

MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS

THE STATE OF TEXAS §
COUNTY OF HAYS §
LASALLE MUNICIPAL UTILITY DISTRICT NO. 1 §

The Board of Directors (the "Board" or the "Board of Directors") of LaSalle Municipal Utility District No. 1 (also sometimes referred to herein as the "District") met in regular session, open to the public, at 7401 B. Hwy. 71 West, Suite 160, Austin, Texas, a designated office outside the District, on February 9, 2023, and the roll was called of the members of the Board to-wit:

Kristi LaRue	President
Eric Willis	Vice President
Chuck Kaufman	Secretary
Douglas J. Goss	Treasurer/Asst. Secretary
John Christopher Gee	Asst. Secretary

All members of the Board were present at the commencement of the meeting, except Director LaRue and Director Gee. 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, paralegal of Winstead PC ("Winstead"), Jacob Harris of Doucet & Associates, Inc. ("Doucet"), engineers for the District, and Justin Taack with Bott & Douthitt, PLLC ("Bott & Douthitt"), bookkeepers for the District. Additionally, Mike Schroeder with LaSalle Holdings, Ltd. ("LaSalle Holdings"), representing an owner and developer of lands within the District, was 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 Board confirmed receipt of the Minutes from the January 12, 2023 regular Board meeting, and upon motion by Director Kaufman, seconded by Director Willis, said minutes were unanimously approved.

3. With regard to a developer's report, Mr. Schroeder noted that things are moving along on the construction side and that they are working with an adjacent neighbor and Lennar on various drainage easements. Mr. Schroeder noted there's a prospective purchaser for roughly 70 acres of industrial property just outside of the District which will likely be annexed into the District at a later date. It was noted that the developers are working with the City of San Marcos on amending the Development Agreement and Consent Agreement to account for the industrial tract. Additionally, it was noted that an agreement with regard to the elevated storage tank is underway and that the District will likely be a party to said agreement.

4. The Board was presented with a Memorandum, dated February 9, 2023, for construction and status of the three (3) construction projects currently underway by JL Gray Construction, Inc. ("JL Gray") along with recommendations for related pay applications and change orders, which Memorandum is attached hereto as **EXHIBIT "A"**. Upon motion by Director Willis, seconded by Director Kaufman, the following recommended pay application was unanimously approved:

Waterstone Units A, B, C contract with JL Gray:
Pay Application No. 5 (\$2,187,677.70).

Additionally, Mr. Harris noted completion of Phase 1A construction was pushed slightly due to weather delays and that the second portion of Waterstone Boulevard is almost complete. It was noted that development of Phase 2 would begin in the near future and that Doucet is in the process of reviewing bids for the main lift station.

The Board was presented with a Proposal for Engineering Services from Doucet related to construction inspection services for the stormwater system for Units A-C in an amount not to exceed \$50,000. After a thorough discussion, the Board opted to table the item and continue discussions at a future meeting date.

5. With regard to any additional water and sewer related agreements, easements, assignments, rights-of-way, related cost sharing agreements, or other related matters, Mr. Barrett noted he had nothing for the Board's consideration at such time.

6. The Board was presented with a Drainage Easement from K Marcos, LLC to the District, a copy of which is attached hereto as **EXHIBIT "B"**, over a portion of a 331.552-acre tract owned by K Marcos, LLC, and Mr. Barrett reminded the Board that this was one of the four drainage easements previously discussed in prior meetings, the remaining three easements being owned by Lennar. After a through discussion, and upon motion by Director Willis, seconded by Director Kaufman, the Board unanimously approved the Drainage Easement from K Marcos, LLC to the District.

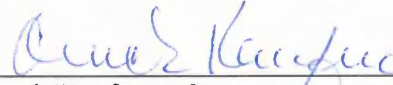
7. Regarding updates with respect to the Rate Order previously approved by the District, Mr. Barrett noted he had nothing further for the Board to discuss at such time.

8. With regard to annexation of roughly 70 acres of additional land into the District, Mr. Barrett noted the developer is still awaiting the City of San Marcos' consent, and as is such, there was nothing further to report on the matter at such time.

9. Justin Taack then presented the Board with a Cash Activity Report, noting he would need the Board's approval on disbursement of checks related to director and vendor payments and a fund transfer in the amount of \$500 from the District's PNC Operating Account to the District's PNC Bookkeeper's Account. It was noted that Director LaRue and Director Gee's checks would be voided in light of their absence at the meeting that day, and that payroll taxes were paid in between meetings. After a brief discussion, and upon motion by Director Willis and seconded by Director Kaufman, the Cash Activity Report and disbursement of funds in accordance therewith was unanimously approved.

10. The Board confirmed the next meeting date would be March 9, 2023, and there being no further business to conduct, Director Willis moved that the meeting be adjourned, which motion was seconded by Director Kaufman, and unanimously approved, and the Board adjourned until further call.

APPROVED AND ADOPTED this 9th day of March, 2023.



Chuck Kaufman, Secretary
Board of Directors
LaSalle Municipal Utility District No. 1

