

MINUTES OF MEETING  
OF THE BOARD OF DIRECTORS

THE STATE OF TEXAS §

COUNTY OF HAYS §

LASALLE MUNICIPAL UTILITY DISTRICT NO. 5 §

The Board of Directors (the "Board" or the "Board of Directors") of LaSalle Municipal Utility District No. 5 (also sometimes referred to herein as the "District") met in special session, open to the public, at 7401 B. Hwy. 71 West, Suite 160, Austin, Texas, at a designated office outside the District on January 29, 2020, and the roll was called of the members of the Board to-wit:

Jack Wilhelm	President
David Tuckfield	Secretary
Adam Van Ackeren	Assistant Secretary
Bob Ruggio	Treasurer/Assistant Secretary

All members of the Board were present at the commencement of the meeting, except David Tuckfield. The record shall reflect Director Tuckfield entered the meeting under item 4 herein. All directors present at the time the vote was taken voted on all items that came before the Board. Also present were Andy Barrett of Barrett & Associates, PLLC ("Barrett & Associates"), attorney for the District; Judy McAngus and Kimberly Studdard, legal assistants of Winstead PC ("Winstead"); Keith Young of Doucet & Associates, Inc. ("Doucet & Associates"), engineers for the District; Justin Taack with Bott & Douthitt, PLLC, bookkeeper for the District and Blake Reed with TACK Development, Ltd. and Mike Schroeder with LaSalle Holdings, Ltd., representing the owners and developer of the lands within the District. In addition, John Cullen Vance, appointed to fill a vacancy as further detailed in item 3 attended the meeting and participated in the remainder of the meeting, following his appointment, as a voting member of the Board.

1. The Board called for public communications and comments however, none being heard, the Board moved on to the next item of business.

2. The Board confirmed receipt of the Minutes from the Board's May 8, 2019 Board meeting. Following a review of such Minutes and motion by Director Wilhelm, seconded by Director Ruggio and unanimously carried, said Minutes were approved as written.

3. The Board next reviewed an Order Appointing Director, a copy of which is attached hereto as **EXHIBIT "A"**, and upon motion by Director Ruggio, second by Director Van Ackeren and unanimously approved, the Board adopted said Order Appointing Director which appointed John Cullen Vance to fill the vacant 5th position on the Board with a term of office ending in May of 2020. John Cullen Vance executed the Statement of Officer form and was administered his Oath of Office.

Additionally, upon motion by Director Wilhelm and seconded by Director Ruggio, John Cullen Vance was appointed as Vice President by the Board.

4. With regard to the status of development in the District, Mike Schroeder and Blake Reed noted they've already broken ground on Phase 1 and that plans have been submitted to the City of San Marcos with hopes of receiving written comments within the week. Mr. Reed said they're planning to develop 2,200 lots in Phase 1 and that they currently have builders for all of those lots. With regard to the wastewater line, Mr. Schroeder noted LaSalle Municipal Utility District No. 1 ("LaSalle MUD No. 1") would run the line but that the District would share in the costs. It was also noted negotiations with regard to the right of way needed for the roadway into the District and access to I-35 are underway and that the developer does not anticipate needing to exercise eminent domain powers with regard thereto. Mr. Schroeder showed photos of portions of the LaSalle project and updated the Board on a recent visit to the site by staff members of the Texas Commission on Environmental Quality ("TCEQ") with regard to their observation of the on-going mining operation and explained the advantages of the operation in that once building gets underway in the project, it is envisioned that concrete will be manufactured on the site and will be used for the foundations to homes and buildings throughout the project.

5. Keith Young with Doucet & Associates confirmed the fact that the wastewater offsite line construction that will serve the initial phase of the LaSalle project was near completion with a final walk through and testing being scheduled for the near future.

6. The Board was briefed on its eminent domain powers as granted in the Legislation that created the District and the Board was notified that the attorneys for the District would be handling the required annual notification to the State Comptroller's office of such powers. In addition, the Board was briefed with regard to SB 625 (special purpose district reporting) and HB 1378 (local government debt) transparency filings that would be filed when timely as relate to financial reporting that will also be uploaded and posted to the State Comptroller's website.

7. Ms. McAngus then discussed with the Board the need for a directors' election every two years of even-numbered years, as required by the law and legislation creating the District, and confirmed the two directors up for re-election in May of 2020 as Jack Wilhelm and Jay Cullen Vance. The Board then considered a joint election contract and/or election services agreement ("Election Contract") with Hays County ("County") related to the May 2, 2020 directors' election and authorized execution of the final version by the Board's officers should the election move forward. Ms. McAngus noted the final version is not yet available from the County but that these are very standard contracts and she doesn't expect to see anything out of the ordinary, but that the final version would be reviewed by attorneys for the District prior to execution by the Board in the event the election moves forward. As also relates to the May 2, 2020 directors' election, the Board next considered an Order Calling Directors Election ("Order Calling"), a copy of which is attached hereto as **EXHIBIT "B"**. Upon motion by Director Van Ackeren, seconded by Director Tuckfield and unanimously carried, said Order Calling was adopted and authorization of execution of the final Election Contract, if needed, was approved.

8. Justin Taack then presented the Board with a Cash Activity Report, attached hereto as **EXHIBIT "C"**. Blake Reed presented Mr. Taack with an additional developer advance for the District's operating account. Mr. Taack noted that he would all accounting fees until deposit of the check received at the meeting. Upon motion by Director Wilhelm and seconded by Director Ruggio, the Cash Activity Report and disbursement of funds in accordance therewith was unanimously approved.

9 Mr. Taack then recommended to the Board they authorize Bott & Douthitt to open a manager's account in addition to the existing District operating account, noting it allows for ease in maintaining available funds and allows for the timely payment of recurring expenses, such as payroll taxes, in between meeting dates. It was noted that any checks written on the manager's account would be reflected on the next Cash Activity Report presented at the following Board meeting. Upon motion by Director Van Ackeren, seconded by Director Tuckfield and unanimously carried, the Board authorized the opening of a manager's account.

10. Judy McAngus then reminded the Board of deadlines surrounding the governmental training courses required to be completed by each board member following their taking of oaths of office. Ms. McAngus also confirmed completion certificates received to date.


11. Ms. McAngus next discussed annual filings with the TCEQ and State Comptroller as relate to the District's financial reports and related transparency reporting. Justin Taack then confirmed Bott & Douthitt will prepare those reports and file with the TCEQ, and upon receipt, Winstead will upload the reports to the State Comptroller's website.

12. The Board then discussed and confirmed the next meeting date as February 26, 2020 as 12:00 p.m.at their regular meeting location.

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

APPROVED AND ADOPTED this 26<sup>th</sup> day of February, 2020.



  
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David Tuckfield, Secretary  
Board of Directors  
LaSalle Municipal Utility District No. 5