

MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS

THE STATE OF TEXAS §

COUNTY OF HAYS §

ANTHEM MUNICIPAL UTILITY DISTRICT §

The Board of Directors (the "Board") of Anthem Municipal Utility District (sometimes referred to herein as the "District") met in special session, open to the public, on the 12th day of May, 2020, by telephone conference to mitigate the spread of COVID-19 pursuant to the guidance provided by the Office of the Attorney General of the State of Texas, and the roll was called of the members of the Board of Directors, (herein referred to as the "Board") to-wit:

Brandon Brydson	President
Matt Jacobs	Vice President
Nichole H. Scott	Secretary
Tammy Weber	Treasurer/Asst. Secretary
Eric B. Storm	Assistant Secretary

All members of the Board were present by telephone at the commencement of the meeting with the exception of Director Storm. All directors present at the time the vote was taken voted on all items that came before the Board. Also present by telephone were Andy Barrett of Barrett & Associates, PLLC ("Barrett & Associates"), attorney for the District; Judy McAngus, paralegal of Winstead PC ("Winstead"); Hank Smith with Atwell, LLC ("Atwell"), engineers for the District; Prabin Basnet of Jones-Heroy & Associates, Inc. ("Jones-Heroy"), special engineers for the District and Kristi Hester and Michael Luft with Inframark, LLC ("Inframark"), bookkeeper for the District. In addition, Clark Wilson, representing Kyle 150, LP, the current owner and developer of the land within the District was in attendance

Judy McAngus explained a few guidelines for the telephone conference meeting regarding a request that each Board member confirm their name prior to making any motion or voting on such matters to insure that the public record of the meeting would be heard and accurately recorded. Notification to the public was given that the meeting was being recorded. The meeting was then called to order, evidence was presented that public notice of such meeting had been given as required by law and notice provided that the meeting would be recorded.

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

2. It was confirmed that newly elected directors (Weber, Scott and Storm) Statements of Officer Forms and Oaths of Office were being executed and that the Oaths would be filed with the Secretary of State's office.

3. The Board next confirmed its election of officers as set out herein above which had occurred at the March 11, 2020 meeting and were effective May 2, 2020.

4. Judy McAngus explained the requirements under HB 3834 with respect required annual training for elected Board members noting that she would provide a memorandum later in the week to all Board meeting and request their assistance in handling an on-line course offered through the Texas Municipal League with regard to such training. She noted that the training should be completed and the acknowledgment form that she will include returned to her by June 14th as relates to the 2020 training. In addition, she noted that she will work with Director Storm with regard to his additional Governmental Training Courses with regard to Open Meetings and Government Records which he needs to complete within 90 days of his May 2, 2020 initial term as an elected official.

5. The Minutes from the Board's March 11, 2020 meeting were presented for review and approval. Following a motion by Director Jacobs, seconded by Director Weber and unanimously carried, said Minutes were approved as written. The record shall reflect that newly appointed Director Storm abstained from voting on such matter.

6. With regard to a report from the developer, Clark Wilson who noted that they were well underway with the Phase 1-A and three (3) other construction contracts and that COVID-19 had not caused a slowdown on the projects thus far. He did state that there was an unexpected bridge that was now required in one of the contracts and they are looking closely over each pay application and any needed change orders in hopes of containing the cost overruns. He further stated that Hank Smith would provide a more thorough update when requesting approval of related pay applications.

7. The Board next reviewed Atwell's May 12, 2020 Engineer's Summary of construction and status of the four (4) separate construction projects currently underway by C. C. Carlton Industries, Ltd. ("CC Carlton") as well as a bid analysis and recommendation for an additional contract award on Anthem, Phase 1-B to Joe Bland Construction ("Bland Construction"), a copy of which summary is attached as **EXHIBIT "A"**. He noted that at the next meeting he would have a few related change orders for the Board's review and approval. By motion of Director Scott, seconded by Director Brydson and unanimously carried, the following recommended Atwell payments under the stated construction contracts and recommended bid award were unanimously approved:

Anthem Phase 1-A contract with CC Carlton:
Pay Application No. 3 (\$136,729.80) and
Pay Application No. 4 (\$598,143.78);

Anthem RM 150 – Offsite Water contract with CC Carlton:
Pay Application No. 2 (\$54,635.26);

Anthem Offsite Wastewater contract with CC Carlton:
Pay Application No. 4 (\$249,012.00) and
Pay Application No. 5 (\$268,767.00);

Anthem Hoover Drive Station – Onsite Water contract with CC Carlton:
Pay Application No. 1 (\$18, 000.00) and
Pay Application No. 2 (\$s55,133.10); and

Anthem Phase 1-B – award of the construction contract to Joe Bland as the low bidder at a contract price of \$1,181,198.75.

The record shall reflect that copies of all approved pay applications and a formal Atwell bid analysis recommending the award of the Phase 1-B Contract are attached collectively as **EXHIBIT “B”**.

7. Andy Barrett reported that there was no needed action with respect to water and sewer related agreements with the City of Kyle (“City”), at this time.

8. It was discussed that based on the status of construction, it was timely, for the Board to consider entering into an Collection and Assessment Agreement with Hays County for the collection of District taxes (“Agreement”) and to additionally request an initial District tax roll for 2020 from the Hays Central Appraisal District (“HCAD”). Following such discussion and upon motion by Director Brydson, seconded by Director Jacobs and unanimously carried, said Agreement was approved and authorized to be executed. In addition, the Board requested that Ms. McAngus notify the HCAD and provide the HCAD with the necessary information for them to create an initial tax roll for the District. A fully executed copy of such Agreement shall be attached hereto as **EXHIBIT “C”**.

9. In addition, Kristi Hester and Michael Luft presented a Financial and Bookkeeper’s Report to the Board. Following a motion by Director Brydson, seconded by Director Scott and unanimously carried, the Board approved the report and payments listed thereon. A copy of such report is attached hereto as **EXHIBIT “D”**.

10. Andy Barrett informed the Board that there had been a change in bookkeeping personnel within Inframark and, as such, he had requested, received and reviewed a proposal from the firm of Bott & Douthitt who he felt was well qualified to handle the District’s bookkeeping related services. Mr. Barrett noted that the existing Professional Services Agreement the District has with Inframark covers only bookkeeping matters but that he had full confidence in Inframark’s ability to handle District operational related matters at such time as the Board may consider companies to handle its operational needs. In addition, he noted that he had visited in advance with Kristi Hester who had assured him that Inframark would work closely with Bott & Douthitt on a timely basis with regard to a transfer of bookkeeping records over to such firm should the Board decide to transfer the bookkeeping responsibilities over to such firm. Ms. Hester confirmed Inframark’s ability to do so.s

The Board reviewed an engagement letter and separate Bookkeeping Services Agreement with Bott & Douthitt, PLLC (“Bott & Douthitt), 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 Weber, seconded by Director Scott and unanimously carried,

the Board approved such engagement letter and agreement for bookkeeping services dated May 12, 2020. Copies of both the engagement letter and Bookkeeping Services Agreement are attached hereto collectively as **EXHIBIT "E"**. As noted above, Ms. Hester agreed to a prompt transfer of the bookkeeping records over to Bott & Douthitt.

11. The Board then confirmed their next proposed regular meeting date as Wednesday, June 10, 2020 at 11:30 a.m.

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

APPROVED AND ADOPTED this 10th day of June, 2020.



Nichole H. Scott, Secretary
Board of Directors
Anthem Municipal Utility District

