

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 regular session, open to the public, on the 10th day of June, 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.. 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; Justin Taack with Bott & Douthitt, PLLC (“Bott & Douthitt”), bookkeepers for the District and Kristi Hester with Inframark, LLC (“Inframark”). 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. The Minutes from the Board’s May 12, 2020 special meeting were presented for review and approval. Following a motion by Director Brydson, seconded by Director Weber and unanimously carried, said Minutes were approved as written.

3. With regard to a report from the developer, Clark Wilson who noted that construction had not slowed down since the last meeting and that they were proceeding to work thought some issues relating to the offsite sewer line where available plans had not correctly mapped out certain areas and thus there will be some related change orders once those matters are sorted out. He said they have builders signed up for the lots and are commencing with the design of the proposed Amenity project. He also noted that there appeared a great deal of interest in the future development as well.

4. The Board next reviewed Atwell's June 10, 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") along with recommendations for related pay applications and change orders, which report is attached hereto as **EXHIBIT "A"**. He noted that at the next meeting he would have a few additional change orders for the Board's review and approval. By motion of Director Jacobs, seconded by Director Brydson and unanimously carried, the following recommended Atwell payments and change orders under the stated construction contracts were unanimously approved:

Anthem Phase 1-A contract with CC Carlton:

Pay Application No. 5 (\$647,760.34); and

Change Order No. 2 (\$300,138.81) – only dry utilities no actual District approval requested or approved).

Anthem RM 150 – Offsite Water contract with CC Carlton:

Pay Application No. 3 (\$547,013.70).

Anthem Offsite Wastewater contract with CC Carlton:

Pay Application No. 6 (\$365,384.48);

Change Order No. 1 (\$60,752.75); and

Change Order No. 2 (\$45,500.00).

Anthem Hoover Drive Station – Onsite Water contract with CC Carlton:

Change Order No. 1 (\$87,945.00).

With regard to Anthem Phase 1-B, he noted that the construction contract had been awarded to Joe Bland Construction at the last meeting but that there were no pay applications to approve at this time. He noted that the schematic land plan design had been completed for the Anthem Amenity Center as well as a separate Condo-Site schematic land plan design for Phase 1-C

The record shall reflect that copies of all approved pay applications and change orders are attached collectively as **EXHIBIT "B"**.

5. With regard to additional water related agreements, Andy Barrett called on Hank Smith to briefly describe the details with respect to a needed multi-party agreement with the District, the developer, the City of Kyle and numerous other parties (sometimes referred to as) "Water Return Line Users" that will iron out the water facilities service, financing and construction related matters between the parties. Andy Barrett noted that the agreement was not finalized at this time, but that he expected it to be finalized and would appreciate the Board's authorization for the agreement to be

approved and executed following his final review. Following a discussion and upon motion by Director Storm, seconded by Director Brydson and unanimously carried, the Board authorized the finalization and execution of such agreement upon Andy Barrett's final review. It was noted that a copy of the final agreement would be provided to the Board and formally approved and ratified at the next meeting.

6. In addition and as relates to possible eminent domain related actions, Andy Barrett explained that certain easements needed to be secured and that it may become necessary to secure some by means of eminent domain. If needed, the Board authorized the engagement of a ROW engineering specialist to insure that the initial handling of such matter is done properly. Following a discussion and motion by Director Storm, seconded by Director Brydson and unanimously carried, the Board authorized Mr. Barrett to secure a proposal and engage such ROW specialist on behalf of the District.

7. In addition, Just Taack with Bott & Douthitt presented and reviewed a June 10, 2020 Accounting Report to the Board. In addition to those items listed on such report, Mr. Taack noted that proof of cybersecurity training for Directors Brydson and Storm had been received in his office following the completion of such report and that he had prepared additional Check Nos. 1206 to Director Brydson and 1207 to Director Storm to cover such training. Following a motion by Director Storm, seconded by Director Jacobs and unanimously carried, the Board approved the report, payments listed thereon and the additional payments to Directors Brydson and Storm as noted above. A copy of such report is attached hereto as **EXHIBIT "C"**.

In addition, Justin Taack recommending that the Board consider opening a Bookkeeper's Account which would authorize the District's bookkeeper, Bott & Douthitt, to issue certain checks from that account as occasionally may be needed between meetings. It was noted that the signers on the District account would be either Mary Bott, Allen Douthitt or Patricia Melton with Bott & Douthitt and that any checks issued on such account would not exceed \$10,000 in any one month and would be recapped on the next report and monitored closely by the principles at Bott & Douthitt. Following such discussion, upon motion by Director Weber, seconded by Director Brydson and unanimously carried, the Board approved the opening of a Bookkeepers Account at Bancorp South and authorized the execution of any needed resolution and signature cards on such new account.

8. The Board then confirmed their next proposed regular meeting date as Wednesday, July 8, 2020 at 11:30 a.m.

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

APPROVED AND ADOPTED this 8th day of July, 2020.



Tammy Weber

Tammy Weber, Assistant Secretary
Board of Directors
Anthem Municipal Utility District