

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 February, 2021, 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; 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, Prabin Basnet of Jones-Heroy & Associates, Inc., special engineers for the District as relates to potential bond matters, and Kristi Hester of Inframark, LLC ("Inframark"), a prospective operations firm for the District, were in attendance. Also present was Clark Wilson, representing Kyle 150, LP, the current owner and developer of the land within the District.

Kimberly Studdard 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 ensure 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.

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 January 13, 2021 regular meeting were presented for review and approval. Following a motion by Director Brydson, 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 they are closing out on substantial completion of Phase 1A with substantial completion of Phase 1B following shortly thereafter. Mr. Wilson also noted Hank Smith is currently working on the legal descriptions for those phases to convey to builders at a later date. In relation to the water storage tank, Mr. Wilson noted they had obtained power to the 150 Booster Station, and as is such, water will flow to the tank. Mr. Wilson noted that with access to onsite water, builders should reach substantial completion very quickly so lots will likely be conveyed to builders in late January with work to commence on spec homes shortly thereafter. Mr. Wilson also noted work being performed by Pedernales Electric Cooperative, Inc. ("PEC") began just prior to the meeting as well. Lastly, Mr. Wilson noted plans for the amenity center as well as an additional 269 lots are currently under review by Hays County ("County"), and upon approval by the County, work would commence on those as well. It was noted that preliminary planning has begun on Phases 4, 5, 6 and 7.

4. Next the Board reviewed Atwell's February 10, 2021 Engineer's Summary for construction and status of the four (4) separate construction projects currently underway by C.C. Carlton Industries, Ltd. ("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 Brydson, 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. 13 (\$415, 201.43).

Anthem Phase 1-B contract with Joe Bland:
Pay Application No. 6 (\$31,465.35).

Anthem RM 150 – Offsite Water contract with CC Carlton:
Pay Application No. 10 (\$137,385.00).

Anthem Offsite Wastewater contract with CC Carlton:
Pay Application No. 9 (\$153,779.25).

Anthem Hoover Drive Station – Onsite Water contract with CC Carlton:
Pay Application No. 10 (\$127,998.00).

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

With regard to certain items the District will be required to maintain as the District nears the development phase, 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, Mr. Smith noted that Atwell has prepared a map showing the location of such improvements and additional infrastructure components that are anticipated for Inframark to maintain for the District, and that such map will be sent to Inframark that same day in hopes of having Inframark's proposal ironed out and ready for Board consideration at the March meeting.

Clark Wilson briefly discussed with the Board a temporary easement requested by the City of Kyle for a secondary access road for emergency vehicles. Mr. Barrett confirmed he had prepared said easement, and Mr. Smith confirmed the requested roadway was included in the Phase 1 plans sent to Inframark for maintenance purposes.

Additionally, Mr. Smith confirmed installation of the entry sign identifying the District, as required by the Texas Commission on Environmental Quality ("TCEQ"), would be completed prior to any residents moving in, and that Atwell has evaluated whether or not a Municipal Separate Storm Sewer System ("MS4") is required for the District, and based on numbers from the 2010 census, Atwell does not believe an MS4 designation is needed at this time. It was noted that should the 2020 census show differing numbers, Atwell would reevaluate their findings.

5. 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 the sixth invoice was expected to go out soon and that everything is moving along nicely. Mr. Wilson then noted payment for a previous invoice had not yet been received, and Mr. Smith noted he would follow up with the payer on this.

6. 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 and Hank Smith each confirmed there was nothing needed at this time.

7. Kimberly Studdard then discussed with the Board proposed action with regard to formal approval and ratification of notification to the Texas Legislature of the District's intent to redefine the boundaries of the District to exclude a portion of land previously sold to the City of Austin. Ms. Studdard reminded the Board of the discussion of the aforementioned at their January meeting regarding authorization for Mr. Barrett to proceed with working with the Texas Legislature, and upon motion by Director Jacobs, seconded by Director Storm, the Board unanimously approved and ratified authorization for Mr. Barrett to proceed with working with the Texas Legislature to redefine the boundaries of the District to exclude that portion of land previously sold to the City of Austin.

8. With regard to a potential Professional Services Agreement with Inframark, LLC with respect to operational services to be provided to the District as noted above, Ms. Studdard noted that such contract would likely be ready at the Board's regularly-scheduled March meeting as was previously mentioned by Mr. Smith.

9. Justin Taack with Bott & Douthitt presented and reviewed a February 10, 2021 Accounting Report to the Board. Mr. Taack noted the only action needed by the Board at this time was related to payment of directors and vendors as well as payment of accounting fees for January 2021. It was also noted that payroll taxes for the 2020 fiscal year are due and total a little over \$1,000 which is reflected in said report. Several Board members presented the question as to status of checks for the January meeting as well as W-2 forms as they had not received them to date. Mr. Taack confirmed all had been mailed, but should the directors not receive those checks and forms within a week's time, he would cancel the checks and reissue and would email the tax forms. Following a motion by Director Brydson, seconded by Director Weber and unanimously carried, the

Board approved the report and payments listed thereon. A copy of such report is attached hereto as **EXHIBIT "C"**.

10. The Board then confirmed their next proposed regular meeting date as Wednesday, March 10, 2021 at 11:30 a.m., and Ms. Studdard 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 Brydson moved that the meeting be adjourned, which motion was seconded by Director Jacobs and unanimously approved, and the Board adjourned until further call.

APPROVED AND ADOPTED this 10th day of March, 2021.



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