

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 May 10, 2023, and the roll was called of the members of the Board to-wit:

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|-----------------|---------------------------|
| Brandon Brydson | President |
| Matt Jacobs | Vice President |
| Andrew Schreck | 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, 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 and Cody Abshire of Capital Area Utility Management, LLC ("CAUM"), operations firm for the District. In addition, Clark Wilson and Bradley Wilson representing Kyle 150, LP, a 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 April 12, 2023 regular meeting were presented for review and approval. Following a motion by Director Storm, seconded by Director Brydson and unanimously carried, said Minutes were approved as written.

3. With regard to a developer's report, Clark Wilson noted that all construction projects underway by Kyle 150, LP are complete from their perspective with the exception of Phase 4 which is lacking power for the lift station and lots. It was noted that the delay in power is due to a switch gear that is needed by Pedernales Electric Cooperative ("PEC") and that Mr. Wilson and his team continue to be in discussions with PEC with regard to same. It was noted that Landsea would begin development of the latter phases in June and that the amenity center grand opening occurred and went well.

4. The Board was then presented with a Partial Assignment of Obligations under Reimbursement Agreement by and between Kyle 150 LP, Landsea Homes US Corporation and LS-

Anthem, LLC, or its permitted assigns (collectively, "Landsea"), a copy of which is attached hereto as **EXHIBIT "A"**, and Mr. Barrett noted that there is an existing Reimbursement Agreement in place with Kyle 150, LP, but that in accordance with a Purchase and Sale Agreement ("PSA") between Kyle 150, LP and Landsea, an additional Reimbursement Agreement, or similar agreement or assignment, is needed to firm up the reimbursement process, as described in the PSA. It was noted that all reimbursements will stay with Kyle 150, LP, but that many of the obligations under the existing Reimbursement Agreement are being assigned over to Landsea. After a thorough discussion, and upon motion by Director Brydson, seconded by Director Schreck and unanimously carried, said Partial Assignment of Obligations under Reimbursement Agreement was unanimously approved.

5. The Board was then presented with an Easement and Fence Maintenance Agreement by and between the District and the City of Kyle, a copy of which is attached hereto as **EXHIBIT "B"**, and Mr. Wilson explained that said Agreement is intended to address any issues that might arise with regard to a portion of the fence line in the condo area which overlaps a water line. Should maintenance and repair need to be performed on the water line, the City of Kyle is concerned the fence would need to be repaired or replaced in that area. Under the Agreement, the District would bear that responsibility, and after a thorough discussion, and upon motion by Director Storm, seconded by Director Schreck, the Board unanimously approved the Easement and Fence Maintenance Agreement discussed above.

6. The Board then reviewed Atwell's May 10, 2023 Engineer's Summary for construction and status of the separate construction projects currently underway along with recommendations for related pay applications and change orders, as applicable. By motion of Director Brydson, seconded by Director Storm and unanimously carried, the following recommended Atwell pay applications under the stated construction contracts were unanimously approved:

Anthem Phase 1C-2 contract with CC Carlton:
Pay Application No. 14 (\$72,493.51).

Anthem Phase 2 & 3 contract with CC Carlton:
Pay Application No. 13 (\$522,381.99).

The record shall reflect that a copy of the approved pay application is attached hereto as **EXHIBIT "C"**.

Mr. Smith then discussed with the Board the opening of bids for Freedom Subdivision Phases 1A and 2, noting bidding is complete and that CC Carlton has come in as the low bidder for said Contract. As is such, Mr. Smith recommended the Board authorize a Notice of Award to CC Carlton in accordance with his Recommendation Letter, attached hereto as **EXHIBIT "D"**. After a brief discussion, and upon motion by Director Brydson, seconded by Director Storm, the Contract for Freedom Subdivision Phases 1A and 2 was awarded to CC Carlton, as unanimously approved by the Board.

7. With regard to the attorney's report, Mr. Barrett noted he had nothing further to add at such time.

8. The Board moved to the May 10, 2023 Accounting Report, and it was noted that action was needed by the Board related to director and vendor payments as well as fund transfers in the amounts of \$11,521.80 from the District's TexPool Operating Account to the Cadence Bookkeeper's Account, \$73,852.47 from the TexPool Tax Account to the TexPool Operating Account and \$40,000 from the TexPool Debt Service Account to the TexPool Tax Account. Additionally, it was noted that payroll taxes, tax collection fees, engineering and accounting fees, and an invoice from Capital Area Utility Management were paid in between meetings and that the District was 99.5% collected on property taxes to date. Upon motion by Director Jacobs, seconded by Director Schreck, the Board unanimously approved the Accounting Report and disbursement of funds, transfers and payments in accordance therewith.

9. Mr. Abshire then discussed with the Board an Operations Report dated May 5, 2023, and Mr. Abshire noted they visited the four existing ponds on April 11, 2023 and mowed detention ponds, as scheduled, and that additional builder debris and rocks were removed in April. Mr. Abshire noted they will be monitoring erosion repair on Pond 1A East and that no maintenance is currently needed with regard to street lights throughout the District. Upon motion by Director Brydson, seconded by Director Jacobs, the Operations Report was unanimously approved.

10. The Board then confirmed their next regular meeting date as June 14, 2023, and there being no further business to conduct, Director Brydson moved that the meeting be adjourned, which motion was seconded by Director Weber and unanimously approved, and the Board adjourned until further call.

APPROVED AND ADOPTED this 14th day of June, 2023.



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