

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 14<sup>th</sup> day of October, 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 except for Directors Brydson and Storm. The record shall reflect Director Storm joined the meeting under item 4 below and participated in all remaining votes beginning in item 5. 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, and Kimberly Studdard, legal assistant, of Winstead PC ("Winstead"); Hank Smith with Atwell, LLC ("Atwell"), engineers for the District; and Justin Taack with Bott & Douthitt, PLLC ("Bott & Douthitt"), bookkeepers 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, as well as Kristi Hester with Inframark, LLC ("Inframark"), a proposed operations consultant to the District.

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 September 9, 2020 regular meeting were presented for review and approval. Following a motion by Director Weber, seconded by Director Jacobs and unanimously carried, said Minutes were approved as written.

3. With regard to a report from the developer, Clark Wilson noted that onsite development was coming along nicely and that substantial completion remains slated for November. Mr. Wilson noted they are currently working on securing easements from various parties for entry points for gas and water lines, and that they are continuing to work through final plans and execution of such plans by Pedernales Electric Cooperative as relate to electricity to serve the initial development. Mr. Wilson also noted that C.C. Carlton Industries, Ltd. ("CC Carlton") is hoping to begin paving in mid-November with landscaping, amenities and building of homes to follow shortly thereafter. It was also noted that suburban areas in the Austin metroplex remain very attractive to buyers and that the developer's lender seems on board with approving financing for an additional 260 lots early next year.

4. Next the Board reviewed Atwell's October 14, 2020 Engineer's Summary for construction and status of the four (4) separate construction projects currently underway by CC Carlton and the one (1) contract currently in progress by Joe Bland Construction L.P. ("Joe Bland") along with recommendations for related pay applications and change orders, which report is attached hereto as **EXHIBIT "A"**. By motion of Director Jacobs, seconded by Director Weber and unanimously carried, the following recommended Atwell payments under the stated construction contracts were unanimously approved:

Anthem Phase 1-A contract with CC Carlton:  
Pay Application No. 9 (\$261,453.49).

Anthem RM 150 – Offsite Water contract with CC Carlton:  
Pay Application No. 7 (\$8,865.00).

Anthem Hoover Drive Station – Onsite Water contract with CC Carlton:  
Pay Application No. 6 (\$162,842.40).

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

Mr. Smith noted that Pay Application No. 3 for the Anthem Phase 1B contract with Joe Bland had not yet been received but that he expected to have it before the next meeting. Mr. Smith then confirmed that the schematic land plan designs had been completed for the Anthem Amenity Center (that will be constructed by the developer at his cost), the Condo Site in Phase 1-C and the Phase 2 single family layout.

In addition, Hank Smith noted that as the District nears the development phase, there are certain items the District will be required to maintain such as the detention and water quality ponds as well as the drainage infrastructure that is outside the ROW and all sidewalks in the development. Atwell is currently working on support information to provide to Inframark that will detail the location of such improvements and additional infrastructure components that it is anticipated Inframark will maintain for the District. It was noted that a proposed contract for such services will be presented at a future board meeting for review, recommendation and Board approval.

Mr. Smith then noted an entry sign identifying the District, as required by the Texas Commission on Environmental Quality ("TCEQ"), will be posted on the entry road into the District prior to model homes opening.

Lastly, Mr. Smith noted, with regard to the water storage tank for the District, the District will own and maintain the lid to said tank for a period of about 20 years, then at such time, the lid will be conveyed to the City of Kyle but still required to be maintained by the District. The record shall reflect that Director Storm joined the meeting by telephone at this point.

Ms. McAngus then discussed with the Board the need to file an Amended District Information Form ("ADIF") with the TCEQ and with Hays County as relates to the District's adoption of a tax rate for 2020 as set at the Board's August meeting. Upon motion by Director Weber, seconded by Director Storm, the Board unanimously approved the ADIF and recording and filing of same with Hays County and with the TCEQ, respectively. It was noted that by recording such information, a Notice to Purchasers is included in such ADIF that properly sets out the District's existing tax rate and other pertinent District information for sellers to provide to purchasers.

5. With regard to any additional water and sewer related agreements or, easements or conveyances to the City of Kyle or City of Mountain City or other related matters, Andy Barrett confirmed there was nothing needed at this time. With regard to the FM 150 Water Facilities Service, Financing, and Construction Agreement (sometimes referred to as the "Multi-Party Agreement") previously approved by the Board and payments made under said Multi-Party Agreement, Mr. Smith noted all payments are coming in as planned and that he continues to be in contact with Mary Bott of Bott & Douthitt regarding same.

Additionally, Mr. Barrett confirmed there was nothing needed at this time with regard to various easements related to the pump station and other water or wastewater facilities, and confirmed with Hank Smith that it did not appear that the Board would need to authorize any eminent domain proceedings in connection with the on-going construction and it was agreed that such item would be removed from the next meeting agenda.

6. Justin Taack with Bott & Douthitt presented and reviewed an October 14, 2020 Accounting Report to the Board. It was noted that expenditures approved at the last meeting totaled a little over \$1,200 and that check numbers 5020-5026 to cover those expenditures were written out of the District's bookkeeper's account and included a check to Director Brydson who would meeting with the engineer on behalf of the District and at such time, would also handle execution of the approved pay applications. Mr. Taack noted that the only action needed by the Board at this meeting was related to payment of directors' fees for the October 14, 2020 meeting as well as payment of accounting fees for September 2020. Following a motion by Director Storm, seconded by Director Jacobs and unanimously carried, the Board approved the report and payments listed thereon. A copy of such report is attached hereto as **EXHIBIT "C"**.

Additionally, Ms. McAngus noted that the District's Annual Financial Report, as required by the TCEQ, would be due on November 16, 2020 and that Clark Wilson would be providing Mary Bott with updates to the funds advanced to or paid on behalf of the District for her inclusion in such report for the District's fiscal year ended September 30, 2020.

7. The Board then confirmed their next proposed regular meeting date as Wednesday, November 11, 2020 at 11:30 a.m., and Ms. McAngus noted the meeting would likely be in the telephonic format assuming the Governor renews the existing COVID-19 disaster Proclamation.

There being no further business to conduct, Director Jacobs 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 11<sup>th</sup> day of November, 2020.



A handwritten signature in blue ink, appearing to read 'Nichole H. Scott', is written above a horizontal line.

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