MINUTES OF MEETING
OF THE BOARD OF DIRECTORS

THE STATE OF TEXAS §

COUNTY OF HAYS §

LASALLE MUNICIPAL UTILITY DISTRICT NO. 2 §

The Board of Directors (the "Board" or the "Board of Directors") of LaSalle Municipal Utility District No. 2 (also sometimes referred to herein as the "District") met in special session, open to the public, at 7401 B. Hwy. 71 West, Suite 160, Austin, Texas, a designated office outside the District, on August 13, 2024, and the roll was called of the members of the Board to-wit:

Kevin L. Bales	President
Chris Synan	Vice President
Brandon Wunsch	Secretary
Mark S. Baldwin	Treasurer/Assistant Secretary
Douglas Jay Dwyer	Assistant Secretary

All members of the Board were present at the commencement of the meeting, except for Director Synan and Director Dwyer. All directors present at the time the vote was taken voted on all items that came before the Board. Also present were Andy Barrett of Barrett & Associates, PLLC, attorney for the District, Kimberly Studdard, paralegal of Winstead PC, Keith Young of Doucet & Associates, Inc. ("Doucet & Associates"), engineers for the District, and Justin Taack with Bott & Douthitt, PLLC ("Bott & Douthitt"), bookkeepers for the District. Additionally, Corey Howell of The GMS Group, L.L.C. ("GMS Group"), and William Abshire, Cody Abshire and Danna Oakes of Si Environmental, LLC ("Si Environmental"), the District's operations firm. Additionally, Delia Yanez of Assessments of the Southwest, Inc. ("ASW") 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 July 9, 2024 Board meeting. Following a review of such Minutes and a motion by Director Bales, seconded by Director Wunsch and unanimously carried, said Minutes were approved as written.

3. Upon motion by Director Wunsch, seconded by Director Bales, the Board confirmed receipt of the District's 2024 certified tax roll from the Hays Central Appraisal District.

4. Corey Howell with GMS Group, the District's financial advisor, was recognized and reviewed a 2024 Tax Rate Setting Memorandum dated August 13, 2024 which contained recommendations with respect to a proposed tax rate recommendation for the District's 2024 tax rate, a copy of which is attached hereto as **EXHIBIT "A"**. Mr. Howell noted that he was recommending the District maintain its total tax rate for 2024 at the same rate of $0.95/$100 valuation with all amounts being for operations and maintenance tax since the District has yet to issue bonds, and therefore, does not need a debt service tax rate. It was noted the District is being designated as a "developing district" due to the fact that they have not sold bonds to finance more

than 95% of infrastructure for the project. Additionally, it was noted that there was no change in taxable value from the prior year, and that roughly $100,000 in tax revenue is expected for the year.

5. Justin Taack presented a proposed Operations Budget for the upcoming fiscal year ending September 30, 2025. The Board reviewed the proposed budget, which included revenue from the recommended tax rate of $0.95 per $100 of assessed valuation, in detail. It was reiterated that there's roughly $100,000 in projected tax revenue for the fiscal year, and as is such, the District may not need to request additional developer advances for expenditures. Lastly, it was noted that the District will likely need to increase district facilities' expenses to account for Si Environmental's fee and maintenance schedule.

6. The Board was advised of the continuing requirement under Section 49.236, Texas Water Code, as amended, and requirements under SB 2 from the 2019 legislative session, which require the preparation of a water district tax rate worksheet (as prepared by ASW) and that an updated form of a Water District Notice of Public Hearing on Tax Rate be adopted, published and posted on various websites. The Board reviewed the prior tax-related information herein and confirmed through discussions that the proposed tax rate for maintenance and operations of $0.95 per $100 assessed valuation seemed reasonable and necessary. Following such discussion, upon motion by Director Baldwin, seconded by Director Bales and unanimously carried, the Board approved the proposed tax rate of $0.95 per $100 assessed valuation, set a hearing date of September 12, 2024 and approved the form of Water District Notice of Public Hearing on Tax Rate ("Notice"), attached hereto as **EXHIBIT "B"**, and authorized the publication of said Notice and various required postings of such information pursuant to current law.

7. Regarding a developer's report, there being no developer representative present, the Board proceeded with the next item on the agenda.

8. Mr. Young with Doucet briefly discussed engineering matters with the Board, noting there were 5 pay applications for consideration by the Board that day. After a discussion and upon motion by Director Wunsch, seconded by Director Baldwin, the following pay applications were unanimously approved.

Subdivision Unit D Construction:

Pay Application No. 2 ($476,495.06);
Pay Application No. 3 ($2,671,897.64);
Pay Application No. 4 ($1,361,012.81);
Pay Application No. 5 ($1,278,272.75); and
Pay Application No. 6 ($1,222,487.71).

Mr. Young also requested authorization to design and bid roadway improvements for CR 158, and after a discussion and upon motion by Director Baldwin, seconded by Director Wunsch, the Board unanimously approved the design and bidding of roadway improvements for CR 158.

9. 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 that there was nothing to discuss at such time.

10. 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 as well as a fund transfer in the amount of $5,000 from the PNC Operating Account to the PNC Bookkeeper's Account and payment of Bott & Douthitt's fee, all as reflected in said Report. It was noted that they will void Board members checks who are not present and that the District is 100% collected on taxes to date. Upon motion by Director Wunsch and seconded by Director Bales, the Cash Activity Report and disbursement of funds and transfers in accordance therewith was unanimously approved.

Delia Yanez from AWS noted that there was a beginning balance in the tax collection accounts of roughly $62,207.17 with a minimal amount received in July, thus leaving an ending balance of $62,224.98. It was noted that there were no ASW-issued checks needing approval at the current meeting.

11. The Board was presented with the Resolution Acknowledging Annual Review of Investment Policy and Investment Strategies. After a discussion and upon motion by Director Wunsch, seconded by Director Bales, the Board unanimously approved the Resolution Acknowledging Annual Review of Investment Policy and Investment Strategies.

12. With regard to an Operations Report for the District, Mr. Abshire noted that after touring the District, their projected base fee of roughly $2,000 appears to be on point. It was noted they would be working with legal to finalize the contract and plugging in exhibits.

13. The Board confirmed the next regular meeting date would be September 12, 2024, and there being no further business to conduct, Director Wunsch moved that the meeting be adjourned, which motion was seconded by Director Bales, and unanimously approved, and the Board adjourned until further call.

APPROVED AND ADOPTED this 12th day of September, 2024.

Brandon Wunsch, Secretary
Board of Directors
LaSalle Municipal Utility District No. 2

(DISTRICT SEAL)