

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" or the "Board of Directors") of Anthem Municipal Utility District (also sometimes referred to herein as the "District") met in regular session, at 805 Las Cimas Parkway, Building 3, Suite 310, Austin, Texas, a designated office of the District outside the boundaries of the District on October 13, 2021, and the roll was called of the members of 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 at the commencement of the meeting, except Directors Scott and Weber. The record shall reflect Director Weber joined the meeting under item 10 herein. All directors present at the time a vote was taken voted on all items that came before the Board. Also present 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, Kristi Hester and Ronja Keyes of Inframark, LLC ("Inframark"), operations firm for the District, were in attendance as well as Clark Wilson and Bradley Wilson, representing Kyle 150, LP, the current owner and developer of the land within the District.

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 24, 2021 special 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. S.B. 1167 of the 87th regular legislative session redefined the boundaries of Anthem MUD. As such, the Board was presented with an Order Redefining Boundaries. Ms. Studdard reminded the Board of SB 1167 and discussed how SB 1167 relates to the Order Redefining Boundaries being presented that day. Ms. Studdard further noted the Order would be recorded with Hays County then filed with the Texas Commission on Environmental Quality ("TCEQ") and Hays Central Appraisal District ("HCAD"). Finally, Ms. Studdard reminded the Board that SB 1167 also validated prior actions of the Board, including elections. Upon motion by Director Brydson,

seconded by Director Storm, the Board unanimously approved the Order Redefining Boundaries of the District as well as any filing or recording as may be necessary.

4. In relation to the previously discussed Order Redefining Boundaries, Ms. Studdard then discussed with the Board the need to file an Amended District Information Form with the TCEQ which would reflect the District boundaries as defined in SB 1167 and included in the aforementioned Order. Upon motion by Director Brydson, seconded by Director Jacobs, the Amended District Information Form was unanimously approved.

5. With regard to a report from the developer, Clark Wilson noted acceptance of the water system is expected within a few days, at which time water will begin flowing through the District. It was also noted that builders continue to take down lots and that sales remain steady.

6. Next the Board reviewed Atwell's October 13, 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"), and it was noted that there were no pay applications or change orders for consideration by the Board at this time.

Engineer Concurrence Letters were then received and Mr. Smith discussed his recommendation for final acceptance by the District of the following contracts:

Anthem Phase 1-A contract with CC Carlton;
Anthem Phase 1-B contract with Joe Bland;
Anthem RM 150 – Offsite Water contract with CC Carlton;
Anthem Offsite Wastewater contract with CC Carlton; and
Anthem Hoover Drive Station – Onsite Water contract with CC Carlton.

Mr. Barrett posed the question as to whether or not the District would accept the aforementioned projects on behalf of the developer then later convey the projects to the City of Kyle, and Hank Smith confirmed that would be the case. Upon motion by Director Jacobs, seconded by Director Brydson and unanimously approved, the Board approved final acceptance of the projects listed above.

Mr. Smith then discussed with the Board the opening of bids for Phases 1C2 and 1C3, Phase 2/3 and Phase 4, noting bidding is complete and that CC Carlton has come in as the low bidder for all. As is such, Mr. Smith recommended the Board authorize Notices of Award to CC Carlton. After a brief discussion, and upon motion by Director Jacobs, seconded by Director Brydson, issuance of Notices of Award to CC Carlton for Phases 1C2 and 1C3, Phase 2/3 and Phase 4 were unanimously approved by the Board.

7. 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 noted there was nothing needed at this time.

8. With regard to a proposed Professional Services Agreement with Inframark, LLC with respect to operational services to be provided to the District, a final Agreement was presented to

the Board, and upon motion by Director Brydson, seconded by Director Storm, the Professional Services Agreement between the District and Inframark was unanimously approved.

9. The Board was then presented was a Resolution Adopting Amended Operating Budget, as amended to reflect the addition of Inframark's projected invoices for 2021-2022, and upon motion by Director Brydson, seconded by Director Jacobs, the Resolution Adopting Amended Operating Budget was unanimously approved.

10. The record shall reflect that Director Weber entered the meeting at this time. Justin Taack with Bott & Douthitt presented and reviewed an October 13, 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 fees as well as accounting fees through September 2021. It was noted Director Scott's check for the current meeting would be voided in light of her absence that day. Additionally, Mr. Taack noted the HCAD was showing an overpayment in property taxes of roughly \$18,000, and as is such, Bott & Douthitt would likely not need to request a developer advance but would use those funds for payment of current operating expenses instead. Following a motion by Director Storm, seconded by Director Jacobs and unanimously carried, the Board approved the report and payments listed thereon.

11. The Board then discussed and confirmed their next regular meeting date of Wednesday, November 10, 2021, and 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 November, 2021.



Eric B. Storm, Assistant Secretary
Board of Directors
Anthem Municipal Utility District