

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

STATE OF TEXAS §

COUNTY OF HUNT §

VERANDAH MUNICIPAL UTILITY DISTRICT OF HUNT COUNTY §

The Board of Directors (the "Board") of Verandah Municipal Utility District of Hunt County (the "District") met in special session, open to the public, at 2728 N. Harwood Street, Suite 500, Dallas, Texas on Tuesday, March 8, 2022, 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:

Jon Mitchell	President
Glenn Purcell	Vice President
Jeff Dean	Secretary
Seth Ramey	Assistant Secretary
Glenn D. Dickerson	Assistant Secretary

All members of the Board were present at the commencement of the meeting with the exception of Director Purcell and Director Dickerson, thus constituting a quorum. Also in attendance were: Ms. Sarah Landiak, attorney, Ms. Amy Bieber, paralegal, each of Winstead PC, attorneys for the District; Ms. Kerry Tovery of Dye & Tovery, LLC; and Mr. Matt Clark of Barraza Consulting, LLC, ("Engineer").

The meeting was called to order at 12:02 p.m.

1. The Board called for public communications and comments. Hearing none, the Board closed the public comment section of the meeting.

2. The Board next acknowledged receipt of the Minutes from February 9, 2022, Board of Directors meeting. Following a discussion, Director Dean moved that the Board approve the Minutes as presented. Director Ramey seconded said motion, which carried unanimously.

3. Next, the Board acknowledged receipt of a letter signed by Ms. Amy Bieber, records manager for the District, attesting to the fact that Director Mitchell, Director Dean, and Director Dickerson have each filed their respective applications for a place on the ballot for the May 7, 2022, Directors Election, and no other applications have been received. Ms. Landiak noted that it would be appropriate at this time to cancel the Directors Election, and to declare Director Mitchell, Director Dean, and Director Dickerson elected for new four-year terms. Next, Ms. Landiak discussed the

provisions of an Order Declaring Unopposed Candidates Elected and Canceling Directors Election with the Board, a copy of which is attached hereto as Exhibit "A". Following a discussion, Director Ramey moved that the Board adopt said Order as presented and declare the unopposed candidates elected. Director Dean seconded said motion, which carried unanimously.

4. Next, the Board considered the engagement of Arbitrage Compliance Specialists, Inc. ("ACS") for arbitrage reporting for the District's Unlimited Tax Road Bonds, Series 2021 (the "Series 2021 Bonds"). A copy of the proposed engagement letter is attached hereto as Exhibit "B". Following a discussion, Director Mitchell moved that the Board approve the engagement as presented. Director Ramey seconded said motion, which carried unanimously.

5. The Board next recognized Mr. Clark, who presented to and reviewed with the Board an engineering report dated March 8, 2022, a copy of which is attached hereto as Exhibit "C". Mr. Clark updated the Board with regard to ongoing construction within the District, noting that the interior of the Cherry Elementary School is expected to begin in mid-June with intent to be open for the 2022-2023 school year. Mr. Clark also reported that heavy construction activity has caused pavement failures on Verandah Boulevard, a main roadway through the District, and needed repairs will be addressed after exterior construction of the school is complete. Next, Mr. Clark requested that the Board approve construction plans for an expansion of the District's lift station to accommodate new phases of construction.

Mr. Clark next reviewed with the Board the proposals received for Verandah Phase 3A improvements. Mr. Clark reviewed proposals received for grading improvements for the project, noting that the lowest qualified bidder is Hammett Excavation, Inc. ("Hammett") in the total base bid amount of \$1,080,998.70 to be completed in 72 days, and recommended that the Board award the contract to Hammett. Mr. Clark next reviewed proposals received for water, sanitary sewer, and storm drainage improvements for the project, noting that the lowest qualified bidder is Acadia Services ("Acadia") in the total base bid amount of \$1,622,168.00 to be completed in 110 days, and recommended that the Board award the contract to Acadia.

Mr. Clark next reviewed with the Board the proposals received for Verandah Phase 9 improvements. Mr. Clark reviewed proposals received for grading improvements for the project, noting that the lowest qualified bidder is Obra Ramos Construction, LLC ("Ramos") in the total base bid amount of \$1,097,775.10 to be completed in 120 days, and recommended that the Board award the contract to Ramos. Mr. Clark next reviewed proposals received for water, sanitary sewer, and storm drainage improvements for the project, noting that the lowest qualified bidder is KCK Utility Construction, Inc. ("KCK") in the total base bid amount of \$3,630,518.10 to be completed in 225 days, and recommended that the Board award the contract to KCK.

Next, Mr. Clark recommended approval of the following pay applications and change orders:

- Pay Application No. 8 in the amount of \$8,730.00 from KCK under the water, wastewater, and storm drainage improvements for Verandah Phase 6.

- Pay Application No. 9RET in the amount of \$149,213.46 from KCK under the water, wastewater, and storm drainage improvements for Verandah Phase 6.

Following a discussion, Director Dean moved that the Board (i) approve the construction plans and specifications for expansion of the District's lift station as recommended by the District's Engineer; (ii) award the contract for Verandah Phase 3A grading improvements to Hammett as recommended by the District's Engineer; (iii) award the contract for Verandah Phase 3A water, sanitary sewer, and storm drainage improvements to Acadia as recommended by the District's Engineer; (iv) award the contract for Verandah Phase 9 grading improvements to Ramos as recommended by the District's Engineer; (v) award the contract for Verandah Phase 9 water, sanitary sewer, and storm drainage improvements to KCK as recommended by the District's Engineer; (vi) approve Pay Applications No. 8 and No. 9RET from KCK as recommended by the District's Engineer; and (vii) approve the Engineer's Report as presented. Director Mitchell seconded said motion, which carried unanimously.

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

7. Board next recognized Ms. Toverly, who presented to and reviewed with the Board copies of a bookkeeping report dated March 9, 2022, a copy of which is attached hereto as Exhibit "D". Following a discussion, Director Ramey moved that the Board (i) approve the bookkeeping report; (ii) authorize the payment of bills listed thereon; and (iii) approve the investment of funds as recommended by the District's Bookkeeper. Director Mitchell seconded said motion, which carried unanimously.

8. The Board next considered a review of the District's current Investment Policy, dated February 11, 2020. Ms. Landiak noted that an annual review of said Policy is required, and that no amendments to the Policy are recommended by the District's legal counsel at this time. Next, Ms. Landiak presented to and reviewed with the Board a Resolution Acknowledging Annual Review of the Investment Policy and Investment Strategies, a copy of which is attached hereto as Exhibit "E". Following a discussion, Director Ramey moved that Board approve the Resolution as presented. Director Mitchell seconded said motion, which carried unanimously.

There being no further business to conduct, and upon motion by Director Dean, seconded by Director Mitchell and unanimously carried, the meeting was adjourned at 12:19 p.m.

[Signature page follows]

APPROVED AND ADOPTED the 12th day of April, 2022.

VERANDAH MUNICIPAL UTILITY DISTRICT
OF HUNT COUNTY



By: 
Glenn D. Dickerson, Assistant Secretary
Board of Directors