to be determined in a future contractual agreement to LPGCD to support sampling of neighboring wells.
 - (4) Develop a policy statement for the purposes of the potential ASR project in Bastrop County that addresses both regulated and unregulated contaminants.
- ii) If the project proceeds to Phase 1B Field Testing, Lost Pines Groundwater Conservation District will:
 - (1) Sample neighboring wells to monitor water levels and water quality. The area in which neighboring wells will be monitored will be determined through collaboration between partners, stakeholders, and technical experts via the ASR Technical Advisory Group.
 - iii) If the project proceeds to Phase 1B Field Testing, stakeholders will:
 - (1) Discuss project information in good faith and in an open, objective, and factual manner with their constituents or the public when presenting this project, addressing possible benefits and impacts,
 - (2) Make a recommendation about the future of the project after completion of Phase 1B Field Testing, and
 - (3) Take no action to prevent the completion of Phase 1B Field Testing without first raising concerns at a meeting of partners and stakeholders to discuss and address the concerns of the parties.
 - e) Phase 2 Pilot ASR project and Phase 3 Full-scale ASR Project
 - i) If the project proceeds to beyond Phase 1B Field Testing, Austin Water, partners, and stakeholders will develop additional contractual agreements to formalize roles, responsibilities, and obligations in future project phases as described in Section 4a and in alignment with the decision-making framework described in Section 5b.
- 6) General Provisions
 - a) Jurisdiction and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to any conflict of law principles. The exclusive venue for any dispute relating to this Agreement shall be in the state courts of Bastrop County, Texas.

7) Signatures

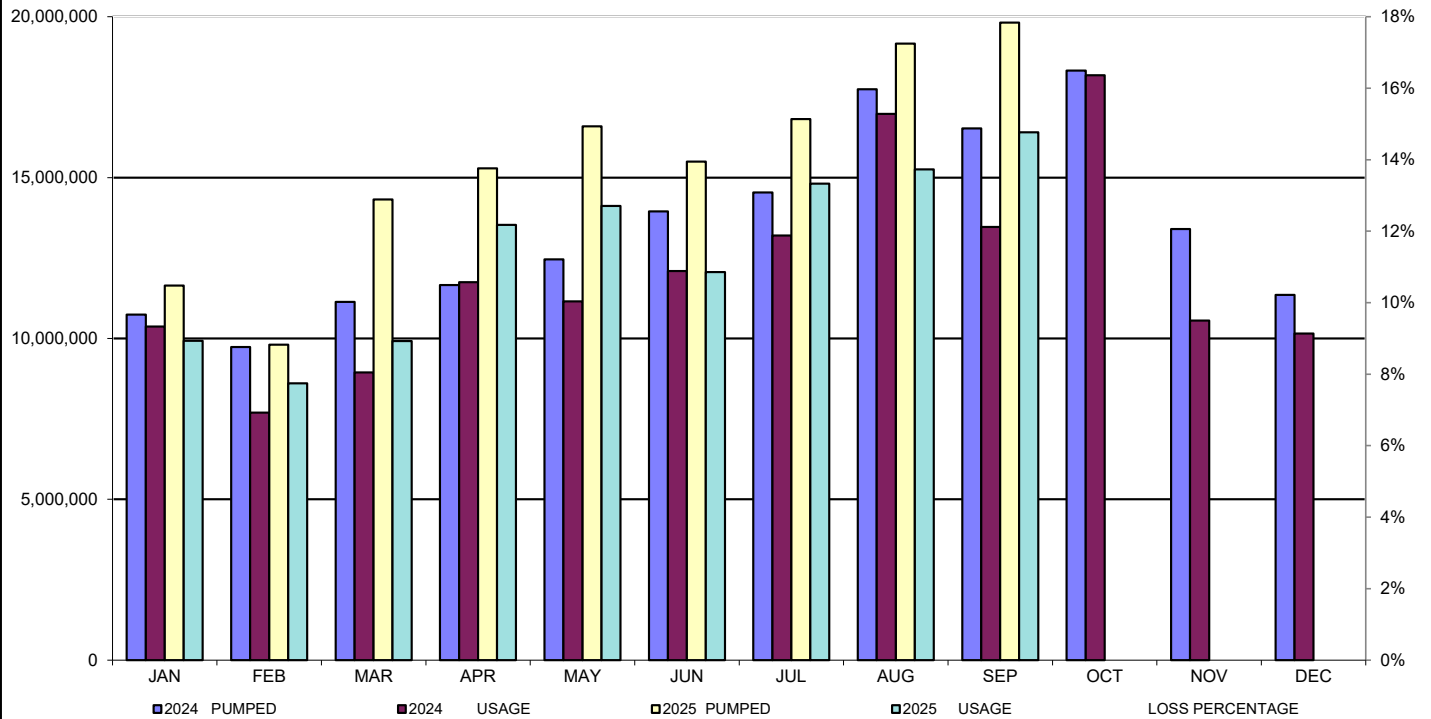
8) Attachments

- a) Overall Austin Water ASR Estimated Project Timeline as of April 2025
- b) Provisions for Future Phases

Misc Reports

Consumption Report

MONTH	2024 PUMPED WATER	2024 USAGE OF WATER	2025 PUMPED WATER	2025 USAGE OF WATER	2025 PUMPED UNBILLED	ACTIVE METERS	LOSS PERCENTAGE %
JAN	10,742,789	10,367,301	11,644,829	9,929,979	1,284,425	2,363	4%
FEB	9,733,921	7,695,855	9,804,440	8,605,351	714,200	2,366	5%
MAR	11,134,303	8,939,458	14,316,694	9,915,235	2,143,275	2,363	16%
APR	11,662,091	11,746,378	15,289,055	13,530,994	1,280,125	2,374	3%
MAY	12,460,572	11,151,158	16,589,422	14,115,350	1,109,000	2,381	8%
JUN	13,951,837	12,095,889	15,499,315	12,062,500	1,030,825	2,390	16%
JUL	14,534,984	13,196,265	16,816,336	14,814,711	966,300	2,402	6%
AUG	17,748,387	16,980,487	19,163,468	15,252,108	2,276,025	2,419	9%
SEP	16,524,854	13,461,341	19,816,181	16,404,569	2,328,725	2,420	5%
OCT	18,326,500	18,178,879					
NOV	13,401,272	10,553,461					
DEC	11,350,025	10,149,752					
TOTALS	161,571,535	144,516,224	138,939,740	114,630,797	13,132,900		8%



	----- ISSUED THIS PERIOD -----				----- PRIOR ORDERS -----			TOTAL	TOTAL
JOB CODE	ISSUED	COMPLETED	VOIDED	OUTSTANDING	COMPLETED	VOIDED	OUTSTANDING	COMPLETED	OUTSTANDING
ALARM SEWER ALARM	31	22	0	0	2,912	34	0	2,934	0
BROWN BROWN WATER	0	0	0	0	410	3	0	410	0
CHANG CHANGE SIGN	0	0	0	0	37	0	0	37	0
CULVE CULVERT PERMIT	0	0	0	0	523	11	0	523	0
FLUSH FLUSH WATER LINE	6	6	0	0	983	1	0	989	0
HWSAP METER HEAD SWAP	0	0	0	0	154	19	0	154	0
IRRIG IRRIGATION PERMIT	0	0	0	0	66	2	0	66	0
LEAK CHECK FOR LEAK	10	6	0	1	2,116	28	1	2,122	2
LKMTR LOCK MTR	0	0	0	0	242	76	0	242	0
LNLOC LINE LOCATE	0	0	0	0	269	5	0	269	0
METER MOVE METER CHARGE	0	0	0	0	7	8	0	7	0
MI METER INFORMATION	0	0	0	0	195	14	0	195	0
MISCE MISCELLANEOUS	4	3	0	1	3,582	193	9	3,585	10
MOW MOWING GRASS	0	0	0	0	279	1	0	279	0
OCC OCCUPANT CHANGE	11	11	0	0	4,827	74	0	4,838	0
ODOR SMELLY WATER	2	2	0	0	61	0	0	63	0
OFF TURN OFF SERVICE	19	18	1	0	3,258	312	0	3,276	0
OFFEE TRIP CHARGE TURN OFF	0	0	0	0	24	0	0	24	0
ON TURN ON SERVICE	24	24	0	0	4,462	93	0	4,486	0
ONFEE TRIP CHARGE TURN ON	0	0	0	0	25	2	0	25	0
POOLS POOL/SPA PERMIT	1	1	0	0	64	1	0	65	0
RADIO RADIO READ REPORT	0	0	0	0	154	5	0	154	0
RC READ CHECK	1	1	0	0	464	112	0	465	0
ROAD ROAD REPAIR	3	0	0	0	4,007	31	5	4,007	5
RRMON RADIO READ MONITOR (RENT)	0	0	0	0	0	1	0	0	0
SEWER WASTEWATER MISC SERVICE	0	0	0	0	1,521	34	2	1,521	2
SIGN STREET SIGN	0	0	0	0	77	6	0	77	0
SWAP METER SWAP-OUT	2	2	0	0	1,873	118	0	1,875	0
SWTAP W/W TAP	7	2	0	5	591	28	1	593	6
TMPWT TMP WTR	0	0	0	0	9	5	0	9	0
W/W W/W ESTIMATE	15	9	3	3	1,391	59	4	1,400	7
WMEAS MEASURE FOR WATER TAP	22	15	1	6	2,184	58	0	2,199	6
WPRES LOW WATER PRESSURE	1	1	0	0	477	19	0	478	0
WTRTP WATER TAP	4	2	0	2	536	801	0	538	2
WWMOV W/W ESTIMATE FOR RELOCATE	0	0	0	0	11	6	0	11	0
 ** GRAND TOTALS **	 163	 125	 5	 18	 37,791	 2,160	 22	 37,916	 40

SEPTEMBER 2025

BCWCID#2

Re-Cap of Water Tap Applications

WATER TAPS:

2025 Pending	4
2025 Complete.....	64
2024 Complete.....	99
2023 Complete.....	78
2022 Complete.....	117
2021 Complete.....	112
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

SEPTEMBER 2025

BCWCID#2

Re-Cap of Wastewater Tap Applications

WASTEWATER TAPS:

2025 Pending	6
2025 Complete.....	27
2024 Pending	1
2024 Complete.....	47
2023 Complete.....	32
2022 Complete.....	35
2021 Complete.....	34
2020 Complete.....	43
2019 Complete.....	34
2018 Complete.....	52
2017 Complete	35
2016 Complete	40
2015 Complete	32
2014 Complete	26

Active Wastewater Customers: 960