

Legacy Municipal Management District
Organizational Meeting
MINUTES
Monday July 24th, 2023
at 2:00 p.m. CST
1826 North Loop 1604 West, Suite 260,
San Antonio, TX 78248

1. Call to Order and Roll Call:
 - a. David Earl called the meeting to order at 2:00 p.m.
 - b. Directors Present: Melissa Johnson, Kathleen "Kandy" Walker, and Mike Olson
 - c. Others Present: Rick Walker, David L. Earl, Joe Freeland, Johnathan Earl, and Tom Wendorf
2. Proof of Quorum: A quorum was present.
3. David Earl opened the meeting for public comment.
 - a. Citizens to be Heard: None
4. Initial Organizational Matters:
 - a. Consider and Take Appropriate Action on the Approval of Director Bond and acceptance of Statements, Oaths of Office of Directors, and Qualification Affidavits.
 - i. *Joe Freeland presented the documents and Melissa Johnson made modifications to Kathleen Walker's documents to include "Kandy." No action needed.*
 - b. Consider and Take Appropriate Action on Organization of the Board of Directors and Elect Officers.
 - i. *After discussion, Mike Olson made a motion to appoint the following Legacy Municipal Management District ("LMMD") officers: Mike Olson as President, Richard "Dick" Jones as Vice President, Melissa Johnson as Secretary, and William Baize & Kathleen "Kandy" Walker as Members. Melissa Johnson seconded the motion. The motion was unanimously approved and carried.*
 - c. Discussion and Appropriate Action on the open government (Open Meetings Act and Public Information Act) training requirements.
 - i. *After discussion, no action needed.*

- d. Consider and Take Appropriate Action on the Conflict-of-interest disclosure requirements under Chapter 176 of the Texas Local Government Code and execute List of Local Government Officers.
 - i. *After discussion, no action needed at this time.*
- e. Consider and Take Appropriate Action on approving the proposal for general liability and director and officer liability insurance for the District.
 - i. *After discussion, Mike Olson made a motion to authorize and approve the current insurance contract held by the Legacy Water Control and Improvement District ("LWCID") and direct the insurance carrier to change the name of the policy holder, from the LWCID to the LMMD, and modify the coverage as required due to the conversion. Melissa Johnson seconded the motion. The motion was unanimously approved and carried.*

5. Action regarding Consulting Services to Support the Organization and Establishment of the District:

- a. Consider and Take Appropriate Action on engagement of Jeffrey Earl, Earl & Associates, P.C, as General Counsel for the District and the approval and execution of an Agreement in connection therewith.
 - i. *After discussion, Mike Olson made a motion to approve and execute an engagement letter with Earl & Associates, P.C. for general counsel services, as well as approval and authorization of the Secretary to execute the conflict-of-interest waiver on behalf of the Board. Kathleen "Kandy" Walker seconded the motion. The motion was unanimously approved and carried.*
- b. Consider and Take Appropriate Action on the engagement of McCall, Parkhurst, and Horton, L.L.P. as Bond Counsel to the LMMD and approval and execution of an Agreement.
 - i. *After discussion, Kathleen "Kandy" Walker made a motion to approve the execution of an engagement agreement with McCall, Parkhurst, and Horton, L.L.P. as bond counsel for the LMMD, as well as approve and authorize the execution*

of the agreement in connection therewith by either the President or Secretary of the Board. Mike Olson seconded the motion. The motion was unanimously approved and carried.

- c. Consider and Take Appropriate Action on engagement of Thomas G. Wendorf, P.E., as District Engineer and the approval and execution of an Agreement in connection therewith.

i. After discussion, Kathleen "Kandy" Walker made a motion to approve the engagement of Thomas G. Wendorf, P.E. as District Engineer of the LMMD and execution of such agreement by the President or Secretary of the Board. Mike Olson seconded the motion. The motion was unanimously approved and carried.

- d. Consider and Take Appropriate Action on the engagement of qualified, successful applicant for program management services to the District, as selected in response to South Texas Agency for Resources Request for Qualification (RFQ) #2023-PM-001 and in accordance with Texas law for public bidding and procurement of professional services; and approval of Master Services Agreement with Wendorf, Beward & Partners

i. After discussion, no action needed at this time. Mike Olson made a motion to accept and approve Wendorf, Beward & Partners as the successful applicant for the program management services to the LMMD and authorize the Secretary and General Counsel to review and finalize negotiation of the master service agreement, and authorize the secretary to execute the master services agreement subject to ratification by the Board. Kathleen "Kandy" Walker seconded the motion. The motion was unanimously approved and carried.

6. Action on the Following Additional Organizational Matters:

- a. Consider and Take Appropriate Action on the adoption of a seal for the District.

- i. After discussion and review of the proposed seal, Melissa Johnson made a motion to approve the seal. Mike Olson seconded the motion. The motion was unanimously approved and carried.*
- i. After discussion, Mike Olson made a motion to establish the office of the District and official meeting point of the District Board of Directors to be the Webb Road property currently used by the LWCID as its official meeting point and adopt three official outside the District meeting places being: 1) 1826 North Loop 1604 West, Suite 260, San Antonio, TX 78248, 2) Earl & Associates, P.C., 10007 Huebner Rd., Suite 303, San Antonio, Texas 78240, and 3) 6262 McPherson, Suite 210, Laredo Texas 78041. Kathleen "Kandy" Walker seconded the motion. The motion was unanimously approved and carried.*
- i. After discussion, Melissa Johnson made a motion to adopt and continue to utilize the official posting location of the LWCID as the formal posting location of Director Meetings. Mike Olson seconded the motion. The motion was unanimously approved and carried.*
- i. After discussion, Mike Olson made a motion to approve and authorize Earl & Associates, P.C. as General Counsel to establish agendas and public notices of public meetings. Melissa Johnson seconded the motion. The motion was unanimously approved and carried.*

- e. Consider and Take Appropriate Action on the approval and authorization for filing of the District Registration Form with the Texas Commission on Environmental Quality and District Information Form.
 - i. *After discussion, Mike Olson made a motion to approve the authorizing and filing of the District Registration Form with the Texas Commission on Environmental Quality and District Information Form and direct the Secretary or General Counsel of the District to make such filings. Melissa seconded the motion. The motion was unanimously approved and carried.*
- f. Consider and Take Appropriate Action on the approval of Policies and Procedures for Public Comment at Board Meetings.
 - i. *After discussion, Melissa Johnson made a motion to approve the Policies and Procedures for public comment for the LMMD to utilize when conducting its Board Meetings. Mike Olson seconded the motion. The motion was unanimously approved and carried.*
- g. Consider and Take Appropriate Action on the adoption of a Resolution Authorizing Bank Account.
 - i. *After discussion, Mike Olson made a motion to approve a resolution authorizing the opening and/or the conversion of the existing LWCID account to the name of the LMMD, as allowed under state law and to take all other actions necessary to make the modification or open a new bank account if necessary for the LMMD, as well as authorize the Secretary with the power of assigning any necessary signatory for documents to establish such accounts. Kathleen "Kandy" Walker seconded the motion. The motion was unanimously approved and carried.*
- h. Consider and Take Appropriate Action on the adoption of a Resolution Establishing the Fiscal Year for the District.
 - i. *After discussion, Melissa Johnson made a motion to establish the fiscal year for the District as January 1st to*

December 31st of each year. Mike Olson seconded the motion. The motion was unanimously approved and carried.

- i. Consider and Take Appropriate Action on the adoption of an Order Establishing Records Management Program and designate Records Management Officer.
 - i. *After discussion and review of the packet provided, Kathleen "Kandy" Walker made a motion to adopt the official record management program set forth in the packet provided and establish Earl & Associates, P.C. as the designated Records Management Office. Mike Olson seconded the motion. The motion was unanimously approved and carried.*
- j. Consider and Take Appropriate Action on the adoption of an Order Establishing a Code of Ethics and Policies Relating to Travel Expenditures, District Investments, Professional Services, and Fiscal Management.
 - i. *After discussion and review of the draft policy provided, Mike Olson made a motion to adopt and approve the policy set forth in the packet provided establishing a Code of Ethics and Policies Relating to Travel Expenditures, District Investments, Professional Services, and Fiscal Management. Kathleen "Kandy" Walker seconded the motions. The motion was unanimously approved and carried.*

7. Consider and Take Appropriate Action to Request Webb County's formal consent, by resolution, to the conversion of the Legacy Water Control and Improvement District to a municipal management district and to the inclusion of land in the district, in order to satisfy the requirement of Section 4008.0506 of the Special District Local Laws Code.

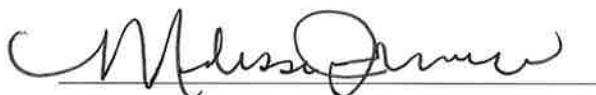
- a. *After discussion, Mike Olson made a motion to approve requesting Webb County's formal consent by resolution to convert the District and include the land, as well as approval to send a resolution to the County Clerk to be placed on the County Agenda to be voted on by the County Commissioners. Melissa seconded the motion. The motion was unanimously approved and carried.*

8. Consider and Take Appropriate Action to approve an Order Calling a Bond Election.
 - a. *After discussion, Kathleen "Kandy" Walker made a motion to adopt a resolution on calling a Bond Election at the earliest possible date for the amount required to execute and move the infrastructure program forward, as reflected in the submittal for the Request for Qualifications of the Program Manager Wendorf, Beward & Partners. Mike Olson seconded the motion. The motion was unanimously approved and carried.*
9. Consider and Take Appropriate Action on a Wholesale Water Supply Agreement with Legacy Water Supply Corporation, and adoption of Resolution authorizing such action.
 - a. *After discussion, this item was tabled for the next Board Meeting.*
10. Consider and Take Appropriate Action on a Utility Services Agreement with Simeon Escondido, LLC, to provide retail water and sewer services, and adoption of Resolution authorizing such action.
 - a. *After reviewing a correction was made as to Simeon Escondido, LLC to replace it with SE Legacy Development, LLC. This item was tabled for the next Board Meeting and to be re-noticed with the correct entity.*
11. Consider and Take Appropriate Action regarding water service request submitted by SE Development, LLC, and authorize District Engineer to negotiate agreement to provide service to accommodate request under Non-Standard Service Agreement.
 - a. *After discussion and correction of SE Legacy Development, LLC, Melissa Johnson made a motion to approve and authorize entering into a non-standard service agreement with SE Legacy Development, LLC, and authorize Tom Wendorf as District Engineer to negotiate and execute such agreement. Mike Olson seconded the motion. The motion was unanimously approved and carried.*

12. Consider and Take Appropriate Action regarding reimbursement agreement with SE Legacy Development, LLC.
 - a. *After discussion, Kathleen "Kandy" Walker made a motion to direct staff and general counsel to take all necessary action to negotiate and bring a proposed reimbursement agreement to the next Board Meeting. Mike Olson seconded the motion. The motion was unanimously approved and carried.*
13. Consider Approval of Resolution Authorizing Application to Texas Commission on Environmental Quality for Approval to Exercise Additional Waste Disposal and Drainage Powers.
 - a. *After discussion, Melissa Johnson made a motion to approve a resolution authorizing General Counsel on behalf of the Board to apply to the Texas Commission of Environmental Quality for approval to exercise additional wastewater disposal and drainage powers. Mike Olson seconded the motion. The motion was unanimously approved and carried.*
14. Consider and Take Appropriate Action Developer's report, and any related action.
 - a. *Tom Wendorf gave the developers report providing updates on Carrizo and Sparta wells, status of NLE water treatment design, TCEQ permit status, well bids, upcoming bids, updates as to the different tracts, TxDOT updates, phase one of the water treatment plan, waste water treatment plan halting, and upcoming request for qualifications and when they close, and the status of the preliminary engineering report draft.*
15. Executive Session pursuant to Sections 551.071, 551.072, and 551.074, Texas Government Code, as may be necessary, to consult with attorney; deliberate regarding real property; and personnel matters;
 - a. *Executive Session was not required.*

16. Discussion of future meetings:
 - a. *After discussion, Mike Olson made a motion to set the next Board Meeting date for August 15, 2023, at 2:00 p.m. at 1826 North Loop 1604 West, Suite 260, San Antonio, TX 78248. Kathleen "Kandy" Walker seconded the motion. The motion was unanimously passed and carried.*
17. Discussion of other matters:
 - a. David Earl provided an update as to the Legacy Water Supply Corporations receipt of non-profit status by the IRS.
18. Motion to adjourn.
 - a. *Kathleen "Kandy" Walker made a motion to adjourn at 3:21 p.m. Melissa Johnson seconded the motion. The motion was unanimously passed and carried.*

(SEAL)



Secretary, Board of Directors

