

MINUTES OF MEETING
OF THE BOARD OF DIRECTORS

THE STATE OF TEXAS §

COUNTY OF HAYS §

DRIFTWOOD CONSERVATION DISTRICT §

The Board of Directors (the "Board") of Driftwood Conservation District (also referred to herein as the "District") met in regular session, open to the public, at 1101 Capital of Texas Hwy. South, Building D, Suite 110, Austin, Texas, an office of the District outside the boundaries of the District, on January 14, 2026, and the roll was called of the members of the Board to-wit:

Stephen C. Dickman	President
Sam Siddons	Vice President
Danette R. Koebele	Secretary
Jett Garner	Treasurer/Asst. Secretary
Royce Wachsmann	Asst. Secretary

All members of the Board were present at the commencement of the meeting. All members present at the time a vote was taken, voted on all matters that came before the Board. Also present were Andy Barrett of Barrett & Associates, PLLC, attorney for the District, Eliza Martinez, of Winstead PC, paralegal for the District, John Blake of Murfee Engineering Company, Inc. ("Murfee Engineering"), engineers for the District, Justin Taack with Bott & Douthitt PLLC ("Bott & Douthitt"), bookkeepers for the District, and Nancy Olson with McCall Gibson Swedlund Barfoot Ellis PLLC ("MGSBE"), the District's auditor. Additionally, Sarah Cole and Dan Bocwinski representing DriftwoodDLC Austin II, LLC and Driftwood Golf Club Development, Inc., an owner and the developer of lands within the District (collectively, the "Developer"), were in attendance via teleconference.

1. The Board called for public communications and comments, hearing none, they proceeded with the regular agenda.

2. The Minutes from the Board's December 10, 2025, regular meeting were presented for review and approval. Following a motion by Director Dickman, seconded by Director Garner and unanimously carried, said Minutes were approved as written.

3. Nancy Olson with MGSBE then presented the Board with a Financial Report for the September 30, 2025 fiscal year end ("Financial Report"). Ms. Olson noted that the audit was a clean audit and that the adjustments section shows capital assets while the liabilities section shows the amounts still owed to the developer. At the end of the current fiscal year, the unassigned fund balance was \$2,368,919, an increase of \$1,059,928 from the previous fiscal year. General Fund revenues were \$1,429,785, expenditures were \$520,997 and other financing sources were \$151,140. The capital projects fund balance restricted for capital projects increased to \$151,477 and the fund

balance restricted for debt service decreased to \$362,258 at the end of the current fiscal year. The Debt Service Fund paid \$155,000 of bond principal and \$387,781 of bond interest on outstanding debt during the current fiscal year. After a thorough discussion, and upon motion by Director Garner, seconded by Director Siddons and unanimously carried, the Board approved said Financial Report, authorized the required filings and postings with the Texas Commission on Environmental Quality ("TCEQ") and the State Comptroller by Winstead as well as the EMMA filing by the District's financial advisor.

4. Mr. Barrett discussed with the Board the Municipal Securities Rulemaking Board Rule G-10 and G-42 Disclosure Letters received by the District's financial advisor, GMS Group, and explained that the letter is giving allowance that the District can file a complaint. After a brief discussion, and upon motion by Director Wachsmann, seconded by Director Koebele, the Board confirmed receipt of the District's annual Municipal Securities Rulemaking Board ("MSRB") Rule G-10 and G-42 Disclosure Letters.

5. Mr. Barrett then discussed with the Board the need for a directors' election every two years of even-numbered years, as required by the District's legislation and the Election Code, and it was noted that there were three (3) positions up for election in May of 2026. The Board then discussed the form of joint election contract and election services agreement ("Election Contract") with Travis County ("County") related to the May 2, 2026 directors' election and authorized execution of the final form by the Board's officers should the election move forward. As also relates to the May 2, 2026 directors' election, the Board next considered an Order Calling Directors' Election ("Order Calling"). Ms. Cole noted there are 18 full-time residents. Upon motion by Director Garner, seconded by Director Wachsmann and unanimously carried, said Order Calling was adopted and authorization for execution of the final Election Contract, if needed, was approved.

6. With regard to development-related matters in the District, Ms. Cole noted that there are 18 full-time residents. Ms. Cole noted they hope that the FM150 waterline will be completed at the end of 2026. The City of Dripping Springs is requesting to authorize going to bid for treating the pond and the golf course and left turn lane will go to bid for the second quarter of 2026. Mr. Bocwinski reported that Joe Pruitt is helping with an Assignment for Reimbursement Agreement and that Mr. Barrett will review before the next Board meeting.

7. John Blake then reviewed an Engineer's Report dated January 14, 2026, noting that there were two action items for the Board. Mr. Blake asked the Board to consider authorizing bidding for the effluent holding pond. Mr. Blake noted that if they move forward with the effluent holding pond, the City of Dripping Springs will own the pond but the Municipal Utility District ("MUD") cover the costs. Regarding Driftwood Creek FM 150 12" Treated Effluent and 10" Raw Wastewater Force Mains, Mr. Blake asked the Board to approve pay application no. 3 for \$237,743.45. Upon motion by Director Dickman, seconded by Director Siddons, the Engineering Report, pay application no. 3 for \$237,743.45, and bid for the effluent holding pond, were unanimously approved.

8. With regard to any additional water and sewer related agreements, easements or conveyances to the City as well as matters related to public financing, Mr. Barrett noted there was nothing at such time.

9. With regard to proposed addition of lands and related matters, Mr. Barrett noted that Ms. Cole wants to wait to add land all at once. 6.288 acres will be added, with a total of 12-13 acres. They are waiting for the total of metes and bounds before moving forward.

10. Mr. Barrett then presented the Board with an Amended District Information Form ("ADIF") to include, amongst other things, all prior bond authorizations and update the debt amount. After a brief discussion, and upon motion by Director Garner, seconded by Director Koebele, the Board unanimously approved the Amended District Information Form to include all prior bond authorizations, update the debt amount, and authorized any filing or recording, as may be necessary, with regard thereto.

11. Justin Taack with Bott & Douthitt presented the Board with an Accounting Report, including a Cash Activity Report dated January 14, 2026, noting he would need the Board's approval on disbursement of checks related to director and vendor payments as well as one transfer in the amounts of \$50,015.53 from the District's TexPool Operating Account to the District's Cadence Bank Bookkeeper's Account for payment of expenses. Mr. Taack noted that the taxes were paid and a check was cut for Ms. Olson for 2025 audit. Upon motion by Director Garner seconded by Director Siddons, the Accounting Report and the disbursement of funds and transfers in accordance therewith were unanimously approved.

12. With regard to an Operations Report for the District, there was nothing to discuss at such time.

13. The Board confirmed their next regular meeting date of Wednesday, February 11, 2026, and there being no further business to conduct, Director Garner moved that the meeting be adjourned, which motion was seconded by Director Wachsmann, and unanimously approved, and the Board adjourned until further call.

APPROVED AND ADOPTED this 11th day of February 2026.



Danette Koebele, Secretary
Board of Directors
Driftwood Conservation District

(DISTRICT SEAL)

