

**MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS**

THE STATE OF TEXAS §

COUNTIES OF DENTON AND WISE §

ALPHA RANCH WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 §
OF DENTON AND WISE COUNTIES

The Board of Directors (the “Board”) of Alpha Ranch Water Control and Improvement District of Denton and Wise Counties (the “District”) met in special session, open to the public, located at 405 North Oak Street, Roanoke, Texas 76262, outside the District’s boundaries, on September 14, 2021, and the roll was called of the members of the Board to-wit:

The roll was called of the members of the Board, to-wit:

Charlie Haynes	President
Douglas B. Strecker	Vice President
James Fipps	Secretary
David G. Sims	Assistant Secretary

All members of the Board were present at the commencement of the meeting with the exception of Director Strecker, thus constituting a quorum. Also present were Mr. Andrew Mizerek, P.E., of Peloton Land Solutions, Inc.; Ms. Kerry Tovery of Dye & Tovery, LLC, bookkeepers for the District; Mr. Andre Ayala of Hilltop Securities, Inc. (“Hilltop”); and Mr. Scott Eidman, attorney, and Ms. Amy Bieber, paralegal, each of Winstead PC, attorneys for the District.

The meeting was called to order at 5:46 p.m. and evidence was presented that public notice of such meeting had been given as required by law.

1. The Board first called for public communications or comment. Hearing none, Director Fipps moved that the Board close the public comment session of the agenda. Director Sims seconded said motion, which carried unanimously.

2. The Board next confirmed receipt of the draft minutes of the August 10, 2021, Board of Directors meeting. Following a discussion, Director Fipps moved that the Board approve the minutes as drafted. Director Sims seconded the motion, which carried unanimously.

3. Next, Director Fipps moved to convene a public hearing regarding the District’s proposed 2021 tax rate. The notice of the hearing was published in accordance with the requirements of the Texas Water Code. A copy of said notice is attached hereto as Exhibit “A”. Director Sims seconded said motion, which carried unanimously. No landowners or taxpayers

were present to address the Board at this time. Director Fipps then moved that the Board close the public hearing. Director Sims seconded said motion, which carried unanimously. The Board reopened the meeting.

4. The Board next reviewed and discussed an Order Setting Tax Rate for 2021, a copy of which is attached hereto as Exhibit "B". Following a discussion, Director Fipps moved that the Board (i) levy a 2021 operations and maintenance tax of \$1.00 per \$100 of net taxable value; and (ii) adopt the Order Setting Tax Rate for 2021 to reflect the same. Director Sims seconded said motion, which carried unanimously.

5. The Board next recognized Mr. Ayala, who presented to and reviewed with the Board a proposed plan of finance for a road bond issuance on behalf of the District, a copy of which is attached hereto as Exhibit "C". Mr. Ayala explained that Hilltop is reviewing the details of an approximately \$5,000,000 road bond issuance and reviewed the bond issuance process. Following a discussion, Director Fipps moved that the Board authorize the District's consultants to prepare a draft Notice of Sale and Preliminary Official Statement related to said bond issuance. Director Sims seconded said motion, which carried unanimously.

6. The Board next recognized Mr. Mizerek, who presented to and reviewed with the Board an engineer's report dated September 14, 2021, a copy of which is attached hereto as Exhibit "D". Next, Mr. Mizerek updated the Board with regard to construction within the District and recommended approval of the following pay applications and change orders:

- Pay Applications No. 1, No. 2, and No. 3 in the amounts of \$84,470.17, 1,005,507.86, and \$5,712.97, respectively, from Mario Sinacola & Sons Excavating, Inc. ("Sinacola") under paving improvements contract for Elizabeth Creek Phase 2.
- Change Orders No. 0 and No. 1 in the amounts of \$17,502.50 and (\$6,347.75), respectively, from Sinacola under the paving improvements contract for Elizabeth Creek Phase 2.

Following a discussion, Director Fipps moved that the Board approve the Engineer's report as presented. Director Sims seconded said motion, which carried unanimously.

7. In the absence of a developer representative, the Board deferred action on a developer's report.

8. The Board next recognized Ms. Tovery, who presented to and reviewed with the Board copies of a bookkeeping report dated September 14, 2021, a copy of which is attached hereto as Exhibit "E". Following a discussion, Director Fipps moved that the Board (i) authorize the District's bookkeeper to open a LOGIC account on behalf of the District; (ii) approve the bookkeeping report as presented; (iii) authorize the payment of bills listed thereon. Director Sims seconded said motion, which carried unanimously.

9. The Board next considered a draft operating budget and Resolution Adopting Operating Budget for the fiscal year ending March 31, 2022, copies of which are attached hereto

as Exhibit "F". Following a discussion, Director Fipps moved that the Board approve the budget and related Resolution as presented. Director Sims seconded said motion, which carried unanimously.

10. The Board next considered a Resolution Establishing Regular Meeting Date, a copy of which is attached hereto as Exhibit "G". Following a discussion, Director Fipps moved that the Board (i) establish the 2nd Tuesday of the month at 5:30 p.m. at 405 North Oak Street, Roanoke, Texas 76262, as the District's regular monthly meeting; and (ii) approve the Resolution as presented. Director Sims seconded said motion, which carried unanimously.

There being no further business to conduct, and upon motion by Director Sims, seconded by Director Fipps and unanimously carried, the meeting was adjourned at 6:10 p.m. until further call.

[Signature Page Follows]

APPROVED AND ADOPTED this 21st day of October, 2021.



James Fipps, Secretary
Alpha Ranch Water Control and
Improvement District of Denton and Wise
Counties