

**MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS**

THE STATE OF TEXAS §

COUNTY OF HOOD §

CRESSON CROSSROADS MUNICIPAL UTILITY DISTRICT NO. 2 §

The Board of Directors (the “Board” or the “Board of Directors”) of Cresson Crossroads Municipal Utility District No. 2 (also sometimes referred to herein as the “District”) met in special session, open to the public, at 5189 E. I-20 Service Road, North, Suite 104, Willow Park, Texas 76087 at 10:00 a.m. on June 22, 2022, and the roll was called of the members of the Board to-wit:

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| Bill Cherry | President |
| Mike Barrett | Vice President |
| Rodney Mays | Secretary |
| Derek Tanner | Assistant Secretary |
| Doug Johnston | Assistant Secretary |

All members of the Board were present at the commencement of the meeting with the exception of Director Tanner, thus constituting a quorum. Also present were Mr. Grant Read, Mr. Ryan Voorhees, and Mr. Jim Martin, developers of lands within the District; and Ms. Amy Bieber, paralegal, Winstead PC. Ms. Sarah Landiak, attorney, of Winstead PC, Ms. Kerry Tovery of Dye & Tovery LLC, and Mr. Andre Ayala of Hilltop Securities, Inc., joined the meeting by telephone conference.

1. The Board first called for public communications or comment. Hearing none, the Board closed the public comment session of the meeting.

2. Consideration was next given to the administration of Statement of Officer Forms, and Oaths of Office to Directors. Ms. Landiak noted that the documents have been distributed for signing by Director Cherry and Director Mays to mark the beginning of their new four-year terms. Following a discussion, Director Mays moved that the Board formally acknowledge the administration of the Statement of Officer forms and Oaths of Office. Director Barrett seconded said motion, which carried unanimously

3. The Board next confirmed receipt of the draft minutes of the March 23, 2022, Board of Directors meeting. Following a discussion, Director Mays moved that the Board approve the minutes as drafted. Director Johnston seconded the motion, which carried unanimously.

4. The Board next considered the ratification and approval of a Master Services Agreement with LA Services, LLC, for operation of the District’s water and wastewater facilities, a copy of which is attached hereto as Exhibit “A”. Following a discussion, Director Mays moved that

the Board approve the Agreement as presented. Director Johnston seconded said motion, which carried unanimously.

5. The Board deferred action with regard to the engagement of an engineer for subdivision processing.

6. The Board next recognized Mr. Ayala, who presented to and reviewed with the Board a statement of qualifications from Hilltop Securities, Inc. (“Hilltop”), a copy of which is attached hereto as Exhibit “B”. Next, Mr. Ayala presented to and reviewed a Municipal Advisory Agreement by and between the District and Hilltop, a copy of which is attached hereto as Exhibit “C”. Mr. Ayala reviewed the proposed scope of services and standard fee schedule. Following a discussion, Director Barrett moved that the Board approve the engagement of Hilltop for financial advisory services as presented. Director Mays seconded said motion, which carried unanimously.

7. The Board continued to recognize Mr. Ayala, who explained the process of setting tax rates, noting that the District would levy its initial tax rate in 2022 prior to the completion of houses within the District. Mr. Ayala noted that the proposed tax rate is slated for operation and maintenance expenses and recommended an initial tax rate of \$1.00 per \$100 of assessed value. Next, Ms. Landiak presented to and reviewed with the Board copies of an Order Setting Tax Rate for 2022, a copy of which is attached hereto as Exhibit “D”. Following a discussion, Director Johnston moved that the Board (i) accept the tax rate recommendation of \$1.00 per \$100.00 of assessed value; and (ii) adopt the Order Setting Tax Rate for 2022 as presented. Director Mays seconded said motion, which carried unanimously.

8. The Board next considered a Petition for Addition of Lands into the District (“Petition for Addition”) submitted by Cresson Ventures LLC. Ms. Landiak reviewed the process for annexation of lands into the District, noting that the land to be added is located wholly within the extraterritorial jurisdiction of Cresson, Texas, and that the City Council of Cresson consented to the inclusion of such lands in the District. The Board next considered an Order Adding Lands and Redefining and Correcting Boundaries (“Order”), a copy of which is attached hereto as Exhibit “E”. Following a discussion, Director Mays moved that the Board adopt the Order as presented. Director Johnston seconded said motion, which carried unanimously.

9. The Board deferred action with regard to a Resolution Approving Proposed Defined Areas.

10. The Board next considered adoption of an Amended District Information Form to reflect the District’s adoption of a tax rate, a copy of which is attached hereto as Exhibit “F”. Following a discussion, Director Johnston moved that the Board (i) approve the Amended District Information Form as presented; and (ii) authorize the District’s legal counsel to record same with all counties in which the District lies, and the Texas Commission on Environmental Quality. Director Mays seconded said motion, which carried unanimously.

11. The Board next considered Facilities Improvement Agreements by and between the District and developer entities, copies of which are attached hereto as Exhibit “G”. Following a discussion, Director Johnston moved that the Board approve the Agreements as presented. Director Mays seconded said motion, which carried unanimously.

12. The Board next recognized Mr. Read, who updated the Board with regard to engineering matters within the District. Mr. Read reported that rehab work has been completed on existing wells and above ground storage structures within the District, and work on the wastewater treatment plant will commence after the July 4th holiday with tank delivery scheduled for the end of July. No formal action was taken by the Board.

13. The Board next recognized Mr. Voorhees, who updated the Board with regard to development within the District. Mr. Voorhees discussed with the Board facilities to be dedicated to the District by the developers and reimbursable expenses related thereto. No formal action was taken by the Board.

14. The Board next recognized Ms. Tovery, who presented to and reviewed with the Board copies of a bookkeeping report dated June 22, 2022, a copy of which is attached hereto as Exhibit "H". Following a discussion, Director Mays moved that the Board (i) approve the bookkeeping report as presented; (ii) authorize the payment of bills listed thereon; and (iii) authorize the District's bookkeeper to distribute funds as approved on the bookkeeping report pursuant to Section 49.151, Texas Water Code. Director Barrett seconded said motion, which carried unanimously.

15. The Board next considered an Order Adopting Section 49.2731 Electronic Bidding Rules, a copy of which is attached hereto as Exhibit "I". Ms. Landiak explained that the adoption of electronic bidding rules as allowed by the Texas Water Code would allow the District's engineers to accept electronic bids for construction projects. Following a discussion, Director Barrett moved that the board adopt the Order as presented. Director Johnston seconded said motion, which carried unanimously.

There being no further business to conduct, upon motion duly made, seconded, and unanimously carried, the Board adjourned the meeting at 10:54 a.m. until further call.

[Signature page follows]

APPROVED AND ADOPTED this 17th day of August, 2022



/s/ Rodney Mays
Secretary