

MINUTES OF MEETING  
OF THE  
BOARD OF DIRECTORS

THE STATE OF TEXAS §

COUNTY OF WALLER §

EAST WALLER COUNTY MANAGEMENT DISTRICT §

The Board of Directors (the "Board" or the "Board of Directors") of EAST WALLER COUNTY MANAGEMENT DISTRICT (also sometimes referred to herein as the "District") met in special session, accessible to the public, at R.G. Miller DCCM, 1080 Eldridge Parkway, Suite 600, Houston, Texas 77077 on June 12, 2025 at 12:00 p.m., and the roll was called of the members of the Board to-wit:

Lisa Cooper	Chairman
Samuel McArthur	Vice-Chairman
Kevin Vader	Secretary
Monette Stephens	Assistant Secretary
Stephen McGrath	Assistant Secretary

All members of the Board were present at the commencement of the meeting except Director Stephens. All directors present at the time a vote was taken voted on all items that came before the Board. Also present were, Matt McPhail of Winstead PC, general counsel and bond counsel for the District, Mark Gehringer and Chrishone Peterson of R.G. Miller, engineers for the District, Andre Ayala with Hilltop Securities, the District's Financial Advisor, Sophia Filfil and Javier Martinez, representing the owner and developer of lands within the District, Prabha Cinclair, Cinclair Law, PLLC, attorney representing the Developer and Connor Smith at Doré Rothberg Law, attorney representing the Developer. In addition, Vicki Hahn, paralegal of Winstead PC ("Winstead") attended via telephone conference.

1. Public Comment: Mr. McPhail called for public comment. Hearing none, the Public Comment session was closed and the Board proceeded to the next item of business.
2. Meeting Minutes: The Board reviewed the Minutes from the April 24, 2025 Board Meeting. Upon motion by Director McGrath, seconded by Director Vader and unanimously carried, the Board approved such Meeting Minutes.
3. Resolution Accepting the Preliminary Service and Assessment Plan: Mr. McPhail informed the Board that the Resolution will be reviewed at a future meeting.
4. Annual Renewal of Insurance and Bonds: The Board reviewed the renewal of the District's insurance and bond coverage. Upon motion by Director Vader, seconded by Director McGrath and unanimously carried, the Board approved the renewal of insurance and bond coverage.

5. Construction, Funding and Acquisition Agreement: Mr. McPhail informed the Board that the Construction Funding and Acquisition Agreement will be reviewed at a future meeting.
6. Timeline for Special Assessment Revenue Bonds, Series 2025: Mr. McPhail mentioned that Mr. Ayala will discuss the timeline later in the meeting.
7. Water and Wastewater Reimbursement Agreement: Mr. McPhail noted that the Reimbursement Agreement will be ready for review at a future meeting.
8. Tax Assessor/Collector Agreement: Mr. McPhail mentioned that we have reached out to the Waller County Tax Assessor/Collector with respect to collecting tax assessments on behalf of the District. They are preparing an agreement and will send it to the District for review. Mr. Ayala requested that the agreement cover assessments and ad valorem taxes.
9. Si Environmental, Agreement: Mr. McPhail asked Ms. Filfil to explain what services Si Environmental provides and how she was introduced to them. Ms. Filfil mentioned that she was introduced to Si Environmental by Javier Martinez. She spoke to Jeff Haley regarding their experience and she has checked their background. The cost for their services is reasonable. They are the operator for several developments. Mr. McPhail mentioned that the agreement allows the District to terminate at any time. The Board asked about the insurance requirements in the Agreement and naming the District as an additional insured. The Board also asked if they will provide full policy insurance coverage. Ms. Filfil responded that they would provide full insurance coverage. Upon motion by Director Vader, seconded by Director McGrath and unanimously carried, the Board approved the Si Environmental agreement.
10. Water and Wastewater Reimbursement Agreement: Ms. Cinclair noted that Underwriters' counsel has been reviewing all agreements to ensure that the agreements are sufficient and that any references are consistent throughout the documents. Ms. Cinclair mentioned that one deal point may be changing with respect to the wastewater capacity purchase price. The cap on the price is increasing to approximately \$32,000,000. Ms. Cinclair mentioned that Ms. Filfil could explain why the change is needed. Ms. Filfil responded that with respect to Phase 1, she does not know how much the costs will be she wanted to ensure she is covered on the cost side. Ms. Filfil also mentioned that the changes were due to the tariffs. If the cost is lower than \$32,000,000, then the District will only reimburse for the amount spent. Mr. McPhail noted that \$32,000,000 is the ceiling and that the other changes to the agreement are not substantial. He also assured the Directors that from a District perspective, they will not be expected to reimburse the developer for any amounts that exceed \$32,000,000 and that the developer will be responsible for any costs in excess of \$32,000,000. The \$6,000 per lot sale will go directly to paying the costs. Payments per month per user have not changed. He would like to bring the final agreement to be signed at the next Board Meeting. It was suggested that the Board authorize the President to approve any necessary changes between meetings if required. Upon motion by Director Vader, seconded by Director Cooper and unanimously carried, the Board authorized the Chairman and/or Secretary to approve revisions to the agreement and sign the agreement between meetings, if necessary. The Board also authorized the increase in cost to \$32,000,000.

11. Special Assessment Revenue Bonds, Series 2025 Documents and Schedule: Mr. Ayala clarified to the Board that he represents the District, not the Developer directly. Mr. Ayala then went on to review the timeline for the proposed bond issuance. He explained the Service and Assessment Plan noting that the document outlines the assessments, how they will be paid back, etc. The assessment is a fixed amount amortized over a specific period of time. When someone buys a property, they can pay the assessment all at once or they can pay the assessment in installments as outlined in the Service and Assessment Plan. Mr. Ayala then went on to review the rough draft of the Preliminary Limited Offering Memorandum. Mr. Ayala stated that he wanted to Board to see the document that is used to market the transaction even though it is not final yet. The numbers may change but the form will basically stay the same. The bonds will be a limited offering and Bonds are sold in a minimum of \$100,000 per bond. Buyers have to be qualified to buy the bonds. With respect to the Indenture document, Mr. Ayala explained that this document governs the bonds, how they will be collected and who will repay the debt. He suggests UMB Bank as Trustee because they have a lot of experience. He also noted that all of the bond money is not used for developer reimbursement. The bond money goes to the Trustee who releases the money when it is sure that everything is correct and ready for payment. Mr. Ayala mentioned that with respect to these bonds, the Indenture is almost done. He is expecting one more round of comments from the bond team. He also noted that the Indenture is still missing information from the developer. The missing information includes the home builder information and the developer loan information. He informed the Board that if the bond team does not get the missing information from the developer, then the Indenture cannot be finalized and the bond cannot be issued. Ms. Filfil is hoping for a soft close next week. Mr. Ayala replied that he has to have the loan documents in order to proceed. Mr. Ayala explained that the appraisal process for determining the value of Section 1 and Section 2 and the reason the appraisal is needed. At the moment the appraisal is about \$30,000,000. The District wants the value of the land to be higher than the assessments. Mr. Ayala noted that he feels comfortable if the bond is issued for \$25,630,000. The developer will be required to fund approximately \$6,600,000. That amount may be reimbursable but at the moment, the developer is responsible for providing that amount and that is why the developer obtaining the loan is critical. Mr. Ayala reviewed the bond issuance costs. He also explained that the District will set aside a year's worth of debt payments in the event that some of the people do not pay the assessments. If the District does not pay the debt payments, the District will go to foreclosure and a third party will be appointed to come in and take over the running of the District. With respect to the timeline, since the developer does not have the loan yet, we cannot definitively give a closing date. Once the loan is funded, the documents will be finalized. His expectation and hope is that the bonds will be issued in early July but mostly likely it will be after July 4<sup>th</sup>. He explained that if the developer gets a loan commitment by Monday, her attorney will still need to review the loan commitment, which could delay the timeline. He mentioned that the District still needs to call a public hearing for the levy of assessments which has to be published 10 days prior to the public hearing. Mr. Ayala and Mr. McPhail recommended not calling the Public Hearing today. They would suggest waiting until the developer's loan is officially approved. Ms. Filfil noted that she has an appointment with Trez later in the day and would prefer to for the Board to take a break and reconvene after her meeting with Trez. Mr. McPhail reminded everyone that if the District call the Public Hearing today and then is not ready in time, the District will have to start the process over (i.e., call another Board meeting to call a Public Hearing, republish the Notice of Public Hearing, etc.). It was noted that even if the Board waits and re-convenes the meeting in several hours, that Trez may has additional questions

and may not approve the loan today. It was noted that Trez is still performing due diligence. The Board asked how close they are to completing the due diligence. Mr. Smith replied that he believes the due diligence is approximately 85% complete. Kimley Horn is requesting additional information from R.G. Miller.

12. Calendaring: Mr. Ayala recommends meeting on June 17<sup>th</sup> at 12:00 p.m. to call the Public Hearing. It was again noted that the Notice of Public Hearing must be published 10 days prior to the Board Meeting.

13. Adjournment: There being no further business to conduct, upon motion by Director Cooper, seconded by Director Vader and unanimously carried, the Board adjourned until further call.

APPROVED AND ADOPTED this 1<sup>st</sup> day of July, 2025.

East Waller County Management District



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Kevin Vader, Secretary  
Board of Directors

(DISTRICT SEAL)

