

AUG 26 2025 3:00 pm

Krista Bartsch
Bastrop County Clerk

THE COLONY MUNICIPAL UTILITY DISTRICT NO. 1A

AGENDA

September 4, 2025

TO: THE BOARD OF DIRECTORS OF THE COLONY MUNICIPAL UTILITY DISTRICT
NO. 1A AND TO ALL OTHER INTERESTED PERSONS:

Notice is hereby given that the Board of Directors of The Colony Municipal Utility District No. 1A will hold a meeting at **1:30 p.m. on Thursday, September 4, 2025 at The Colony Amenity Center, 368 Stephen F. Austin, Bastrop, Texas.** The following matters may be considered and acted upon at the meeting:

PUBLIC COMMENT

1. Citizens' communications and Board member announcements;

CONSENT ITEMS

(These items may be approved collectively or individually. Any of these items may be pulled for discussion upon the request of any Board member.)

2. Minutes of May 28, 2025 Board meeting;

BUDGET AND TAX ITEMS

3. Schedule for adopting 2025-2026 budget and 2025 tax rate;
4. 2025 certified appraised value from Bastrop Central Appraisal District;
5. District tax rate classification under Texas Water Code §§49.23601-.23603, including recommendations from District financial advisor and District engineer;
6. Work session on proposed 2025-2026 budget and 2025 tax rate;
7. Establish and take record vote on proposed tax rate;
8. Schedule public hearing at which adoption of tax rate will be considered;
9. Authorize publication of Water District Notice of Public Hearing on Tax Rate;

REPORTS AND RELATED DISCUSSION / ACTION ITEMS

10. Accountant's report, including:
 - (a) Bills, invoices, transfers, and investments;
 - (b) Reimbursement to developer from accumulated wastewater impact fees for construction and expansion of wastewater treatment plant;
11. General manager's and utility operator's report, including:
 - (a) Internal facilities operations, including:

- (i) Repairs and maintenance and any related proposals;
 - (ii) Connections and billing reports, delinquent accounts, and write-offs;
- (b) Joint facilities operations, including:
 - (i) Wholesale water supply and related matters, including:
 - (A) Repairs and maintenance and any related proposals, including proposals from Xylem Water Solutions USA for pump repairs;
 - (B) Water loss, including repairs / leak detection;
 - (ii) Wastewater treatment and disposal and related matters, including:
 - (A) Repairs and maintenance and any related proposals;
 - (B) Inflow and infiltration;
- 12. Performance review of Crossroads Utility Services LLC and matters relating to operation and maintenance of District utility facilities;
- 13. Renewal of Operations Services Agreement with Crossroads Utility Services LLC (*internal facilities*);
- 14. Renewal of Operations Services Agreement for The Colony Shared Facilities with Crossroads Utility Services LLC (*shared facilities*);
- 15. Engineer's report, including:
 - (a) Second Amendment to Engineering Services Agreement (*updating Exhibit "A" – Rate Schedule*);
 - (b) Action Items;
 - (c) Project Updates;
- 16. Developer's report, including construction, development, and homebuilding update;
- 17. Attorney's report, including:
 - (a) Amended and Restated Order Establishing Rates and Charges and Adopting Rules and Policies Regarding the District's Utility Systems;
 - (b) 2025 legislative update;
 - (c) Letter from Alto Picco Bastrop, LLC regarding Texas Land Application Permit for Sayers Ranch WWTP, including request to use capacity in District's WWTP;
 - (d) Water interconnection with City of Bastrop (*item requested by The Colony MUD No. 1E*);
- 18. Future meeting schedule and agenda items.

The Board of Directors is authorized by the Texas Open Meetings Act, Chapter 551, Texas Government Code, to convene in closed or executive session for certain purposes, including receiving legal advice from the District's attorney (Section 551.071); discussing real property matters (Section 551.072); discussing gifts and donations (Section 551.073); discussing personnel matters (Section 551.074); discussing security personnel or devices or security audits (Section 551.076); or discussing information technology security practices (Section 551.089). If the Board of Directors determines to go into executive session to discuss any item on this agenda, the presiding officer will announce that an executive session will be held and will identify the item to be discussed and the provision of the Open Meetings Act that authorizes the closed or executive session.



Attorney for the District

The District is committed to compliance with the Americans with Disabilities Act. Reasonable accommodations and equal access to communications will be provided upon request. Please call Armbrust & Brown, PLLC at (512) 435-2300 for additional information. Hearing or speech disabled persons equipped with telecommunications devices for the deaf may utilize the statewide Relay Texas program, 1-800-735-2988.

COLONY MUNICIPAL UTILITY DISTRICT NO. 1A

TAXPAYER IMPACT STATEMENT
PER TEXAS GOV'T CODE §551.043(c)(2)

Property tax bill for the median-valued homestead* for current fiscal year:	\$3,721.71
Estimated property tax bill for the median-valued homestead* for the upcoming fiscal year if the proposed budget (attached) is adopted:	\$3,500.48
Estimated property tax bill for the median-valued homestead* for the upcoming fiscal year if a balanced budget funded at the no-new-revenue tax rate as calculated under Chapter 26 of the Texas Tax Code*** is adopted:	\$3917.44**

*The Appraisal District does not report "median" homestead values. The calculations above are based on "average" homestead values, which are reported.

**The No-New-Revenue Tax Rate, as calculated under Chapter 26 of the Texas Tax Code, may not be capable of funding a balanced budget for the District.

***No-New-Revenue Tax Rate = rate expressed in dollars per \$100 of table value calculated according to the following formula:

$$\text{No-New-Revenue Tax Rate} = \frac{(\text{Last Year's Levy} - \text{Lost Property Levy})}{(\text{Current Total Value} - \text{New Property Value})}$$

Last Year's Levy = the total of the amount of taxes that would be generated by multiplying the total tax rate adopted in the preceding year by the total taxable value of property on the appraisal roll for the preceding year, including taxable value that was reduced in an appeal, all appraisal roll supplements and corrections as of the date of the calculation (other than corrections made under Texas Tax Code § 25.25(d) for errors that resulted in an incorrect appraised value that exceeds more than one-fourth of the correct appraised value for a residence or one-third the correct value in the case of all other property), portions of property involved in an appeal that are not in dispute, and the amount of taxes refunded by the taxing unit in the preceding year for tax years before that year.

Lost Property Levy = amount of taxes levied in the preceding year on property value that was taxable in the preceding year but is not taxable in the current year because the property is exempt in the current year under a provision of the Texas Tax Code other than 11.251 (Tangible Personal Property Exempt), 11.253 (Tangible Personal Property in Transit), and 11.35 (Temporary Exemption for Qualified Property Damaged by Disaster), the property has qualified for special appraisal under Chapter 23 of the Texas Tax Code in the current year, or the property is located in the territory that has ceased to be part of the taxing unit since the preceding year.

Current Total Value = total taxable value of property listed on the appraisal roll for the current year, including all supplements and corrections as of the date of the calculation, less the taxable value of property exempted for the current tax year for the first time under Texas Tax Code § 11.31 (Pollution Control Property) or 11.315 (Energy Storage System in Nonattainment Area).

New Property Value = means the following:

- Total taxable value of property added to the appraisal roll in the current year by annexation and improvements listed on the appraisal roll that were made after January 1st of the preceding tax year, including personal property located in new improvements that was brought into the unit after January 1st of the preceding tax year.
- Property value that is included in the current total value for the tax year succeeding a tax year in which any portion of the value of the property was excluded from the total value because of the application of a tax abatement agreement to all or a portion of the property, less the value of the property that was included in the total value for the preceding tax year.
- For purposes of an entity created under Section 52, Article III, or Section 59, Article XVI of the Constitution, property value that is included in the current total value for the tax year succeeding a tax year in which the following occurs: (a) the subdivision of land by plat; (b) installation of water, sewer, or drainage lines, or (c) the paving of undeveloped land.

PROPOSED BUDGET

The Colony Municipal Utility District No. 1A Proposed Budget - General Fund Fiscal Year 2025-2026

	Proposed 2026 Budget	Approved 2025 Budget	Projected 2025 Actual
Revenues:			
Service Fees - Water	\$ 555,000	\$ 516,000	\$ 599,194
Capacity Charges - Water	-	42,000	24,500
Tap Fees - Water	-	4,800	2,800
Service Fees - Sewer	204,000	204,000	202,397
Capacity Charges - Sewer	-	31,320	18,270
Tap Fees - Sewer	-	4,800	20,253
Inspection Fees	-	5,400	3,150
Drainage & Use Fees	-	4,800	2,800
Meter Charges	-	3,600	2,096
Penalties and Interest Svc	4,200	4,200	7,639
Property Tax	770,853	1,049,897	1,034,980
Interest	12,000	60,000	47,148
	<u>1,546,053</u>	<u>1,930,817</u>	<u>1,965,227</u>
Expenses:			
Operating Expenses			
Purchased Water	1,424,050	1,292,000	1,412,525
Utilities-WWTP	57,000	57,000	52,313
Utilities-EST	1,200	1,200	880
Operations Expenses (Joint Fac)	271,920	271,920	267,300
System Maint-Water (Joint Fac)	126,000	126,000	122,747
System Maint-Sewer (Joint Fac)	180,000	180,000	142,151
WWTP Maintenance	156,000	120,000	155,386
Lab Fees-WWTP	21,600	21,600	16,170
WW Sludge Disposal	102,000	72,000	100,101
Chemicals	18,000	18,000	19,002
Operations Expenses (District)	117,864	115,001	112,899
System Maint-Water (District)	36,384	34,050	38,716
System Maint-Sewer (District)	90,000	90,000	70,923
Inspection/Meter Fees (District)	0	10,200	10,271
Lab Fee (District)	1,500	1,500	989
Utilities (District)	6,000	6,000	4,272
Lead & Copper Compliance	5,000	5,000	3,251
Permit Fees	2,400	2,400	1,250
Total Operating Expenses	<u>2,616,918</u>	<u>2,423,871</u>	<u>2,531,144</u>
Administrative Expenses			
Director Fees	10,710	10,710	11,390
Insurance (District)	2,000	2,000	2,000
Insurance (Joint Fac)	20,275	18,275	18,000
Payroll Taxes	819	819	871
Bank Fees	22,800	18,000	20,650
Water Capacity Charges	0	42,000	24,500
Wastewater Capacity Charges	0	31,320	18,270
Public Notices	1,000	1,000	1,682
Other / Miscellaneous	2,400	2,400	4,741
Capital Outlay	250,000	250,000	283,773
Total Administrative Exp	<u>60,004</u>	<u>126,524</u>	<u>385,877</u>

The Colony Municipal Utility District No. 1A
Proposed Budget - General Fund
Fiscal Year 2025-2026

	Proposed 2026 Budget	Approved 2025 Budget	Projected 2025 Actual
Professional Fees			
Legal Fees	57,000	57,000	54,971
Legal Fees (Joint Fac)	48,000	48,000	40,936
Bookkeeping Fees (District)	14,000	17,250	13,438
Bookkeeping Fees (Joint Fac)	25,500	21,000	24,413
Audit Fees	20,000	15,000	18,000
Financial Advisor	2,118	2,118	1,615
Engineering Fees (District)	21,000	21,000	16,048
Engineering Fees (Joint Fac)	60,000	84,000	51,504
Other Professional Fees	15,000	15,000	15,000
Total Professional Fees	262,618	280,368	235,924
Contracted Services			
Appraisal District Fees	16,800	11,000	13,623
Tax Collector Fees	1,000	1,500	859
Total Contracted Services	17,800	12,500	14,482
Total Expenses	2,957,340	2,843,263	3,167,427
Unallocated Excess/(Deficiency)	(1,411,287)	(912,446)	(1,202,200)
District Charges			
Monthly Charges			
Colony 1B	108,355	106,579	106,579
Colony 1C	141,087	138,774	138,774
Colony 1D	176,528	173,634	173,634
Colony 1E	54,290	53,400	53,400
Colony 1F	146,505	144,103	144,103
Colony 1G	336,915	331,393	331,393
Total Monthly Charges	963,680	947,883	947,883
User Charges			
Colony 1B	383,510	370,076	369,492
Colony 1C	311,286	244,223	223,775
Colony 1D	123,063	106,548	115,650
Colony 1E	198,414	180,624	158,647
Colony 1F	0	-	37,755
Total User Charges	1,016,273	901,472	867,565
Total Excess/(Deficiency)	\$ 568,666	\$ 936,909	\$ 613,250

Appraised Value: \$205,560,798
O&M Tax Rate: \$.3750
DSF Tax Rate: \$.4750
Total Tax Rate: \$.85
Connections-0