

HAYS COUNTY DEVELOPMENT DISTRICT NO. 1

Minutes of Meeting Thursday, December 8, 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 8:30 a.m. on Thursday, December 8, 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, with the exception of Director Reynolds, 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"); and Andrew N. Barrett of Barrett & Associates, PLLC ("Special Counsel").

The meeting was called to order at 8:30 a.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 November 16, 2022.**

The Board reviewed the minutes of the regular meeting held on November 16, 2022, a copy of which was previously distributed to the Board.

Upon motion by Director Baker, seconded by Director Foulds, after full discussion and with all Directors present voting aye, the Board approved the regular meeting minutes of the November 16, 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 November 30, 2022 Financial Statements of the District.

Upon motion by Director Baker, 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; and 3) approved the Bookkeeper's Report.

IV. **Developer's Report.**

Mr. Howe updated the Board on the current activities in the District. He stated that there were a couple of rain delays. He also reported that the effluent ponds are in the process of being treated.

V. **Engineer's Report.**

Mr. Moore of Carlson, Brigance & 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 Payment Application No. 2 to DNT Construction, LLC in the amount of \$337,721.76. Mr. Moore recommended the Board approve Payment Application No. 2.

Upon motion by Director Baker, seconded by Director Studdard, after full discussion and with all Directors present voting aye, the Board approved the Engineer's Report, including approval of Payment Application No. 2 to DNT Construction, LLC in the amount of \$337,721.76 for Caliterra Phase 5 Section 14.

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 with the Board the proposal from Sunscape for the Irrigation inspections/emergency repairs, a copy of which is attached to the Operations Report. Discussion ensued.

Upon motion by Director Baker, seconded by Director Studdard, after full discussion and with all Directors present voting aye, the Board approved: 1) the Operator's Report; and 2) the Sunscape for the Irrigation inspections/emergency repairs.

VII. **New Business.**

Ms. Horn presented and reviewed an Audit Continuance Letter prepared by McGrath & Co., PLLC for the audit fiscal year ended December 31, 2022, a copy of which is attached hereto as Exhibit "D". Ms. Horn noted that the fee will be \$13,000. She also answered questions from the Board.

Upon motion by Director Foulds, seconded by Director Baker, after full discussion and with all Directors present voting aye, the Board approved the Audit Continuance Letter prepared by McGrath & Co., PLLC for the audit fiscal year ended December 31, 2022.

VIII. **Attorney's Report.**

a. Receive update from Legal Counsel concerning District operations, agreement and finances and take any action, as necessary. No update at this time.

b. Agreements between the District and Dripping Springs Water Supply Corporation.
No update at this time.

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

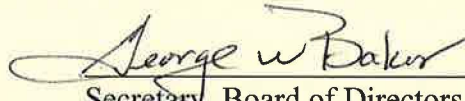
d. Property to be owned by the District or conveyed to the HOA.

Mr. Barrett stated that the City of Dripping Springs has expressed an interest in taking over the irrigation spray fields and effluent ponds.

Upon motion by Director Baker, seconded by Director Foulds, the Board authorized it's attorneys to move forward with and approved conveyance of the facilities of the City of Dripping Springs.

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

PASSED and APPROVED this 9th day of February, 2023.


Secretary, Board of Directors

EXHIBITS:

- A - Bookkeepers Report
- B - Engineer's Report
- C - Caliterra General Manager's Report
- D - Auditor Continuance Letter prepared by McGrath & Co.

