

MINUTES OF MEETING  
OF THE  
BOARD OF DIRECTORS

THE STATE OF TEXAS §

COUNTY OF HAYS §

LASALLE MUNICIPAL UTILITY DISTRICT NO. 1 §

The Board of Directors (the "Board" or the "Board of Directors") of LaSalle Municipal Utility District No. 1 (also sometimes referred to herein as the "District") met in special session, open to the public, on the 13<sup>th</sup> day of January, 2021, by video conference to mitigate the spread of COVID-19 pursuant to the guidance provided by the Office of the Attorney General of the State of Texas, and the roll was called of the members of the Board of Directors to-wit:

Kristi LaRue	President
Eric Willis	Vice President
Chuck Kaufman	Secretary
Douglas J. Goss	Treasurer/Asst. Secretary
John Christopher Gee	Asst. Secretary

All members of the Board were present by video at the commencement of the meeting except Director Gee. The record shall reflect that Director Gee joined the meeting during the discussion on item 3 herein. All members participating in the meeting at the time a vote was taken voted on all matters that came before the Board. Also present by telephone were Andy Barrett of Barrett & Associates, PLLC ("Barrett & Associates"), attorney for the District; Elly Del Prado Dietz, special counsel with respect to eminent domain matters; Judy McAngus, paralegal, and Kimberly Studdard, legal assistant, of Winstead PC ("Winstead"); Keith Young of Doucet & Associates, Inc. ("Doucet & Associates"), engineers for the District; and Justin Taack of Bott & Douthitt PLLC ("Bott & Douthitt"). Additionally, Blake Reed with TACK Development, Ltd. and Mike Schroeder, representing the owner and developer of the lands within the District, were in attendance as well.

The meeting was called to order, and evidence was presented that public notice of such meeting had been given as required by law.

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 May 12, 2020 special Board meeting and upon motion by Director Kaufman, seconded by Director LaRue, said minutes were unanimously approved.

3. With regard to an update on acquisition of property for public use (roadway access in and to the District and for drainage and temporary construction easements), including, but not limited to, status of purchase from Kyle Equities, L.P. ("Kyle Equities") and approval and ratification of related acquisition and separate update on pending closing of purchase from the Spooner family ("Spooner"), approval of Spooner closing documents (including execution of deed and easements) with regard to such acquisition and proposed dismissal of pending eminent domain proceedings following such closing, Mr. Barrett noted that the Contract of Sale for the Kyle Equities property ("Kyle Equities Contract"), attached hereto as **EXHIBIT "A"**, was currently at the title company but an official closing date had not yet been set. Additionally, Mr. Barrett noted the Kyle Equities Contract is in the name of the developer, TACK Development, Ltd. ("TACK"), and as is such, TACK would be conveying the land to the District following such closing.

Mr. Barrett also noted the purchase price as identified in the Contract of Sale for the Spooner parcel ("Spooner Contract"), attached hereto as **EXHIBIT "B"**, is approximately \$300,000 and that the Spooner Contract is currently at the title company as well. Ms. Del Prado Dietz confirmed that upon closing of the Spooner Contract, her firm would be dismissing all eminent domain proceedings previously filed. Upon motion by Director Willis, seconded by Director LaRue, the Board unanimously approved the purchase of the Spooner property, the Spooner Contract and all related closing documents associated therewith. Additionally, upon motion by Director LaRue, seconded by Director Kaufman and unanimously approved, the Board approved the filing of a Motion to Dismiss and any additional agreements needed in order to dismiss all eminent domain proceedings related to the Spooner property upon closing. Lastly, upon motion by Director Willis, seconded by Director LaRue and unanimously carried, the Board formally acknowledged the Kyle Equities Contract as discussed herein. The record shall reflect Director Gee joined the meeting at this time.

4. The Board next reviewed an Agreement Regarding Roadway and Drainage Improvements between the District and the City of Kyle ("Roadway and Drainage Agreement"), attached hereto as **EXHIBIT "C"**, as relates to construction and management of roadway improvements and drainage of Waterstone Boulevard. Mr. Barrett noted that the property being purchased on behalf of the District, as previously discussed herein, is located within the limits of the City of Kyle, and as is such, the City of Kyle requires a Roadway and Drainage Agreement to be put in place which carves out, among other things, how the roads will be built and requirements for same. It was also noted that the Roadway and Drainage Agreement presented to the Board had already been approved by the City of Kyle. Upon motion by Director LaRue, seconded by Director Gee, the Roadway and Drainage Agreement was unanimously approved.

5. With regard to an engineering report, Keith Young of Doucet & Associates presented the Board with a Memorandum, attached hereto as **EXHIBIT "D"**, outlining specifics related to the two aforementioned properties being purchased on behalf of the District as well as the Roadway and Drainage Agreement previously discussed. Additionally, Mr. Young noted the engineers are currently in the design phase on Phase 1A Master Infrastructure plans which will provide for roadway, water, wastewater and drainage improvements to enable development of the District. Additionally, Mr. Young noted a preliminary plat had been submitted to the City of San Marcos whom would coordinate with Hays County and ultimately both be approving said plat. It was also noted that relevant plans had been submitted to the City of Kyle as well. After a brief discussion and upon motion by Director Willis, seconded by Director LaRue, the Board unanimously authorized and approved the Phase 1A Master Infrastructure and preliminary plats as well as advertisement of bids related to same.

6. With regard to any additional water and sewer related agreements, easements, assignments, related cost sharing agreements, or other related matters, Mr. Barrett then discussed with the Board an Encroachment Agreement with the Guadalupe-Blanco River Authority ("GBRA"), attached hereto as **EXHIBIT "E"**, which recognizes that fact that the District's proposed roadway infrastructure will overlap GBRA's existing pipelines. Mr. Barrett noted the District's consultants are in agreement on the substance of the Encroachment Agreement but that a few blanks needed completion prior to finalizing said Agreement. Upon motion by Director LaRue, seconded by Director Kaufman, the Board unanimously approved the Encroachment Agreement, as finally approved by Mr. Barrett, and related agreements and easements, as may be necessary related thereto.

7. The Board next reviewed a summary of the District's annual renewal of insurance and bonds, and Ms. McAngus noted the District's existing, basic coverages were renewed, and upon the commencement of construction-related activities, new coverages for general liability and umbrella policies would be pro-rated and added to the account in addition to those existing coverages. Upon motion by Director Willis, seconded by Director LaRue, the Board unanimously approved the annual renewal of insurance and bonds.

8. Justin Taack then presented the Board with a Cash Activity Report, attached hereto as **EXHIBIT "F"**, noting the Cash Activity Report looks slightly different from before in that it now reflects the District's Bookkeeper's Account, previously authorized by the Board, in addition the District's Operating Account. Mr. Taack also noted that Check Nos. 5000-5006 related to condemnation proceedings occurring between the last meeting and today's meeting were cut between meetings. Mr. Taack noted items for the Board's consideration at the meeting were payment of directors' fees for the meeting that same day, payment of accounting fees through December 2020, check printing charges and payment of the District's annual insurance renewal premium. Mr. Reed confirmed the developer advance requested by Mr. Taack was ready to go, and Mr. Taack confirmed he would pick up the check following the meeting that day. Upon motion by Director LaRue and seconded by Director Kaufman, the Cash Activity Report and deposit and disbursement of funds in accordance therewith was unanimously approved.

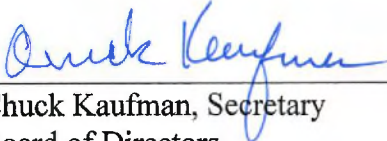
Ms. McAngus then confirmed the District's Annual Financial Report for the September 30, 2020 fiscal year end, which reflects costs advanced by the developer to date, had been prepared and timely filed with the Texas Commission on Environmental Quality by Bott & Douthitt.

9. The Board next reviewed a MSRB Form G-10 disclosure confirmation letter prepared by GMS Group, Inc., the Board's financial advisor, and it was noted that such letter was an annual requirement for financial advisors to send out for districts whom have issued debt, or as standard procedure for those districts whom have not yet issued debt. Upon motion by Director LaRue, seconded by Director Kaufman, the Board acknowledged receipt of the MSRB Rulemaking Board Form G-10 disclosure confirmation letter.

10. The Board then discussed and confirmed there was no need to set a next meeting date at this time.

There being no further business to conduct, Director LaRue moved that the meeting be adjourned, which motion was seconded by Director Kaufman, and unanimously approved, and the Board adjourned until the next scheduled meeting date.

APPROVED AND ADOPTED this 19<sup>th</sup> day of January, 2022.



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Chuck Kaufman, Secretary  
Board of Directors  
LaSalle Municipal Utility District No. 1

