

MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS

September 11, 2023

STATE OF TEXAS §

COUNTY OF LIBERTY §

LIBERTY COUNTY MUNICIPAL UTILITY DISTRICT NO. 1 §

The Board of Directors (the “Board”) of Liberty County Municipal Utility District No. 1 (the “District”) met in regular session, open to the public, at 12:00 p.m. on Monday, September 11, 2023, at 1680 County Road 3549, Cleveland, Texas 77327, a designated meeting place outside the boundaries of the District; whereupon, roll was called of the members of the Board of Directors, to-wit:

Ryan Crihfield	-	President
Patrick Thiel	-	Vice President
Donald Burton	-	Secretary
Ernesto Garcia	-	Assistant Secretary
Cory Anderson	-	Assistant Secretary

All members of the Board of Directors were present, except Director Crihfield, thus constituting a quorum.

Also present at the meeting were: Heath Marek, Damaris Watson and Clifton C. Cadle of Colony Ridge Development, LLC, a developer of land in the District; Savannah Crihfield of CH&P Management, LLC; Loren Clark of L&S District Services, the District’s Bookkeeper; and Krystal Ann Joseph, attorney, of Coats Rose, P.C. (“Coats Rose”), legal counsel for the District (“Attorney”).

Whereupon, the meeting was called to order at 12:02 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 July 10, 2023, previously distributed to the Board, were considered for approval. Upon a motion duly made by Director Anderson, seconded by Director Thiel, the Board voted unanimously to approve such minutes.

HEAR BOOKKEEPER'S REPORT

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

Review Investment Report

Ms. Clark 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 Thiel, seconded by Director Garcia, 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 ATTORNEY'S REPORT

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

Adopt Amended and Restated Investment Policy

Ms. Joseph presented an Amended and Restated Order Designating Investment Officer and Establishing Rules, Policies and Code of Ethics for the Investment of District Funds and Review of Investments for the Board's review and approval, a copy of which is attached hereto as Exhibit "C". She reminded the Board that the Public Funds Investment Act requires the Board to review the District's Investment Policy annually. Ms. Joseph advised that updates are required under Section 5.03 of the Investment Policy per amendments to Chapter 2256 of the Government Code.

Approve Resolution on Development Status of the District under Texas Water Code, Section 49.23602

Ms. Joseph presented a Resolution Declaring Development Status of District for 2023 Tax Year, (the "Resolution"), a copy of which is attached hereto as Exhibit "D". She advised the Board that the development status of a district dictates how its voter approval rate is calculated. The voter approval rate will be published with the Notice of Tax Hearing. Ms. Joseph explained, based on analysis provided by the District's Engineer, that the District is not a "developed district" as defined by Section 49.23602 of the Texas Water Code as it has not financed, completed, or issued bonds to pay for all land, works improvements, facilities, plants, equipment, and appliances necessary to serve at least 95 percent of the projected build-out of the District. Ms. Joseph recommended the District proceed with adopting the 2023 tax rate as a "developing" district pursuant to Texas Water Code, Section 49.23603

Discuss 2023 tax rate, consider calling hearing on proposed 2023 tax rate and authorize publishing notice of same

Ms. Joseph discussed the recommendations concerning the District's 2023 tax rate. Ms. Joseph next explained the procedures that the District must follow prior to adopting a tax rate for 2023.

Approve Amended Notice to Sellers and Purchasers

Ms. Joseph then presented an Amended Notice to Sellers and Purchasers of Real Estate Situated in the District (“Notice”) for the Board’s consideration and approval, a copy of which is attached hereto as Exhibit “E”. Ms. Joseph advised that the notice required to be amended to reflect a new form of the notice prescribed by law. Further, she noted that said Notice provides important information to purchasers about the District including the District’s tax rate, the amount of bonds voted and issued, and the boundaries of the District.

After consideration, upon a motion duly made by Director Thiel, seconded by Director Garcia, the Board voted unanimously to (i) adopt the Amended and Restated Investment Policy, (ii) approve the Resolution on Development Status of the District under the Texas Water Code, Section 49.23602, (iii) call a public hearing and authorize the publication of the notice of the District’s tax hearing (to be held on Monday, October 2, 2023 at 12:00 p.m.) and information on the District’s proposed tax rate of \$0.35 per \$100 of assessed valuation for maintenance and operations, and (iv) approve the Amended Notice to Sellers and Purchasers.

There being no other 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 2nd day of October, 2023.

(DISTRICT SEAL)


Secretary, Board of Directors

