

MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS

November 14, 2022

STATE OF TEXAS §

COUNTY OF LIBERTY §

LIBERTY COUNTY MUNICIPAL MANAGEMENT DISTRICT NO. 1 §

The Board of Directors (the “Board”) of Liberty County Municipal Management District No. 1 (the “District”) met in regular session, open to the public, at 12:00 p.m. on Monday, November 14, 2022 at 1680 Road 3549, Cleveland, Texas 77327, a designated meeting place inside the boundaries of the District and via telephonic conference; whereupon, roll was called of the members of the Board of Directors, to-wit:

William Harris, III	-	President
Heath J. Marek	-	Vice President
Savannah Carihfield	-	Secretary
Damaris Watson	-	Assistant Secretary
Clifton C. Cadle	-	Assistant Secretary

All members of the Board of Directors were present, except Directors Harris and Marek, thus constituting a quorum.

Also present at the meeting were John Harris of Colony Ridge Development, a Developer of land in the District; Diego Espinosa of Engineering Texas, the District’s Engineer; Cory Anderson, Patrick Thiel, Ryan Carihfield, Cory Anderson, and Donald Burton; Debra Loggins of L&S District Services, the District’s Bookkeeper; Mark Eyring of Mark Eyring, PLLC, the District’s Auditor; and Laken Jenkins Kilgore, attorney, and Monica Britton, paralegal, of Coats Rose, P.C. (“Coats Rose”), legal counsel for the District (“Attorney”).

Whereupon, the meeting was called to order at 12:00 p.m. A copy of the notice of the meeting is attached hereto as Exhibit "A".

HEAR FROM THE PUBLIC

No members of the public were present.

APPROVE MINUTES OF MEETING

Proposed minutes of the meeting of the Board held on September 12, 2022, previously distributed to the Board, were considered for approval. Upon a motion duly made by Director Crihfield, seconded by Director Cadle, the Board voted unanimously to approve such minutes as presented.

HEAR LIBERTY COUNTY CONSTABLE'S REPORT

The Board recognized Ms. Jenkins Kilgore who presented the Liberty County Constable's Report on behalf of Liberty County Constable Precinct 6 for the months of September and October. Copies of the reports are attached hereto as Exhibit "B". No action was taken.

REVIEW AND APPROVE AUDIT FOR FISCAL YEAR END JUNE 30, 2022

The Board recognized Mr. Eyring, who reviewed and discussed a draft Audit for fiscal year end 2022. A copy of the draft Audit is attached hereto as Exhibit "C". After discussion, upon a motion duly made by Director Cadle, seconded by Director Crihfield, the Board voted unanimously to approve the draft Audit for fiscal year end 2022, subject to a one week comment period.

APPROVE INSURANCE RENEWAL PROPOSAL

The Board next considered renewing the District's insurance and reviewed a renewal proposal from McDonald & Wessendorff, a copy of which is attached hereto as Exhibit "D". Following review and discussion, upon a motion duly made by Director Crihfield, seconded by Director Cadle, the Board

voted unanimously to approve the renewal proposal and to renew the District's insurance with McDonald & Wessendorff

**ACCEPT PETITION FOR ADDITION OF LAND AND CONSIDER APPROVING ORDER
ADDING LAND AND REDEFINING BOUNDARIES**

Ms. Jenkins Kilgore presented a Petition for Addition of Land from Colony Ridge, LLC and CR Farms, LLC (the "Petition") in conjunction with the annexation of 1,553.75 acres of land for the Board's review and consideration, a copy of which is attached hereto as Exhibit "E".

Ms. Jenkins Kilgore next presented an Order Adding Land and Redefining Boundaries of the District (the "Annexation Order") for the Board's review and consideration in connection with the annexation of the 1,553.75 acre tract of land, a copy of which is attached hereto as Exhibit "F".

The Board next considered approving an Amended Notice to Sellers and Purchasers of Real Estate Situated in the District (the "Notice"), a copy of which is attached hereto as Exhibit "G". Ms. Jenkins Kilgore stated that the Notice needs to be updated to reflect the addition of 1,553.75 acres into the boundaries of the District. Ms. Jenkins Kilgore continued that the Notice will be filed in the Liberty County Real Property Records and with the Texas Commission on Environmental Quality (the "TCEQ").

After consideration, upon a motion duly made by Director Cadle, seconded by Director Watson, the Board voted unanimously to: (i) accept the Petition; (ii) adopt the Annexation Order; and (iii) approve the Notice and authorize the District's attorney to file Notice in the Liberty County Real Property Records and with the TCEQ.

HEAR BOOKKEEPER'S REPORT

The Board recognized Ms. Loggins, who reviewed the Bookkeeper's Report and the bills listed therein, a copy of which is attached hereto as Exhibit "H".

Review Investment Report

Ms. Loggins next reviewed the investment report, a copy of which is included in the Bookkeeper's Report.

After consideration, upon a motion duly made by Director Watson, seconded by Director Cadle, the Board voted unanimously to approve the Bookkeeper's report and the payment of the District's bills as presented.

HEAR DEVELOPER'S REPORT

The Board recognized Mr. Cadle, who reviewed with the Board the status of development within the District. The Board noted that no action was needed in conjunction with the Developer's Report.

HEAR ENGINEER'S REPORT

The Board recognized Mr. Espinosa who presented the Engineer's Report, a copy of which is attached hereto as Exhibit "I". Mr. Espinosa requested that the Board authorize and approve the following:

- Authorize advertisement of bids for Paving and Drainage Facilities for Santa Fe Section 15.

Upon a motion by Director Crihfield, seconded by Director Cadle, the Board voted unanimously to approve the Engineering Report and the action items listed therein.

HEAR ATTORNEY'S REPORT

The Board recognized Ms. Jenkins Kilgore who presented the Attorney's Report.

Approve Seconded Amended and Restated Agreement for Law Enforcement Services with Liberty County

Ms. Jenkins Kilgore presented a Seconded Amended and Restated Agreement for Law Enforcement Services with Liberty County for the Board's review and consideration, a copy of which is attached hereto as Exhibit "J". Ms. Jenkins Kilgore informed the Board that the agreement is being amended to add an additional full time deputy and the District agrees to a one-time reimbursement for patrol vehicles and patrol equipment.

Upon a motion by Director Crihfield, seconded by Director Cadle, the Board voted unanimously to approve the Seconded Amended and Restated Agreement for Law Enforcement Services with Liberty County.

Approve Cost Sharing Agreement for Law Enforcement Services with Houston El Norte POA

This action was deferred.

Approve Petition for Appoint of Directors and authorize filing same with the TCEQ

Next, Ms. Jenkins Kilgore reminded the Board that Director terms expire on June 1, 2023. She noted that the legislation creating the District provides that the Board may petition the TCEQ to appoint the directors for new terms. Ms. Jenkins Kilgore next presented for the Board's approval a Petition for Appointment of Directors to the TCEQ (the "Appointment Petition"), a copy of which is attached hereto as Exhibit "K". The Appointment Petition requests the TCEQ to reappoint Directors Marek and Watson for an additional term.

Upon a motion by Director Crihfield, seconded by Director Cadle, the Board voted unanimously to approve the Appointment Petition and authorize the District's attorney to file same with the TCEQ.

Approve Engagement Letter with Coats Rose

Ms. Jenkins Kilgore presented an Engagement Letter with Coats Rose, for the Board's review and consideration, for legislative work related to the consolidation of the District and Liberty County Municipal Utility District No. 1 ("LCMUD1"), a copy of which is attached hereto as Exhibit "L".

Upon a motion by Director Crihfield, seconded by Director Watson, the Board voted unanimously to approve the Engagement Letter with Coats Rose for legislative work related to the consolidation of the District and LCMUD1.

Approve Agreement for Transfer of Land pursuant to the District's creation legislation

Ms. Jenkins Kilgore presented an Agreement for the Transfer of Land by and among Liberty County Municipal Management District No. 1, Cleveland Independent School District, Liberty County, Texas and Colony Ridge Development, LLC for the Board's review and consideration, a copy of which is attached hereto as Exhibit "M". Ms. Jenkins Kilgore informed the Board that under the District's creation legislation, before the District can issue bonds, the District must enter into a contract with the Cleveland Independent School District and with Liberty County for the transfer of land for use of school sites and for emergency services.

Upon a motion by Director Crihfield, seconded by Director Watson, the Board voted unanimously to approve the Agreement for Transfer of Land pursuant to the District's creation legislation.

Accept conveyances of land from Colony Ridge, LLC and approve Special Warranty Deeds

Ms. Jenkins Kilgore informed the Board that the Developer is going to convey several tracts of land located inside District for maintenance purposes of drainage reserves, parks and plant sites. She stated that the tracts total approximately 163.39 acres.

Upon a motion by Director Watson, seconded by Director Crihfield, the Board voted unanimously to accept the conveyances of land from Colony Ridge, LLC and approve Special Warranty Deeds relating to same.

There being no further business to come before the Board, upon a motion duly made and seconded, the meeting was adjourned.

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PASSED, APPROVED AND ADOPTED, this 9th day of January, 2023.

(DISTRICT SEAL)




Secretary, Board of Directors