

ORGANIZATIONAL MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS

THE STATE OF TEXAS §

COUNTY OF CALDWELL §

MAXWELL MUNICIPAL UTILITY DISTRICT NO. 1 §

The Board of Temporary Directors ("Board" or "Board of Directors") of Maxwell Municipal Utility District No. 1 (also sometimes referred to herein as "District") met in special session, open to the public, at 799 Railroad St., Maxwell, Texas 78656, inside the boundaries of the District on August 15, 2024, and the roll was called of the members of the Board to-wit:

Steven James Boice
Christopher Martin Agness
Evan Scott Golden
Thomas Gordon
Trenton Boeckmann Horter

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 Matt Kutac of Law Office of Matthew B. Kutac PLLC ("Kutac"), Kimberly Studdard, paralegal, of Winstead PC ("Winstead"), Keith Young of Doucet & Associates, Inc. ("Doucet"), and Blake Reed and Mike Schroeder of Tack Redwood Partners ("Developer"), representing the owner and developer of lands within the District.

1. The record shall reflect that the Board of Directors was conducting its first meeting since the passage of Senate Bill No. 887, 88th Session of the Texas Legislature, Regular Session, which created the District and included the current boundaries of the District, a copy of which legislation is attached hereto as **EXHIBIT "A"**, and which legislation authorized the primary owner of land within the District to petition to the Texas Commission on Environmental Quality ("TCEQ") to appoint temporary directors to the Board. On August 14, 2024, the above-referenced temporary directors were appointed to the Board by an order of the TCEQ attached hereto as **EXHIBIT "B"**. It was noted that the temporary directors in attendance executed Statements of Officer Forms and were administered Oaths of Office.

2. Mr. Kutac informed the Board that Winstead had secured a proposal for the necessary bonds for the directors and public employees (consultants of the District) as well as directors' and officers' liability insurance from McDonald & Wessendorff Insurance, whom acts as agent to hundreds of special districts in the State of Texas. Following a review of the proposals pertaining to the required bonds and the directors' and officers' liability policy, a motion was made by Director Golden, seconded by Director Boice, and unanimously carried, that the insurance proposals for such coverage and bonds be approved and accepted.

3. The next business to be addressed was the election of a President, Vice President, Secretary, Treasurer/Assistant Secretary and an additional Assistant Secretary for the Board of Directors, as provided by law. Following a full discussion and motion by Director Agness, seconded by Director Horter and unanimously carried, the following slate of officers was elected:

Steven James Boice	President
Christopher Martin Agness	Vice President
Evan Scott Golden	Secretary
Thomas Gordon	Treasurer/Assistant Secretary
Trenton Boeckmann Horter	Assistant Secretary

4. Blake Reed then gave the Board a brief report with regard to proposed development in the District noting they are expecting roughly 2800 single-family homes once the project is fully built out, and that they have secured a wastewater permit, with negotiations for a water agreement nearly completed pending the District's review and approval of a contract with Maxwell Special Utility District. It was noted that there will be a large boulevard constructed for entrance into the property, and Mike Schroeder expanded on Mr. Reed's comments noting there is a 70-acre lake which exists on the property, and that there are plans to construct a large amenity center and an elementary school site in the future.

5. The Board next reviewed and considered a Resolution Approving Contingent Fee Contract and a proposal for legal services with Kutac. Mr. Kutac reviewed the terms of such fee agreement with the Board, and upon motion by Director Agness, seconded by Director Golden and unanimously carried, the Board approved said agreement and retained Kutac as District counsel. In addition, Ms. Studdard of Winstead briefly reviewed an additional Resolution Approving Contingent Fee Contract and the terms of a proposal for legal services with the firm of Winstead, and upon motion by Director Boice, seconded by Director Agness and unanimously carried, the Board approved said agreement and retained Winstead to provide paralegal services, assist with certain general services in conjunction with Kutac and to serve as the District's bond counsel. It was noted that bond counsel fees were set at the industry standard of 3% on new money bonds with that 3% being split between Mr. Kutac's firm and Winstead at 1.5% each.

6. Mr. Young then reviewed a proposal with Doucet to serve as the District's engineer, and he spoke of his experience and qualifications for doing so, and following a review of such proposal and discussion thereof, and upon motion by Director Golden, seconded by Director Boice and unanimously carried, the Board approved such Professional Services Agreement with Doucet.

There was a brief discussion with regard to the Preliminary Engineering Reports prepared by Doucet and included in the Board's meeting materials, and it was noted that said Reports would be discussed in detail further along in the agenda.

7. The Board reviewed an engagement letter and separate Bookkeeping Services Agreement with Bott & Douthitt, PLLC ("Bott & Douthitt") to serve as bookkeeper for the District. Qualifications for such firm were outlined and discussed with the Board. Following such review and discussion, upon motion by Director Horter, seconded by Director Gordon and unanimously carried,

the Board approved such engagement letter and Bookkeeping Services Agreement with Bott & Douthitt.

8. It was noted that the District would hold off on hiring a financial advisor at present, but that it was something that would need to occur at a later date.

9. Upon motion by Director Golden, seconded by Director Horter and unanimously carried, the Board authorized Bott & Douthitt to assist with the opening of a District operating account at ABC Bank and requested that Bott & Douthitt have the necessary resolutions and signature cards available at the next meeting to formally open such account and to further work with the Developer in connection with securing an operating advance for such account. Additionally, it was noted that checks written from the District's operating account would generally require three Board Member signatures.

10. The Board then reviewed and considered prior actions taken and the payment of various out-of-pocket expenses made on behalf of the District. Upon motion by Director Boice, seconded by Director Golden and unanimously carried, the Board approved and ratified such actions.

11. Mr. Reed then gave a brief update with regard to status of negotiations with the City of Martindale, Caldwell County and various water and wastewater service providers, and it was noted that certain development agreements are either negotiated or in the process of being negotiated with both Caldwell County and the City of Martindale, although the District itself will likely not be a party to those agreements.

12. Mr. Kutac presented the Board with a Non-Standard Retail Water Service Agreement between Maxwell Special Utility District ("Maxwell SUD"), the Developer and the District, a copy of which is attached hereto as **EXHIBIT "C"**, and it was noted that Maxwell SUD is to provide retail water service to the residents of the District and that the Developer will build then convey all of the necessary water improvements to the District who will then convey said improvements to Maxwell SUD under said Agreement, subject to reimbursement of the Developer for such improvements by the District. It was noted that impact fees for said service are estimated at approximately \$13,000 per connection. Upon motion by Director Boice, seconded by Director Horter, the Board unanimously approved the aforementioned Non-Standard Retail Water Service Agreement subject to final approval of the District attorneys and the Developer.

13. There was presented to the Board a proposed Order Designating Offices Outside the District, which Order designates various offices of the District, declaring them to be public places, a copy of said Order being attached hereto as **EXHIBIT "D"**. After a full discussion, and upon motion of Director Golden, seconded by Director Gordon and unanimously carried, the Board approved said Order Designating Offices Outside the District. The officers were directed to execute said Order, and the attorneys were authorized to publish notice of the designation for such offices outside the District.

14. The Board next reviewed a Resolution Designating Posting Location of Meeting Notices, a copy of which is attached hereto as **EXHIBIT "E"** and upon motion by Director Horter, seconded by Director Golden and unanimously carried, the Board adopted said Resolution.

15. There was presented to the Board an impression of the proposed seal of the District, circular in shape with the name of the District around a five-point star. It was duly moved by Director Boice, seconded by Director Gordon and unanimously carried that said seal be adopted as the legal seal of the District, an impression of which is attached hereto as **EXHIBIT "F"** and that the Secretary or Assistant Secretary or records manager for the District be authorized to affix said seal to all instruments of the District requiring a seal.

16. The Board next reviewed a District Information Form detailing general information about the District that is required to be approved and filed of record with both the Caldwell County Clerk and the TCEQ. Following a review thereof, upon motion by Director Horter, seconded by Director Golden and unanimously carried, the Board approved such Form and authorized Winstead to file such items with the Caldwell County Clerk and with the TCEQ.

17. The Board next reviewed an Order Adopting Code of Ethics, Travel Expense Policy and Establishment of Maximum Annual Limit of Fees of Office, and Procedures for Selection and Review of Consultants, Policies Concerning the Use of Management Information including the Formation of an Audit Committee, Investment Policy, Selection of a Fiscal Year-End and Certain Other Matters, a copy of which is attached hereto as **EXHIBIT "G"**. In connection with review of such policies, Ms. Studdard explained various provisions of the Open Meetings Law to the Board as relates to the Board members discussion of District business. In addition, it was confirmed that the Board would select September 30th as its fiscal year end. Following a full review and motion by Director Gordon, seconded by Director Golden and unanimously carried, the Board approved said Order.

18. The Board next reviewed and Order Establishing Records Management Program and Appointing Records Management Officer, a copy of which is attached hereto as **EXHIBIT "H"**. Following a full review and motion by Director Golden, seconded by Director Boice and unanimously carried, the Board approved said Order.

19. Mr. Kutac discussed the need for the District to conduct a confirmation, director, road powers, road bond, utility bond and maintenance tax election. The Board then reviewed a form of Joint Election Contract between Caldwell County and the District for the November 5, 2024 Election (the "Election Agreement"), and upon motion by Director Agness, seconded by Director Golden and unanimously carried, the Board authorized execution of the final version of the Election Agreement by the Board's officers upon receipt by Caldwell County and additionally approved and authorized the execution of any related resolutions, as may be required by Caldwell County for said election.

20. Next, the Board reviewed separate engineering reports for the utility and roadway facilities prepared by Doucet in connection with the estimated construction and non-construction costs associated with utility bonds for the water, wastewater and drainage facilities to serve the District and the estimated construction and non-construction costs associated with road facilities to serve the District. Such reports are collectively attached hereto as **EXHIBIT "I"**.

21. The Board next considered and reviewed a proposed Order Calling Confirmation, Director and Road District Powers Election and Approving Engineering Reports and Calling Utility Bond Election, Utility Refunding Bond Election, Road Bond Election, Road Refunding Bond Election and Maintenance Tax Election, a copy of which is attached hereto as **EXHIBIT "J"**, and

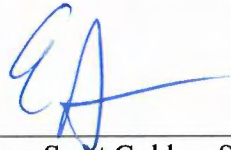
following a full discussion and motion by Director Boice, seconded by Director Gordon and unanimously carried, the Board approved said Order and authorized Notice of such election be given, as provided by law.

22. Ms. Studdard then discussed with the Board the need to create a District website to house various election documents as well as meeting notices and minutes, tax-related documents and budget information, at such time that information is relevant and available, and after a brief discussion and upon motion by Director Horter, seconded by Director Golden, the Board unanimously approved creation of a District website by Winstead.

23. It was noted that following the election of permanent directors, the Directors would be required to complete certain on-line government training courses pursuant to Chapter 551 of the Texas Government Code and that more details would follow at the Board meeting whereat the November 5, 2024 elections would be canvassed. The Board tentatively discussed a November 12, 2024 meeting date to canvass such elections, and it was noted that such date would be verified to ensure that it fell within the proper canvassing period and that an invite to such meeting would be sent to confirm such date.

There being no public comment and no further business to conduct, Director Boice moved that the meeting be adjourned, which motion was seconded by Director Horter, and unanimously approved, and the Board adjourned until further call.

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



Evan Scott Golden, Secretary
Board of Directors
Maxwell Municipal Utility District No. 1

(DISTRICT SEAL)

