

HAYS COUNTY DEVELOPMENT DISTRICT NO. 1

Minutes of Meeting Tuesday, October 25, 2022

The Board of Directors (the "Board") of Hays County Development District No. 1 (the "District") met in regular session, open to the public, at 12:00 p.m. on Tuesday, October 25, 2022, at the office of Carlson, Brigrance & Doering, Inc., 5701 West William Cannon, Austin, Texas 78749, whereupon the roll was called of the members of the Board to-wit: —

David Reynolds	President
Vacant	Vice President/Investment Officer
George Baker	Secretary
Kasey Studdard	Assistant Secretary
Billy Foulds	Assistant Secretary

All members of the Board were present in person, thus constituting a quorum. Also in attendance were: Ronja Keys of Inframark ("Operator"); Justin Taack of Bott & Douthitt, PLLC ("Bookkeeper"); Ronnie Moore, P.E. of Carlson, Brigrance & Doering, Inc. ("CBD" and/or "Engineers"); and Zach Petrov of Johnson Petrov LLP ("Attorney" or "JP"); with Corey Howell of the GMS Group, L.L.C. ("Financial Advisor") and Andrew N. Barrett of Barrett & Associates, PLLC ("Special Counsel") attending by telephone.

The meeting was called to order at 12:02 p.m., and in accordance with the notice posted pursuant to law, the following business was transacted:

I. **Public Comment.**

There was no public comment at this time.

II. **Approve regular meeting minutes of the September 8, 2022.**

The Board reviewed the minutes of the regular meeting held on September 8, 2022, a copy of which was previously distributed to the Board.

Upon motion by Director Studdard, seconded by Director Baker, after full discussion and with all Directors present voting aye, the Board approved the regular meeting minutes of the September 8, 2022, as presented.

III. **Bookkeeper's Report.**

a. Mr. Taack of Bott & Douthitt, PLLC presented and reviewed the Bookkeeper's Report, a copy of which is attached hereto as Exhibit "A."

b. Mr. Taack presented director and vendor payments, and one (1) transfer for the Board's approval.

Mr. Taack then reviewed the August 31, 2022 Financial Statements of the District.

The approval of the proposed budget for fiscal year ending December 31, 2023 was tabled until the next Board of Director's meeting.

Upon motion by Director Baker, seconded by Director Studdard, after full discussion and with all Directors present voting aye, the Board: 1) authorized payment of all invoices; 2) approved one (1) transfer; and 3) approved the Bookkeeper's Report.

IV. **Developer's Report.**

There was not a Developer representative present.

V. **Engineer's Report.**

Mr. Moore of Carlson, Brigrance & Doering, Inc. presented and reviewed the Engineer's Report, a copy of which is attached hereto as Exhibit "B." Mr. Moore updated the Board on the current Engineering activities within the District.

Mr. Moore presented and reviewed Change Order No. 7 in the amount of \$13,500.00 for Caliterra Phase 4 Section 12 (CBD 5183); Streets, Drainage, Water, Wastewater and Erosion Control Improvements. Mr. Moore also reviewed Payment Application No. 10 in the amount of \$33,106.50 and Payment Application No. 11 in the amount of \$197,925.96. Mr. Moore recommended the Board approve Change Order No. 7 and Payment Application Nos. 10 and 11.

Upon motion by Director Baker, seconded by Director Reynolds, after full discussion and with all Directors present voting aye, the Board approved the Engineer's Report, including approval of Change Order No. 7 in the amount of \$13,500.00 and Payment Application No. 10 in the amount of \$33,106.50 and Payment Application No. 11 in the amount of \$197,925.96 for Caliterra Phase 4 Section 12.

VI. **Operator's Report.**

Ms. Keys presented and reviewed the Caliterra General Manager's Report, a copy of which is attached hereto as Exhibit "C".

Ms. Keys updated the Board on the current activities. Ms. Keys presented and reviewed the proposal from Sunscape Landscaping for the Hunter irrigation controller and system investigation/repair in the amount of \$1,902.85, a copy of which is attached to the Operations Report. Discussion ensued regarding which properties the District owned, and the Board requested its Attorney to review the matter and ensure the District's insurance policies adequately covered the District's liability.

Upon motion by Director Reynolds, seconded by Director Foulds, after full discussion and with all Directors present voting aye, the Board approved: 1) the Operator's Report; and 2) the Sunscape Landscaping Proposal.

VII. **Financial Advisor's Report.**

a. **Unlimited Tax Bonds, Series 2022 (the "Bonds").**

Mr. Howell reviewed the bid report, a copy of which is attached hereto as Exhibit "D", and stated that six (6) bids have been received with the lowest bid being from Raymond James & Associates, Inc. ("Raymond James") at a net effective interest rate of 5.139963 percent. Raymond James has submitted a good faith deposit check which will be held by Bond Counsel and returned

to Raymond James upon receipt of their purchase price for the Bonds. Mr. Howell then recommended that the Board accept the bid to purchase the Bonds submitted by Raymond James.

b. Approve Attorney General's Bond Transcript Fee.

Mr. Petrov next requested that the Board approve a check drawn on the District's Operating Account in the amount of \$8,000.00 for the Attorney General's transcript review fee.

c. Approve Final Form of Official Statement and Adopt Order Authorizing Issuance.

Mr. Petrov then reviewed with the Board an Order Authorizing Issuance of \$8,000,000 Unlimited Tax Bonds, Series 2022; A Transfer and Paying Agent with The Bank of New York Mellon Trust Company, N.A., Dallas, Texas; and Other Matters Related Thereto.

d. A Letter Agreement Build America Mutual Assurance Company ("BAM"), a copy of which is attached as Exhibit "D-1" was prepared stating that the District will comply with the TCEQ's regulations regarding financial feasibility for bonds issued by the District.

Upon motion by Director Baker, seconded by Director Studdard, after full discussion and with all Directors present voting aye, the Board: 1) accepted and awarded the Sale of the Bonds to the low bid received from Raymond James; 2) approved the Attorney General's Bond Transcript Fee; 3) approved the Final Form of the Official Statement and the Order Authorizing Issuance of \$8,000,000 Unlimited Tax Bonds, Series 2022; the Transfer and Paying Agent Agreement with The Bank of New York Mellon Trust Company, N.A., Dallas, Texas; and authorized officers to sign all of the documents related to the sale of the Bonds; and 4) approved the BAM Letter Agreement.

e. Amended and Restated District Information Form.

Mr. Petrov then presented an Amended and Restated District Information Form, a copy of which is attached hereto as Exhibit "D-2", which is required to be amended to show the current tax rate, the outstanding debt and the Notice to Purchasers Form, and is to be recorded in Hays County Real Property Records ("HCRPR") and filed with the Texas Commission on Environmental Quality (the "TCEQ").

Upon motion by Director Reynolds, seconded by Director Baker, after full discussion and with all Directors present voting aye, the Board approved the Amended and Restated District Information Form and authorized it to be recorded in HCRPR and filed with the TCEQ.

VIII. Attorney's Report.

a. Receive update from Legal Counsel concerning District operations, agreement and finances and take any action, as necessary.

Mr. Petrov presented and reviewed with the Board the Engagement Letter ("Engagement Letter") from McGrath & Co., PLLC to prepare the Agreed Upon Procedures (AUP) of Costs Reimbursable to Developers for the Unlimited Tax Bonds, Series 2022, a copy of which is attached hereto as Exhibit "E".

Upon motion by Director Reynolds, seconded by Director Baker, after full discussion and with all Directors present voting aye, the Board approved the Engagement Letter.

b. Agreements between the District and Dripping Springs Water Supply Corporation.
No action taken.

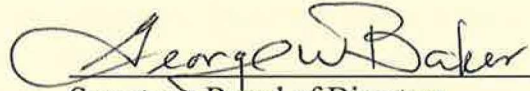
c. Update Regarding Director Renewals through Commissioner's Court. No update at this time.

d. Appointment of Officer.

Upon motion by Director Baker, seconded by Director Foulds, after full discussion and with all Directors present voting aye, the Board appointed Director Foulds to serve as President and Director Reynolds to serve as Vice President to be effective at the start of the 2023 Fiscal Year End.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned.

PASSED and APPROVED this 16th day of November, 2022.


Secretary, Board of Directors

EXHIBITS:

- A - Bookkeepers Report
- B - Engineer's Report
- C - Caliterra General Manager's Report
- D - Bid Report
- D-1 - BAM Letter Agreement
- D-2 - Amended and Restated District Information Form
- E - Agreed Upon Procedures (AUP)

