

ORGANIZATIONAL MINUTES OF MEETING  
OF THE  
BOARD OF DIRECTORS

THE STATE OF TEXAS §

COUNTY OF WHARTON §

GATEWAY PARK MUNICIPAL MANAGEMENT DISTRICT §

The Board of Temporary Directors (the "Board" or the "Board of Directors") of Gateway Park Municipal Management District (also sometimes referred to herein as the "District") met in special session, open to the public, at the Southeastern Corner of the Intersection of County Road 400 and County Road 407, El Campo, Texas, inside the boundaries of the District on March 5, 2020, and the roll was called of the members of the Board to-wit:

Richard A. Young  
Joseph D. Erwin  
Edgar F. Erwin  
Clayton Harris  
James A. Bouligny

All members of the Board were present at the commencement of the meeting, except Directors Harris and Director Bouligny. All directors present at the time the vote was taken voted on all items that came before the Board. Also present were Marc Druck, attorney of Winstead PC, and Kimberly Studdard, legal assistant of Winstead PC ("Winstead"); Thomas Stroh and Guillermo Machado of Manhard Consulting ("Manhard"); Loren Morales of RBC Capital Markets, LLC ("RBC"); and David Burch and Dusten Estes of Stonemont Financial ("Stonemont"), representing owner and developer of the lands within the District.

1. The record shall reflect that the Board of Directors was conducting its first meeting since the passage of House Bill No. 4680, 86<sup>th</sup> Session of the Texas Legislature, Regular Session which created the District, and stated the boundaries of the District, a copy of which legislation is attached hereto as **EXHIBIT "A"**, and which legislation authorized the primary owners of land within the District to petition to the Texas Commission on Environmental Quality ("TCEQ") to appoint temporary directors to the Board. On December 30, 2019, the above-referenced temporary directors were appointed to the Board by an order of the TCEQ attached hereto as **EXHIBIT "B"**. It was noted that the temporary directors in attendance executed Statements of Officer forms and were administered Oaths of Office. Mr. Marc Druck of Winstead PC explained the purpose of the District and other provisions of law, in addition to the legislation, that governs the District.

2. Mr. Druck informed the Board that they had secured a proposal for the bonds for the directors and public employees (consultants of the District) and directors' and officers' liability insurance from McDonald & Wessendorff Insurance, which acts as agent to hundreds of special districts in the State of Texas. Following a review of the proposals pertaining to the required Director's bond, the blanket public employee bond and the directors and officers liability policy and following a full discussion, a motion was made by Director Edgar Erwin, seconded by Director Young and unanimously carried that the insurance proposals for such coverage be approved and accepted.

3. The next business to be addressed was the election of officers for the Board of Directors as provided by law. Following a full discussion and motion by Director Young, seconded by Director Edgar Erwin and unanimously carried, the following slate of officers were elected:

Richard Young	President
Joseph D. Erwin	Vice President
Edgar F. Erwin	Secretary
Clayton Harris	Treasurer/Assistant Secretary
James A. Bouligny	Assistant Secretary

4. David Burch, representing the owner/developer, briefly summarized plans for the development of the District noting that they've just announced their first tenant, Vitro, a petroleum company out of Mexico, noting Vitro plans to manufacture salt byproducts which are used in many industries, including the maintenance of pools. Mr. Burch also noted they're planning to break ground in three months or less.

5. The Board next reviewed and considered a proposal for legal services with the firm of Winstead PC to serve as general counsel and bond counsel to the District. Marc Druck reviewed the terms of a proposal for legal services with the firm of Winstead and upon motion by Director Edgar Erwin, seconded by Director Young and unanimously carried, the Board approved said agreement and retained Winstead to provide both general legal services and serve as the District's bond counsel.

In addition, the Board was presented with a Resolution Approving Contingent Fee Contract ("Resolution"), a copy of which is attached hereto as **EXHIBIT "C"**, in relation to the contract for bond counsel legal services as prepared by Winstead. Marc Druck briefly discussed various services to be rendered in connection with bond counsel fees, including but not limited to, the rendering of opinions on the tax-exempt nature of all applicable obligations issued by the District. Mr. Druck also discussed Winstead's long-standing professional experience with such transactions. Upon motion by Director Edgar Erwin, seconded by Director Young and unanimously carried, said Resolution was approved.

6. The Board recognized Thomas Stroh with Mnahard Consulting who reviewed a proposal from such company to serve as the District's engineer. Mr. Stroh noted the proposed standard contract allows for hourly billing with rates and scope of services to increase as their responsibilities increase depending on the demands of the project. Following a review of such

proposal and discussion thereof and upon motion by Director Young, seconded by Director Edgar Erwin and unanimously carried, the Board approved such Professional Services Agreement with Manhard.

7. The Board reviewed a proposal from RBC Capital Markets, LLC ("RBC") to serve as the District's financial advisor. Loren Morales explained such firm's qualifications and reviewed such proposal with the Board noting RBC serves as financial advisor to numerous districts in the Houston and Dallas areas and has ample experience with offering documents related to bond issuances. Following a review of the proposal and discussion thereof, upon motion by Director Young, seconded by Director Joseph Erwin and unanimously carried, the Board approved such Financial Advisory Agreement with RBC.

8. The Board then reviewed a Professional Services Agreement with Inframark, LLC ("Inframark"), to serve as bookkeeper for the District. Qualifications for such firm were outlined and discussed with the Board. Following such review and discussion, upon motion by Director Edgar Erwin, seconded by Director Young and unanimously carried, the Board approved such agreement for bookkeeping services dated March 5, 2020 and the necessary documentation to allow Inframark to handle IRS and payroll matters for the District.

9. Marc Druck then explained to the Board that the developer has incurred numerous expenses to date with the creation of the District, consulting fees and various out-of-pocket expenses. Upon motion by Director Edgar Erwin, seconded by Director Joseph Erwin and unanimously carried, the Board ratified prior actions taken and the payment of various out-of-pocket expenses made by the developer on behalf of the District.

10. There was presented to the Board a proposed Order Designating Offices Outside the District, which Order designates various offices of the District, declaring them to be public places, a copy of said Order being attached hereto as **EXHIBIT "D"**. After a full discussion, and upon motion of Director Young, seconded by Director Joseph Erwin and unanimously carried, the Board approved said Order Designating Offices Outside the District. The officers were directed to execute said Order, and the attorneys were authorized to publish notice of the designation for such offices outside the District.

11. The Board next reviewed a Resolution Designating Posting Location of Meeting Notices, a copy of which is attached hereto as **EXHIBIT "E"**, and upon motion by Director Edgar Erwin, seconded by Director Joseph Erwin and unanimously carried, the Board adopted said Resolution.

12. There was presented to the Board an impression of the proposed seal of the District, circular in shape with the name of the District around a five-point star. It was duly moved by Director Joseph Erwin, seconded by Director Edgar Erwin and unanimously carried that said seal be adopted as the legal seal of the District, an impression of which is attached hereto as **EXHIBIT "F"** and that the Secretary or Assistant Secretary or records manager for the District be authorized to affix said seal to all instruments of the District requiring a seal.

13. The Board next reviewed a District Information Form detailing general information about the District that was required to be approved and filed of record with both the Wharton County Clerk and the Texas Commission on Environmental Quality ("TCEQ"). Following a review thereof, upon motion by Director Joseph Erwin, seconded by Director Young and unanimously carried, the Board approved such Form and authorized Winstead to file such Form with the Wharton County Clerk and the TCEQ.

14. Marc Druck then presented the Board with an Order Calling Public Hearing on the Exclusion of Land and Authorization of Publication of Hearing ("Order Calling"), attached hereto as **EXHIBIT "G"**, at which time David Burch noted the City of El Campo is requiring the District to exclude a portion of land that was inadvertently added to the District during creation before they're able to consent to development. It was noted that the hearing would need to be 14 days or more from the date of the initial publication thus March 31<sup>st</sup> was proposed as the hearing date. Upon motion by Director Edgar Erwin, seconded by Director Young and unanimously carried, said Order Calling and publication of notice of hearing was approved.

15. The Board next reviewed an Order Adopting Code of Ethics, Travel Expense Policy and Establishment of Maximum Annual Limit of Fees of Office, and Procedures for Selection and Review of Consultants, Policies Concerning the Use of Management Information Including the Formation of an Audit Committee, Investment Policy, Selection of a Fiscal Year and Certain Other Matters, a copy of which is attached hereto as **EXHIBIT "H"**. In connection with review of such policies, Marc Druck explained the Order, as well as various provisions of the Texas Open Meetings Act to the Board as relates to the Board members discussion of District business. In addition, it was confirmed that the Board would select September 30<sup>th</sup> as its fiscal year end. Following a full review and motion by Director Young, seconded by Director Edgar Erwin and unanimously carried, the Board approved said Order.

16. The Board next reviewed an Order Establishing Records Management Program and Appointing Records Management Officer, a copy of which is attached hereto as **EXHIBIT "I"**. Following a full review and motion by Director Young, seconded by Director Edgar Erwin and unanimously carried, the Board approved said Order.

17. The Board then confirmed the next meeting date as March 31, 2020 with the time to be determined at a later date.

18. With respect to communications and comments, the Board entertained additional comments and concerns from those present, including neighboring landowners, and heard more details with respect to additional plans for the development from the current owners of land.

There being no further business to conduct, Director Joseph Erwin moved that the meeting be adjourned, which motion was seconded by Director Edgar Erwin, and unanimously approved, and the Board adjourned until further call.

APPROVED AND ADOPTED this 31<sup>st</sup> day of March, 2020.



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Edgar F. Erwin, Secretary  
Board of Directors  
Gateway Park Municipal Management District

