

MINUTES OF
LAKE MCQUEENEY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

February 15, 2023

The Board of Directors (the "Board") of Lake McQueeney Water Control and Improvement District No. 1 (the "District") met in regular session in person, open to the public, on the 15th day of February 2023, at Lake Breeze Ski Lodge, 225 Ski Lodge Road, McQueeney, TX 781234, inside the boundaries of the District, and the roll was called of the members of the Board:

Robert L. Worth, Jr.	President
Paul A. Mueller	Vice President
Lindsey Gillum	Secretary
David Doughtie	Treasurer/ Assistant Secretary
Michele Norris	Assistant Vice President

And all of the above were present, thus constituting a quorum.

Also present at the meeting, either in person or by videoconference were members of the public whose names are listed on the attached sign-in sheet; Robin Dwyer and Martha Patton, District property owners whose names are not listed on the sign-in sheet; Keith Strimple, Devin Thompson, Randall Cox, Bill Fisher and Jay Haselwood members of the public whose names are not included on the sign-in sheet; Calep Estes and Michael Willett of Touchstone District Services ("Touchstone"); and Steve Robinson, Nellie Connally and Jane Miller of Allen Boone Humphries Robinson, LLP ("ABHR").

PUBLIC COMMENT

Mr. Robinson reviewed the District's public comment policy (the "Policy") prior to opening the floor and line for the Board to receive public comment.

Mr. Steve Pritchard requested to make a public comment at the close of the meeting.

There being no additional members of the public wishing to make public comment at this point on the agenda, Director Worth moved to the next agenda item.

MINUTES

The Board reviewed the minutes of the January 23, 2023, regular meeting. Director Doughtie moved to approve the minutes, as amended. The motion was seconded by Director Mueller and passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Director Doughtie reviewed the bookkeeper's report, a copy of which is attached. Following review and discussion of the financial report, including tax revenue, Director Mueller moved to approve the bookkeeper's report and payment of invoices. Director Norris seconded the motion, which passed unanimously.

RENEWAL OF DISTRICT INSURANCE POLICIES

Director Doughtie reviewed an insurance renewal proposal from McDonald & Wessendorff Insurance. Following review and discussion, Director Gillum moved to approve a proposal from McDonald and Wessendorff Insurance for renewal of insurance effective April 9, 2023. Director Norris seconded the motion, which passed unanimously.

RESOLUTIONS CONCERNING EXEMPTIONS FROM TAXATION

Mr. Palmer reviewed an analysis of general residential homestead exemptions and homestead exemptions for disabled persons or persons over 65 years of age.

After review and discussion, Director Gillum moved to confirm the Board's previous decision to reject all optional exemptions. The motion was seconded by Director Mueller and carried by unanimous vote.

UPDATE FROM ENGINEERING COMMITTEE

Mr. Robinson asked if there were any members of the public who wanted to make a public comment prior to discussion of this agenda item. There being no member of the public wishing to make a comment, the Board continued to discussion of this agenda item.

Directors Mueller and Worth discussed bids received by the Guadalupe-Blanco River Authority ("GBRA") and provided an update regarding projected contract award date and start of construction schedules, including schedules for the lake draw down. Director Mueller discussed potential contract contingencies due to unknown field conditions and the GBRA's scoring matrix for bids received. Mr. Robinson noted that Texas Municipal Procurement laws require sufficient funding before a public project can be awarded. Discussion ensued regarding project funding.

Mr. Bob Woods commented regarding alternative funding options for construction and asked if the lake would be drained in March 2023.

MATTERS RELATED TO GBRA

Director Worth reported that the Board is communicating with GBRA to determine whether there are additional funds, including interest on the bonds previously issued by the GBRA on behalf of the District, available for District use.

WEBSITE AND COMMUNICATION MATTERS

Director Norris reported regarding updates to the District website.

2023 BOND ELECTION MATTEERS

Mr. Robinson discussed procedures related to the 2023 Order Calling Bond Elections. He reviewed an Order Calling Bond Elections and said that a Notice of Election may be required to be posted or published and provided to the County Clerk and Voter Registrar of Guadalupe County. Mr. Palmer reviewed a funding and tax impact analysis. Following review and discussion, Director Doughtie moved to adopt the Order Calling Bond Elections for \$18,000,000 in authorization plus \$18,000,000 in refunding bonds and direct that the Order be filed appropriately and retained in the District's official records. Director Mueller seconded the motion, which passed unanimously.

Following additional discussion, Director Gillum moved to (1) authorize the Secretary's agent to post or publish and provide to the County Clerk and Voter Registrar Notice of Election, if required, and to direct that the Notice be filed appropriately and retained in the District's official records; (2) authorize execution of a contract with Guadalupe County for election services; and (3) authorize posting of voting and early voting rosters. Director Norris seconded the motion, which passed unanimously.

EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE

At 5:21 p.m., Director Worth announced the Board would convene in executive session to conduct a private consultation with the District's attorneys. Mr. Robinson and Ms. Connally was also present during executive session. Director Gillum was not present during executive session and left the meeting before executive session.

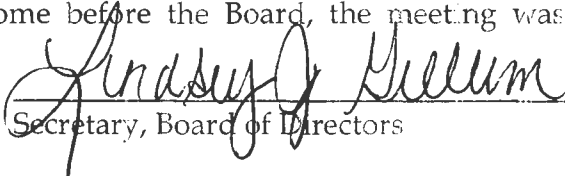
RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION

The Board reconvened in regular session at 5:23 p.m. Following discussion in executive session, Director Mueller moved to approve a Resolution Approving a Master Hydro-Power Purchase and Sale Agreement By and Between Guadalupe Valley Electric Cooperative, Inc. and the GBRA. Director Norris seconded the motion, which passed 4 to 0, with Director Gillum absent during voting.

MEETING SCHEDULE

The Board concurred to hold its next meeting on March 9, 2023, at 4:00 p.m.

There being no further business to come before the Board, the meeting was adjourned.


Secretary, Board of Directors

