

HAYS COUNTY DEVELOPMENT DISTRICT NO. 1

Minutes of Meeting Thursday, November 9, 2023

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. Noon on Thursday, November 9, 2023, 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:

Billy Foulds	President
Trey Novosad	Vice President
George Baker	Secretary
Kasey Studdard	Assistant Secretary
John Bolt Harris	Assistant Secretary

All members of the Board were present in person, thus constituting a quorum. Also in attendance in person were: Justin Taack of Bott & Douthitt, PLLC ("Bookkeeper"); Ronnie Moore, P.E. of Carlson, Brigrance & Doering, Inc. ("CBD" and/or "Engineers"); Zach Petrov of Johnson Petrov LLP ("Attorney" or "JP"); Terry Howe of Siepiela Interests, Inc. ("Developer"); and Cody Abshire of Capital Area Utility Management, LLC ("CAUM"); and by phone: John Howell of GMS Group, L.L.C. ("Financial Advisor"); and Andrew N. Barrett of Barrett & Associates, PLLC ("Special Counsel").

The meeting was called to order at 12:00 p.m., and in accordance with the notice posted pursuant to law, the following business was transacted:

I. **Public Comment.**

There was no members of the public present wishing to speak.

II. **Approve regular meeting minutes of the October 12, 2023.**

The Board reviewed the minutes of the regular meeting held on October 12, 2023, a copy of which was previously distributed to the Board.

Upon motion by Director Foulds, seconded by Director Studdard, after full discussion and with all Directors present voting aye, the Board approved the regular meeting minutes of the October 12, 2023, 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 from TexPool Operating Account to Cadence Bank for the Board's approval.

Mr. Taack then reviewed the Financial Statements of the District.

c. The Board tabled the 2024 FYE Budget until the December Board meeting.

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

IV. **Developer's Report.**

Mr. Howe reported 450 homes on the ground and 60 are under construction. He also reported treated effluent spray fields under construction around the Bridge Water Loop.

Upon motion by Director Studdard, seconded by Director Foulds, after full discussion and with all Directors present voting aye, the Board approved the Developer's Report.

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.

Upon motion by Director Harris, seconded by Director Baker, after full discussion and with all Directors present voting aye, the Board approved the Engineer's Report.

VI. **Operations Report.** Mr. C. Abshire of Capital Area Utility Management, LLC presented and reviewed the Operation's Report, a copy of which is attached hereto as Exhibit "C."

Mr. C. Abshire reported that the in-line mixer at the pump station has been installed. Mr. C. Abshire also stated he received a resident complaint on 11/8/23 of an odor, which he believes may have been due to stagnant water in the line because of rain. He reported he has been in touch with PEC regarding light poles issues.

Mr. C. Abshire also requested approval of \$7,200 for erosion repair of the detention pond in Section 2.

Upon motion by Director Foulds, seconded by Director Harris, after full discussion and with all Directors present voting aye, the Board approved the Operations Report, including approval of \$7,200 for erosion repair of the detention pond in Section 2.

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

Unlimited Tax Bonds, Series 2023 (the "Bonds").

Mr. John Howell reviewed the bid report, a copy of which is attached hereto as Exhibit "D", and stated that five (5) bids have been received with the lowest bid being from UMB Bank, N.A. ("UMB") at a net effective interest rate of 4.952939 percent. UMB has submitted a good faith deposit check which will be held by Bond Counsel and returned to UMB upon receipt of their purchase price for the Bonds. Mr. John Howell then recommended that the Board accept the bid to purchase the Bonds submitted by UMB.

a. **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 \$12,100.00 for the Attorney General's transcript review fee.

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

Mr. Petrov then reviewed with the Board an Order Authorizing Issuance of \$12,100,000 Unlimited Tax Bonds, Series 2023; A Transfer and Paying Agent with The Bank of New York Mellon Trust Company, N.A., Dallas, Texas; and Other Matters Related Thereto.

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

- d. 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 "F", 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 Harris, 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 UMB; 2) approved the Attorney General's Bond Transcript Fee; 3) approved the Final Form of the Official Statement and the Order Authorizing Issuance of \$12,100,000 Unlimited Tax Bonds, Series 2023, 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; 4) approved the BAM Letter Agreement; and 5) 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, agreements and finances and take any action as necessary.

b. Agreement between the District and Dripping Springs Water Supply Corporation ("DSWSC").

Mr. Barrett and Mr. Petrov stated that they are in discussions with DSWSC for 500 additional LUEs and were provided a new form agreement just before the Board Meeting. Mr. Barrett and Mr. Petrov are currently reviewing the agreement form.

c. Maintenance of Facilities within the District and Coordination of the HOA and Developer.

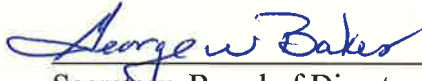
Mr. C. Abshire provided an update on his discussions with Zane Furr for a contract to maintain all District areas.

d. District Website. Mr. Petrov presented a quote from The Texas Network LLC for the web design and maintenance of a website and authorized the President to sign a contract with The Texas Network LLC.

Upon motion by Director Harris, seconded by Director Foulds, after full discussion and with all Directors present voting aye, the Board approved the quote from The Texas Network LLC for the web design and maintenance of a website.

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

PASSED and **APPROVED** this 14th day of December, 2023.


Secretary, Board of Directors

EXHIBITS:

- A - Bookkeepers Report
- B - Engineer's Report
- C - Operations Report
- D - Bid Report
- E - BAM Letter Agreement
- F - District Information Form

