MINUTES OF THE ORGANIZATIONAL MEETING
OF THE
BOARD OF DIRECTORS

THE STATE OF TEXAS §

COUNTY OF HUNT §

BEARPEN CREEK MUNICIPAL UTILITY DISTRICT OF HUNT COUNTY §

The temporary Board of Directors (the "Board") of Bearpen Creek Municipal Utility District of Hunt County (the "District") met in organizational session, open to the public, on the 24th day of August, 2021, by telephone conference.

Ms. Sarah Landiak, proposed General and Bond Counsel for the District, announced that the Meeting would be conducted by telephone conference to mitigate the spread of COVID-19. Ms. Landiak confirmed that Meeting participants would observe guidance provided by the Texas Attorney General's office to suspend certain requirements of the Texas Open Meetings Act. Ms. Landiak next stated that (i) Notice of the Meeting was given in accordance with Chapter 551, Government Code, and Chapter 49, Texas Water Code, as amended by the Governor's order and Attorney General's guidance; (ii) the Meeting was being conducted in a transparent and accessible manner; (iii) Meeting packets were distributed to all participants and made available to the public; and (iv) the Meeting would be recorded and made available for electronic distribution upon request.

The roll was called of the members of the Board, to-wit:

Trent Jones
Murphy Short
Beau Barnes
Hayden Bower
Jack Blanton

All members of the Board were present at the commencement of the meeting with the exception of Director Giles, thus constituting a quorum. Also present were Mr. Jorge Gonzalez-Rodiles of Canal Street Consultants, LLC ("CSC"); Ms. Kathi Dye of Dye & Tovery, LLC; Mr. Rylan Yowell and Mr. Daniel Twigge of Provident Realty Advisors, developers of lands within the District; and Ms. Sarah Landiak, attorney, and Ms. Amy Bieber, paralegal, each of Winstead PC.

The meeting was called to order at 12:05 p.m.

1. Consideration was first given to the review of the order of the Texas Commission on Environmental Quality ("TCEQ") creating the District. A copy of said order is attached hereto as Exhibit "A". The Board recognized Ms. Sarah Landiak of Winstead PC. Ms. Landiak stated that the Board of Directors was conducting its first meeting since the creation of the District known as Bearpen Creek Municipal Utility District of Hunt County (the "District"). Next, Ms. Landiak noted

the above slate of temporary Directors have expressed an interest in serving on the Board. Finally, Ms. Landiak summarized the purpose and provisions of the District, including a brief overview of laws governing the District. No formal action was taken by the Board.

2. The Board continued to recognize Ms. Landiak, who gave a brief overview of the planned development and noted that the main function of the District would be to acquire easements and rights-of-way prior to annexation by the City of Royse City for development as a Public Improvement District. No formal action was taken by the Board.

3. Consideration was next given to the administration of Statement of Officer Forms, and Oaths of Office to Directors. Ms. Landiak confirmed that the temporary Directors in attendance have executed their respective Statement of Officer and Oath of Office forms. Following a discussion, Director Bower moved to acknowledge the administration of the Statement of Officer and Oath of Office forms. Director Short seconded said motion, which carried unanimously.

4. Consideration was next given to the election of officers. Following a discussion and motion by Director Jones, seconded by Director Barnes and unanimously carried, the following slate of officers was elected:

Trent Jones	President
Murphy Short	Vice President
Beau Barnes	Secretary
Hayden Bower	Assistant Secretary
Jack Blanton	Assistant Secretary

5. Consideration was next given to the review of Conflict of Interest Questionnaire form for Local Government Officials. Ms. Landiak discussed the purpose of said questionnaire, noting instructions for completion of same, if applicable, to comply with Chapter 176 of the Texas Government Code. Consideration was then given to government training requirements pursuant to Chapter 551 of the Texas Government Code. Ms. Landiak stated that members of the Board are subject to the Open Meetings Act, and the Public Information Act, and will be required to participate in an educational training session provided through the Texas Attorney General's office. Finally, Ms. Landiak stated that instructions for completion of same would be distributed to all members of the Board. No formal action was taken by the Board.

6. Consideration was next given to an insurance proposal, approval of placement of Directors and Officers liability insurance, bonds, and other insurance. Ms. Landiak informed the Board that they had secured a proposal for the bonds for the Directors and public employees (consultants of the District) and Directors and Officers liability insurance from McDonald & Wessendorff Insurance. A copy of the insurance proposal summary is attached hereto as Exhibit "B". Following a discussion, Director Barnes moved that the Board approve and accept the insurance proposals as discussed. Director Short seconded said motion, which carried unanimously.

7. The Board continued to recognize Ms. Landiak, who presented to and reviewed with the Board copies of a proposed engagement letter with Winstead PC for general counsel services for

the District. Ms. Landiak reviewed the scope of services and fees related to same. Following a discussion, Director Jones moved that the Board approve the engagement letter with Winstead PC to serve as the District's general counsel for the District. Director Barnes seconded said motion, which carried unanimously.

8. Consideration was next given to the engagement of CSC to serve as the District's engineer. The Board recognized Mr. Gonzalez-Rodiles, who presented to and reviewed with the Board copies of a proposed Professional Services Contract, a copy of which is attached hereto as Exhibit "E". Following a discussion, Director Barnes moved that the Board (i) approve the engagement letter for engineering services from CSC; and (ii) authorize the Board President to execute same. Director Jones seconded said motion, which carried unanimously.

9. Consideration was next given to the engagement of Dye & Tovery, LLC to serve as the District's bookkeeper. Ms. Dye presented to and reviewed with the Board copies of the proposed engagement letter prepared by Dye & Tovery, LLC, a copy of which is attached hereto as Exhibit "F". Following a discussion, Director Barnes moved that the Board approve the engagement letter for bookkeeping services from Dye & Tovery, LLC. Director Bower seconded said motion, which carried unanimously.

10. Consideration was next given to the engagement of Dye & Tovery, LLC, to prepare and file an annual financial report on behalf of the District. Ms. Dye presented to and reviewed with the Board copies of the proposed engagement letter prepared by Dye & Tovery, LLC, a copy of which is attached hereto as Exhibit "G". Following a discussion, Director Barnes moved that the Board approve the engagement letter for preparation and filing of the District's annual financial report from Dye & Tovery, LLC. Director Jones seconded said motion, which carried unanimously.

11. Consideration was next given to designating a depository bank and authorize opening of District operating accounts, and execution of required account documents, including signature cards and related bank resolutions. Ms. Dye discussed the matter with the Board and reviewed a Resolution Designating Depositories and Establishing District Investment Accounts for Deposit of District Funds, a copy of which is attached hereto as Exhibit "H". Following a discussion, Director Barnes moved that the Board (i) authorize Dye & Tovery, LLC to designate Plains Capital Bank as a depository bank for the District's operating account; (ii) approve the Resolution Designating Depositories and Establishing District Investment Accounts for Deposit of District Funds as presented; and (iii) secure all required signature cards and related banking institution resolutions as may be required. Director Jones seconded said motion, which carried unanimously.

12. The Board next recognized Ms. Dye, who presented to and reviewed with the Board copies of a bookkeeping report dated August 24, 2021, a copy of which is attached hereto as Exhibit "I". Following a discussion, Director Barnes moved that the Board (i) approve the bookkeeping report; and (ii) authorize the payment of bills listed thereon. Director Jones seconded said motion, which carried unanimously.

13. The Board next considered the authorization of the District's bookkeeper to distribute funds as approved on the bookkeeping report pursuant to Section 49.151, Texas Water Code.

Ms. Landiak explained that such an authorization would allow for the distribution of payments from the District without violation of distancing guidelines related to COVID-19. Following a discussion, Director Barnes moved that the Board authorize the distribution of funds by the Bookkeeper. Director Jones seconded said motion, which carried unanimously.

14. Consideration was next given to the adoption of a District Seal. Ms. Landiak discussed the matter with the Board, noting that it was necessary to adopt a District Seal, circular in shape with the name of the District around a five-point star. Following a discussion, Director Barnes moved that the Board (i) adopt the seal of the District, an impression of which is reflected on Exhibit "J" attached hereto; and (ii) authorize the Board Secretary, Assistant Secretary or records manager to affix said Seal to a District instrument as required. Director Jones seconded said motion, which carried unanimously.

15. Consideration was next given to adopt an Order Designating Office Locations Outside the District, and authorize publication of Notice of same. Ms. Landiak presented to and reviewed with the Board copies of a draft Order Designating Offices Outside the District, a copy of which is attached hereto as Exhibit "K". Ms. Landiak noted that the District is required to designate office and meeting locations pursuant to Texas Water Code Section 49.062. Following a discussion, Director Barnes moved that the Board (a) authorize the following office locations on behalf of the District: (i) the offices of Winstead PC located at 2728 N. Harwood Street, Suite 500, Dallas, Texas 75201; 401 Congress Avenue, Suite 2100, Austin, Texas 78701; and 300 Throckmorton Street, Suite 1700, Fort Worth, Texas 76102 were designated as meeting places outside the boundaries of the District and for the storage of District records; (ii) the office of Canal Street Consultants, LLC, 6684 Stallion Ranch Road, Frisco, Texas 75036 was designated as a meeting place outside the boundaries of the District and for the storage of engineering records and for the opening of construction bids; (iii) the office of Dye & Tovery, LLC at 2321 Coit Road, Suite B, Plano, Texas, was designated as a meeting place outside the boundaries of the District and for the storage of bookkeeping records; and (iv) the office of Provident Realty Advisors, 10210 N. Central Expressway, Suite 300, Dallas, Texas 75231 was designated as a meeting place outside the boundaries of the District and for the storage of District records and for the opening of construction bids; and (b) authorize publication of said Notice, as required. Director Jones seconded said motion, which carried unanimously.

16. Consideration was next given to a Resolution Designating Posting Location of Meeting Notices. Ms. Landiak presented to and reviewed with the Board a draft Resolution designating the location for placement of meeting notices within the boundaries of the District, noting that the District is required to specify said locations pursuant to Texas Water Code Section 49.063. A copy of said Resolution is attached hereto as Exhibit "L". Following a discussion, Director Jones moved that the Board (i) adopt the Resolution as presented; and (ii) authorize the Board President to execute and Board Secretary to attest to same. Director Barnes seconded said motion, which carried unanimously.

17. Consideration was next given to the review and approval of a District Information Form, a copy of which is attached hereto as Exhibit "M". Ms. Landiak discussed the matter with the Board, noting that pursuant to Texas Water Code Section 49.455, the District is required to prepare and submit same for filing with Hunt County, Texas, and the TCEQ. Following a discussion,

Director Jones moved that the Board (i) adopt the District Information Form, subject to final review by District counsel; and (ii) authorize District counsel to file same with the property records of Hunt County, Texas, and the TCEQ. Director Barnes seconded said motion, which carried unanimously.

18. The Board next considered acquisition of lands and easements outside the District boundaries by condemnation, and recognized Ms. Landiak who noted that it is not yet necessary for the Board to approve the use of condemnation as the City of Royse City will need to first provide details regarding the location of off-site wastewater pipeline improvements to direct the need for acquisition of easements for the construction of same. Following a discussion, Director Jones moved that the Board authorize the District's consultants, when timely, to contact landowners regarding potential needed use of rights-of-way for construction of such improvements and begin related negotiations. Director Barnes seconded said motion, which carried unanimously.

There being no further business to conduct, Director Barnes moved that the meeting be adjourned at 12:44 p.m. Director Bower seconded said motion, which carried unanimously. The Board adjourned until further call.

[Signature Page Follows]

APPROVED AND ADOPTED this 7th day of January, 2022.

Beau Barnes, Secretary
Board of Directors
Bearpen Creek Municipal Utility District of Hunt County

(DISTRICT SEAL)

THE STATE OF TEXAS §

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BEARPEN CREEK MUNICIPAL UTILITY DISTRICT OF HUNT COUNTY §

I, the undersigned Assistant Secretary of the temporary Board of Directors of Bearpen Creek Municipal Utility District of Hunt County, certify that the attached and foregoing is a true and correct copy of the MINUTES OF THE ORGANIZATIONAL MEETING OF THE BOARD OF DIRECTORS of the District; the original of which is on file in the District's office.

WITNESS MY HAND AND THE OFFICIAL SEAL OF THE DISTRICT this 7th day of January, 2022.

Beau Barnes, Secretary
Board of Directors
Bearpen Creek Municipal Utility District of Hunt County

(DISTRICT SEAL)