

MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS

THE STATE OF TEXAS §

COUNTY OF HAYS §

CROSSWINDS MUNICIPAL UTILITY DISTRICT §

The Board of Directors (the "Board") of Crosswinds Municipal Utility District (sometimes referred to herein as the "District") met in regular session, open to the public, on the 11th 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:

Amy Laine	President
Lee Weber	Vice President
Elizabeth P. Edwards	Secretary
Anthony Dell'Abate	Assistant Secretary
Michael Gideon	Assistant Secretary

All members of the Board were present by telephone at the commencement of the meeting, except Director Gideon and Director Laine. The record shall reflect Director Laine joined the meeting just after the vote was taken under item 6 herein. All members participating at the time a vote was taken, voted on all matters 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, with Winstead PC; Ronnie Moore with Carlson, Brigance & Doering, Inc. ("CB&D"), engineer for the District; Kristi Hester and Ronja Keyes with Inframark, LLC ("Inframark"), the District's operations firm; and Justin Taack with Bott and Douthitt, PLLC ("Bott & Douthitt"), the District's bookkeeping firm. In addition, Terry Howe representing Development Solutions CW, LLC ("Dev Sol"), the current developer of lands within the District, as well as Prakiti Ghimire of Jones-Heroy & Associates, Inc. ("Jones-Heroy"), special engineers for the District as relates to bond matters, were in attendance. Lastly, Matt Bosway and Hank Wilson with Sunscape Landscaping ("Sunscape"), proposed landscaper for the transition of mowing, maintenance and water irrigation services of certain areas from the Home Owners' Association to the District, were on the call as well.

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, and 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. Hearing none, the Board continued on to the next item of business.

2. The Board acknowledged receipt of a copy of the Minutes of the Board's January 14, 2021 regular meeting and following a review and motion by Director Weber, seconded by Director Edwards and unanimous approval, said Minutes were approved as written.

3. The Board then recognized Ronnie Moore with CB&D who referred the Board to CB&D's Engineering Report for the current meeting, a copy of which is attached hereto as **EXHIBIT "A"**. The report updated the Board with regard to the status of a pending contract for Crosswinds Phase 3A, which will include 281 lots and will extend Crosswinds Parkway to Go Forth Road, thereby providing two points of ingress and egress. Mr. Moore reminded the Board that bids were opened December 2, 2020 and that CB&D issued a Recommendation of Award letter to the low bidder, DNT Construction, LLC, on December 17, 2020. Mr. Moore noted that although CB&D issued their Recommendation of Award letter, the developer is wanting to work through specifics related to a change order that would be needed to address moisture concerns discussed at prior meetings. Mr. Moore noted that until those details are ironed out and the executed contract as well as a notice to proceed were received by CB&D, we would not be moving forward.

Additionally, Mr. Moore noted that permits from the City and GBRA for the elevated water storage tank were expected later in the month or in March of 2021 with bids to open in the first or second quarter of 2021 and construction to commence in the second or third quarter of 2021.

4. With regard to the developer's report, Terry Howe noted that for Phase 1, there were only 3 model homes remaining, 11 homes under contract and 1 spec property for a total of 225 homes on the ground in Phase 1. For Phase 2, Mr. Howe noted there are currently no model homes, 75 homes under construction, 4 homes being used as completed spec properties, and 98 homes currently occupied for a total of 177 homes on the ground in Phase 2 and 402 homes on the ground between the first two phases. Additionally, Mr. Howe noted there were some ongoing discussions about possible grading changes but nothing major going on at the moment.

5. With regard to any additional water and sewer related agreements, status of negotiations with regard to existing service rates and amendments to such agreements, status of conveyances to the City of Kyle or other related matters, Mr. Barrett noted there was nothing to discuss at this time.

6. The Board was then presented with an Order Authorizing Application for Approval of Project and First Utility Bond Issue by the Texas Commission on Environmental Quality and Requesting Waivers ("Order Authorizing First Utility Bond Application through the TCEQ") in connection with the District's proposed Series 2021 Unlimited Tax Utility Bond issue. Ms. Studdard noted a few items outlined in the Order Authorizing First Utility Bond Application through the TCEQ, specifically the not to exceed amount of \$2,805,000 noting that figure is in line with what the District's financial advisor provided at the Board's December meeting as well as the specific waivers being requested which were also provided by the District's financial advisor. Ms. Studdard also reminded the Board that the dollar amount was based, among other things, on the assessed value provided by the Hays Central Appraisal District. Upon motion by Director Dell'Abate, seconded by Director Weber, the Board unanimously approved the Order Authorizing First Utility Bond Application through the TCEQ. The record shall reflect Director Laine joined the meeting at this time.

7. Justin Taack with Bott & Douthitt, the District's bookkeeping firm, reviewed an Accounting Report dated February 11, 2021 which included a review of the Cash Activity Report, including receipts and expenditures, a summary of action items as relate to director and vendor payments and the transfer of \$21,059.34 from the District's TexPool operating account to the District's Bancorp bookkeeper's account, the transfer of \$166,932.50 from the District's TexPool tax account to the District's TexPool operating account, the transfer of \$197,000 from the District's TexPool tax account to the District's TexPool debt service account, and a set of December 31, 2020 Financial Statements, all as attached hereto as **EXHIBIT "B"**. With regard to availability fees, Mr. Taack noted the District had collected \$99,000 since the last meeting and that Bott & Douthitt would continue to monitor tax collections. It was also noted that Director Gideon's check for the then current meeting would be voided in the event he doesn't join the meeting before the end of the call. Upon motion by Director Weber, seconded by Director Laine and unanimously carried, the Board approved the Accounting Report which included the approval of director and vendor payments and the fund transfers as set out therein.

8. With regard to the District's landscape maintenance plan and proposed transition of landscape maintenance and billing of District maintained properties from the Home Owners' Association to the District, Kristi Hester with Inframark briefly discussed with the Board the usual process for maintaining and billing the District for those services, noting at the end of the then current year, the Home Owners' Association would simply issue a "true-up" for District expenses related to landscaping. As an alternative, Ms. Hester introduced potential landscaper, Sunscape Landscaping, whom discussed their proposal for maintenance and direct billing to the District for mowing, maintenance and water irrigation services. Hank Wilson with Sunscape briefly discussed their qualifications and their 2021 Contract-Proposal, a copy of which is attached hereto as **EXHIBIT "C"**, noting most areas would be serviced 43 times per year, and everything outside the 43-visit frame, would be serviced 24 times per year. Mr. Barrett then confirmed Mr. Wilson's qualifications but noted the 2021 Contract-Proposal would need to be revised to reflect correct party/signatory since said contract will be directly with the District rather than the Home Owners' Association. Mr. Barrett also noted there is a 30-day termination provision should the Board or residents be unhappy with the services being provided. Upon motion by Director Weber, seconded by Director Dell'Abate, the Board unanimously approved the 2021 Contract-Proposal (with changes requested by Mr. Barrett) between Sunscape Landscaping and the District.

9. With regard to operational matters, Kristi Hester with Inframark updated the Board as to the Operation's Report for January 2021 and included Executive Summary Report, a copy of which is attached hereto as **EXHIBIT "D"**, noting there was not much to report by way of regular drainage and pond area inspections and erosion control measures currently underway, but that there is some erosion control which is expected to be performed the following week. Ms. Hester also noted builders' violations are still occurring, but the problems seem to be lessening with the monthly builders' meetings. Additionally, Ms. Hester reminded the Board of a street light damaged on Treasure Cove and discussions with Pedernales Electric Cooperative, Inc. ("PEC") regarding same. Ms. Hester noted PEC would pay to replace the light fixture itself but not the poles, and as is such, Inframark would be having that light repaired by the end of the month. Ms. Hester also notified the Board as to timing of repairs for a portion of the sidewalk along Crosswinds Parkway in need of repair to correct a trip hazard and a proposal from CRC Concrete Raising & Repair ("CRC") in the amount of \$1,968.75 to correct the issue which was approved at the January meeting, noting the sidewalk would be repaired the following week. Upon motion by Director Weber and seconded by Director Dell A'bate, said Operation's Report for January 2021 and included Executive Summary Report were unanimously approved.

10. It was then confirmed that an Executive Session was not needed at this time, and the Board confirmed a proposed regular meeting on Thursday, March 11, 2021, at 11:00 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 Weber moved that the meeting be adjourned, which motion was seconded by Director Edwards, and unanimously approved, and the Board adjourned until further call.

APPROVED AND ADOPTED this 11th day of March, 2021.



Elizabeth P. Edwards, Secretary
Board of Directors
Crosswinds Municipal Utility District

