

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 special 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 July 12, 2022, and the roll was called of the members of the Board to-wit:

Brandon Brydson	President
Matt Jacobs	Vice President
Vacant	Secretary
Tammy Weber	Treasurer/Asst. Secretary
Eric B. Storm	Assistant Secretary

All members of the Board were present at the commencement of the meeting. 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, and Kimberly Studdard, paralegal, of Winstead PC ("Winstead"), bond counsel for the District; Hank Smith with Atwell, LLC ("Atwell"), engineers for the District; Justin Taack with Bott & Douthitt, PLLC ("Bott & Douthitt"), bookkeepers for the District; and William Abshire of Capital Area Utility Management, LLC ("CAUM"), operations firm for the District. In addition, Clark Wilson and Bradley Wilson, representing Kyle 150, LP, the current owner and developer of the land within the District were in attendance as well.

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 June 2, 2022 special meeting were presented for review and approval. Following a motion by Director Weber, seconded by Director Storm and unanimously carried, said Minutes were approved as written.

3. With regard to a developer's report, Clark Wilson stated there wasn't much to update the Board on by way of development but that their biggest challenge at the moment is unresolved matters with Pedernales Electric Cooperative, Inc. ("PEC") regarding the necessary quote needed from PEC to complete power.

4. The Board then reviewed Atwell's July 12, 2022 Engineer's Summary for construction and status of the separate construction projects currently underway along with recommendations for related pay applications. By motion of Director Brydson, seconded by

Director Weber and unanimously carried, the following recommended Atwell payments and change orders under the stated construction contracts were unanimously approved:

Anthem Phase 1C-2 contract with CC Carlton:  
Pay Application No. 8 (\$152,564.45); and  
Change Order No. 2 (\$73,966.63).

Anthem Phase 1C-3 contract with CC Carlton:  
Pay Application No. 8 (\$799,107.97); and  
Change Order No. 2 (\$332,850.00).

Anthem Phase 2 & 3 contract with CC Carlton:  
Pay Application No. 8 (\$1,181,272.32);  
Change Order No. 2 (\$332,850.00);  
Change Order No. 3 (\$346,800.80); and  
Change Order No. 4 (\$460,490.60) CREDIT.

Anthem Phase 4 contract with CC Carlton:  
Pay Application No. 4 (\$609,135.10);  
Change Order No. 1 (\$119,521.00);  
Change Order No. 2 (\$486,027.77); and  
Change Order No. 3 (\$367,659.65) CREDIT.

The record shall reflect that copies of all approved pay applications and change orders are collectively attached hereto as **EXHIBIT "A"**.

It was noted that the final plat for Phases 1C-2, 1C-3, 2&3 and 4 is currently under review by the City of Kyle and that Atwell is preparing to file paperwork for the portion of land now owned by Landsea Development.

5. With regard to the District's preliminary values received by the Hays Central Appraisal District ("HCAD"), the Board briefly reviewed and discussed, and upon motion by Director Brydson, seconded by Director Weber, unanimously approved Ms. Studdard to begin working with District consultants on preparation of the necessary tax rate worksheets and information needed for the proposed Notice of Tax Rate Hearing for adoption at the August meeting.

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, or any matters related to the issuance of bonds or related matters, Andy Barrett noted that following receipt of the certified values from the HCAD, he believed it might be timely to go ahead and prepare for a possible first utility bond issue for the District, which utility bonds would have to be approved by the Texas Commission on Environmental Quality ("TCEQ"). After a brief discussion, and upon motion by Director Storm, seconded by Director Jacobs, the Board unanimously approved and authorized preparation of a bond application, notice of sale, preliminary official statement, and any additional documents, as may be necessary, related to the proposed first utility bond issue.

7. Justin Taack with Bott & Douthitt presented and reviewed the July 12, 2022 Accounting Report, and it was noted that the only action needed by the Board at this time was

related to payment of directors and vendors. It was noted that Director Scott's check would be voided in light of her resignation from the Board and unattendance at meeting that same day. Upon motion by Director Weber, seconded by Director Storm and unanimously carried, the Board approved the Accounting Report and disbursement of funds in accordance therewith.

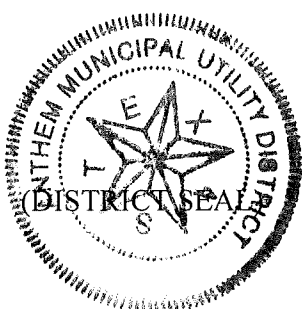
8. Mr. Abshire then discussed with the Board an Operations Report for June 2022 operations within the District, and Mr. Abshire noted he visited the 4 existing ponds on June 21, 2022 as well as toured the sections within the District currently under construction. It was noted that all ponds need trash removal, temporary irrigation piping removal and mowing, and that minor sediment needs removal on most inlets. Additionally, it was noted that there were some erosion control issues with Pond #2 which need to be addressed, but that there were no issues identified with regard to sidewalks or street lighting. Mr. Abshire noted he received one customer complaint after flooding occurred on Washington Street after a rain event on June 27, 2022 due to clogged storm water inlet screens. Mr. Abshire coordinated with Gehan and Scott Felder representatives to have the inlet screens cleaned, trash picked up and sidewalks and driveways cleaned. It was noted that Mr. Abshire would work to gather proposals for presentation to the Board at the August meeting with regard to maintenance of pond areas and fix for erosion issues. Upon motion by Director Brydson, seconded by Director Jacobs, the Board unanimously approved the Operations Report.

9. With regard to the builder debris and drainage issues previously discussed, Ms. Studdard then presented the Board with an Order Adopting Rules and Regulations for system operation. Mr. Barrett discussed with the Board the purpose of said Order, noting the primary purpose is to have rules in place so in the event builders violate various erosion control issues, CAUM could then bill the builders directly in accordance with the Order. After a brief discussion, and upon motion by Director Storm, seconded by Director Brydson, the Board unanimously approved the Order Adopting Rules and Regulations for system operations and publication of such rules, as is required by law.

10. Ms. Studdard then presented the Board with a proposal from McDonald Wessendorf regarding renewal of the District's existing insurance coverages to be effective from August 22, 2022 for an entire year and that the total annual premium comes to \$4,145 which is the same as the previous year's premium. Upon motion by Director Weber, seconded by Director Jacobs, the Board unanimously approved renewal of insurance for all existing coverages.

11. The Board then discussed and tentatively confirmed their next regular meeting date of Wednesday, August 10, 2022, and there being no further business to conduct, Director Jacobs moved that the meeting be adjourned, which motion was seconded by Director Brydson and unanimously approved, and the Board adjourned until further call.

APPROVED AND ADOPTED this 10<sup>th</sup> day of August, 2022.



  
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Tammy Weber, Assistant Secretary  
Board of Directors  
Anthem Municipal Utility District