

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" or "Board of Directors") of Crosswinds Municipal Utility District (the "District") met in regular session, open to the public, on May 12, 2022 at 5701 West William Cannon Drive, Austin, Texas, an office of the District outside the boundaries of the District, and the roll was called of the members of 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 at the commencement of the meeting, except Director Edwards and Director Dell'Abate. The record shall reflect Director Edwards entered the meeting under item 3 herein. All members participating in person at the time a vote was taken voted on all matters that came before the Board. Also present were Andy Barrett of Barrett & Associates, PLLC ("Barrett & Associates"), attorney for the District; Kimberly Studdard, paralegal, with Winstead PC; Ronnie Moore with Carlson, Brigrance & Doering, Inc. ("CB&D"), engineer for the District; Justin Taack with Bott and Douthitt, PLLC ("Bott & Douthitt"), the District's bookkeeping firm; Ronja Keyes with Inframark, LLC ("Inframark"), the District's operations firm; Corey Howell with The GMS Group, L.L.C. ("GMS"), the District's financial advisor; and Crystal Horn with McGrath and Co., PLLC ("McGrath"), the District's auditor. Additionally, Greg Rich, representing Development Solutions CW, LLC ("Dev Sol"), the current developer of lands within the District, was present as well.

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 April 14, 2022 special meeting, and following a review and motion by Director Weber, seconded by Director Gideon and unanimous approval, said Minutes were approved as written.

3. The record shall reflect Director Edwards entered the meeting at this time. The Board then recognized Corey Howell with GMS, the District's financial advisor, whom reviewed a summary of the final proposed terms of the District's Series 2022 Utility Bond Anticipation Note ("BAN") noting that Trustmark National Bank had agreed to purchase the BAN in the principal amount of \$6,363,000 under the terms as detailed more fully in **EXHIBIT "A"**. Mr. How-

ell noted that GMS felt the terms of the BAN were reasonable and what he would expect given the current market environment. The Board next reviewed the form of a Private Placement Letter with Trustmark National Bank, a copy of which is attached hereto as **EXHIBIT "B"**, and following a full discussion and recommendation by Winstead, upon motion by Director Weber, seconded by Director Gideon, the Board approved and authorized the execution of said Private Placement Letter which confirmed the formal terms and details under which Trustmark National Bank would purchase the BAN.

A series of documents were presented which had been prepared by Winstead, as bond counsel, including an Order Authorizing the BAN ("Order"), a General and No Litigation Certificate, and other tax related certificates and documents supporting the issuance of the BAN, and upon motion by Director Weber, seconded by Director Gideon and unanimously carried, all of said documents relating to the sale of the BAN were approved, and the President or Vice President and Secretary or Assistant Secretary were authorized to execute same. A copy of said Order is attached hereto as **EXHIBIT "C"**.

4. The Board recognized Crystal Horn with McGrath who reviewed the final Agreed Upon Procedures Report ("AUP Report"), a copy of which is attached hereto as **EXHIBIT "D"**, in connection with reimbursements the Board would be making from the proceeds of the District's BAN following close. Ms. Horn noted that items previously paid for by Dev Sol would be reimbursed to three different parties, Preston Hollow Capital, a Fortress entity and International Bank of Commerce ("IBC"), per various assignments of reimbursements from Dev Sol to those entities. Following such review and discussion thereof, upon motion by Director Edwards, seconded by Director Laine and unanimously carried, the Board approved such AUP Report and the related representation letter addressed to McGrath.

5. With regard to a developer's report, Greg Rich noted that they are finishing up Phase 3 now and that plats have been approved by the City of Kyle. It was noted that builders should receive substantially complete letters within 10 days or so, and that there remains a backlog in excess of 30-50 families, as reported by builders. Mr. Rich noted that transfer to the new ownership entity is almost complete, and that the developer is extremely happy with the current assessed value in the District.

Mr. Barrett then discussed with the Board a Notice to Parties of Cost Participation Agreement ("Notice") received by IBC's counsel, a copy of which is attached hereto as **EXHIBIT "E"**, noting that as part of the Collateral Assignment of Cost Participation Agreement Reimbursables dated March 30, 2022 ("Assignment"), IBC would like the District to acknowledge that amounts reimbursable to the new development entity, shall be paid directly to IBC until such amounts owed to IBC are paid in full. After a brief discussion and upon motion by Director Edwards, seconded by Director Gideon, the Board unanimously approved the Notice referenced above.

6. With respect to the proposed addition of lands by KB Homes, Mr. Barrett noted that there was nothing for consideration by the Board at such time. Mr. Rich stated he would follow up with KB Homes, but that they were likely in the tail end of their due diligence process.

7. The Board then recognized Ronnie Moore with CB&D who referred the Board to CB&D's Engineering Report for the current meeting. The report updated the Board with regard to a contract for Crosswinds Phase 3A with DNT Construction, LLC ("DNT"), which includes

281 lots and will extend Crosswinds Parkway to Go Forth Road, thereby providing two points of ingress and egress as well as a contract for Crosswinds Phase 4A with DNT, Crosswinds Phase 5A/B, and the status of contracts for the elevated and ground storage tanks. Additionally, Mr. Moore updated the Board with regard to bids received for Crosswinds Phase 6A, noting DNT came in as the low bidder on that contract, and as is such, it is CB&D's recommendation the contract be awarded to DNT. Under said contracts, Mr. Moore noted CB&D was in receipt and had reviewed several pay applications and that no discrepancies were found. Upon motion by Director Edwards, seconded by Director Weber, the following recommended pay applications as well as award of the contract for Phase 6A to DNT were unanimously approved:

Crosswinds Phase 4A contract with DNT:

Pay Application No. 1 (\$242,294.02);

Pay Application No. 2 (\$1,125,428.36);

Pay Application No. 3 (\$436,059.61).

8. With regard to any additional proposals, agreements or other related items as may be necessary for the Nationwide Permits and cultural resource work being performed as relates to potential pond issues within the District, or 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 ("City") or other related matters, Mr. Barrett noted there was nothing needed at this time.

9. As relates to the potential Interlocal Agreement between the City and the District with regard to collection of builder fees as a result of erosion control violations noted by Inframark, Mr. Barrett noted the City of Kyle would have to pass an Ordinance regarding the proposed Interlocal Agreement in order for the District to act on it.

10. Mr. Taack then reviewed an Accounting Report dated May 12, 2022, 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 fund transfers, as reflected therein, and 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 fund transfers as set out therein.

11. With regard to an Operations Report for the District, Ms. Keyes noted there were fines issued to Pacesetter Homes the prior month with regard to builder violations, but that street lights are all in working order. Additionally, Ms. Keyes noted that pond inspections were conducted on April 8, 2022 and that minor work is scheduled for both ponds. Upon motion by Director Gideon, seconded by Director Edwards, the Board unanimously approved the Operations Report.

12. Ms. Studdard briefly discussed with the Board the need to renew their annual cybersecurity course training pursuant to Section 2054.5191 of the Texas Government Code, and it was noted that an email would follow within the week with recommended course details and deadlines for same. Additionally, Ms. Studdard noted directors would be paid a per diem for their time to complete the course.

13. It was then confirmed that an Executive Session was not needed at this time, and the Board tentatively scheduled their next regular meeting date of Thursday, June 9th, 2022, at 11:00 a.m. at the offices of CB&D.

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 16th day of June, 2022.



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