

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") of LaSalle Municipal Utility District No. 2 (sometimes referred to herein as the "District") met in special session, at 12:30 p.m. on Tuesday, August 12, 2025, at Doucet & Associates, 7401 B. Hwy. 71 West, Suite 160, Austin, Texas, and the roll was called of the members of the Board of Directors (herein referred to as 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, with the exception of Director Synan and Director Dwyer, thus constituting a quorum. All directors present at the time the vote was taken voted on all items that came before the Board. Also present were Mr. Andy Barrett of Barrett & Associates, PLLC ("Barrett & Associates"), attorney for the District; Mr. Keith Young, Mr. Hieu Nguyen and Ms. Rita Reid of Doucet & Associates, Inc. ("Doucet & Associates"), engineers for the District; Mr. Justin Taack with Bott & Douthitt, PLLC ("Bott & Douthitt"), bookkeepers for the District; Mr. Cody Abshire of Si Environmental, LLC, the District's operations firm, and Mr. Mike Schroeder of Waterstone Land Partners, Ltd. representing owners and developers of property within the District. Additionally, Ms. Rachel Natasha Roy, paralegal, with Winstead PC, and Mr. John Howell with The GMS Group, the District's financial advisor, were present via teleconference.

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 Board's July 8, 2025 Board meeting. Following a review of such minutes and motion by Director Bales, seconded by Director Baldwin, and unanimously carried, said minutes were approved as written.

3. The Board was then presented with an Agreement for Contract Paralegal Services with Red River Legal Solutions, LLC, and after a full discussion and upon motion by Director Wunsch, seconded by Director Baldwin, the Board unanimously approved engagement of Red River Legal Solutions, LLC, a copy of which Agreement is attached hereto as Exhibit "A".

4. Mr. Schroeder discussed the status of development within the District and noted they are working on plans and starting construction on Waterstone Unit E.

5. Mr. Barrett then asked the Board to consider and approve an Amended and Restated Sale and Assignment of Agreement and authorize the execution of Acknowledgment, Agreement and Consent related to same. Mr. Barrett discussed that the Amended and Restated Sale and Assignment of Agreement has to do with Texas Infrastructure Program, and that the Agreement needs to be updated. Upon motion by Director Bales, seconded by Director Wunsch, the Board unanimously approved the Amended and Restated Sale and Assignment of Agreement and the execution of Acknowledgment, Agreement and Consent related thereto.

6. The Board confirmed receipt from the Hays Central Appraisal District ("HCAD") of the District's certified tax roll for 2025. It was noted that values were certified at \$10,000,00.00. After a brief discussion, and upon motion by Director Baldwin, seconded by Director Wunsch, the Board unanimously approved and confirmed the receipt from the HCAD of the District's certified tax roll for 2025.

7. Mr. Howell discussed the Tax Rate Study and tax rate recommendation for 2025. It was noted that the proposed \$0.95 tax rate would generate approximately \$94,000.00 in tax revenue for the general fund the following year. Upon motion by Director Bales, seconded by Director Baldwin, the Board unanimously approved to publish the \$0.95 tax rate.

8. The Board was presented with an initial draft of the proposed Operations Budget for the 9/30/26 fiscal year-end, and Mr. Taack reported that the expenses are the same as the previous year. Lastly, it was noted that Mr. Taack is working with Mr. Abshire regarding maintenance and mowing expenses needing to be included in budget.

9. Upon motion by Director Bales, seconded by Director Wunsch, the Board unanimously approved publication of a \$0.95 tax rate, noting there was no increase from the prior year.

10. The Board was presented with a Resolution Requesting Appraisal of Property and Certificate of Estimated Appraised Value, and it was noted that the financial advisor would likely wait until the end of the year to request such estimate of value. The Board was asked to sign the Resolution today and write the date when the request is needed from HCAD. Upon motion by Director Baldwin, seconded by Director Wunsch, the Board unanimously approved to sign the Resolution Requesting Appraisal of Property and Certificate of Estimated Appraised Value as of a date recommended by the District's financial advisor.

11. Mr. Young then presented the Engineer's Report and noted there are no action items for County Road 158. Mr. Young asked the Board to authorize submitting the MS4 Application to the Texas Commission of Environmental Quality. Mr. Young then reported that Country Road 158 construction is continuing and Waterstone Unit E is preparing for construction. Waterstone Unit E has been bid but bids are currently being evaluated and the recommendation for the award will be presented at the next Board meeting. Following a discussion and a motion by Director Baldwin,

seconded by Director Bales, and unanimously carried, the Engineer's Report and the authorization of submitting the MS4 Application to the Texas Commission of Environmental Quality were approved.

12. With regard to the Attorney Report's, Mr. Barrett noted that there was nothing to discuss with the Board at such time.

13. Mr. Taack then presented the Board with a Cash Activity Report, he noted that he would need the Board's approval on disbursement of funds related to director and vendor payments as well as various consultant invoices and three fund transfers: one from the TexPool Operating Account to the PNC Bookkeeper's Account in the amount of \$4,000.00; one transfer from the PNC Operating Account to TexPool Operating Account in the amount of \$28,000.00; and one transfer from the TexPool Operating Account to PNC Bookkeeper's Account in the amount of \$4,273.15. Additionally, Mr. Taack reported that 100% of the taxes have been collected, which equals over \$101,000.00. Upon motion by Director Bales and seconded by Director Wunsch, the Cash Activity Report and disbursement of funds and vendor payments as well as various consultant invoices and fund transfers in accordance therewith were unanimously approved. A copy of the Cash Activity Report is attached as Exhibit "B".

14. Mr. Abshire then discussed with the Board an Operations Report, a copy of which is attached hereto as Exhibit "C". Mr. Abshire reported they are making sure maintenance for the ponds is in-line with the MS4 permit. Mr. Abshire asked the Board to consider maintenance for the wet ponds being overgrown, drainage channel, and the HOA not maintaining the sidewalk. It was noted that 26 annual visits for the wet pond and drainage channel will cost \$67,200.00 annually. Upfront cleanup will cost around \$12,400.00 since everything needs to be in a manageable state due to drainage facilities requirements. After a brief discussion, and upon motion by Director Bales, seconded by Director Baldwin, the Board unanimously approved the one-time cleanup of \$12,400.00. After a brief discussion, and upon motion by Director Baldwin, seconded by Director Bales, the Board unanimously approved the \$67,200.00 contract for 26 visits annually. After a brief discussion, and upon motion by Director Baldwin and seconded by Director Bales, the Operations Report was unanimously approved.

15. Mr. Barrett discussed with the Board the City of Kyle water and wastewater proposed rate increase, and it was noted that the City is raising water rates, but in the water and wastewater contract between the City and the District, there is specific language that states the residents can appeal such increase. Mr. Barrett noted that he is not sure what the District can do since the residents are customers of the City, but he asked the Board to provide authorization to oppose and challenge the City rate increase. After a full discussion, and upon motion by Director Bales, seconded by Director Wunsch, the Board unanimously approved the authorization to oppose and challenge the City of Kyle water rate increase.

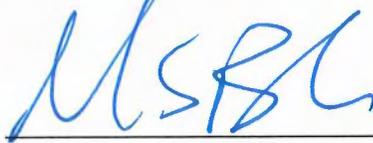
16. The Board was then asked to approve the annual insurance renewal that was executed on July 25, 2025. Upon motion by Director Wunsch, seconded by Director Baldwin, the Board unanimously approved the annual renewal of District insurance and bonds.

17. The District's next meeting date was tentatively scheduled for Tuesday, September 9, at 12:30 p.m., and every other month at the same date and time until further notice.

18. There being no further business to conduct, Director Baldwin moved that the meeting be adjourned, which motion was seconded by Director Wunsch, and unanimously approved, and the Board adjourned until further call.

(EXECUTION PAGE FOLLOWS)

APPROVED AND ADOPTED this 9th day of September, 2025.



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

(DISTRICT SEAL)

