

**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 1800 Valley View Lane, Suite 300, Farmers Branch, Texas 75234, outside the District’s boundaries, on August 24, 2022, and the roll was called of the members of the Board to-wit:

Gary Fitzgerald	President
Marc Stanwyck	Vice President
VACANT	Secretary
Glen Vaughn	Assistant Secretary
VACANT	Assistant Secretary

All members of the Board were present at the commencement of the meeting, thus constituting a quorum. Also present were Ms. Kerry Tovery of Dye & Tovery, LLC, bookkeepers for the District; Mr. Ross Martin, attorney, and Ms. Amy Bieber, paralegal, each of Winstead PC, attorneys for the District; and Mr. Andrew Mizerek and Mr. Robert Alvis of Peloton Land Solutions (“Engineer”); Mr. Jorge Delgado of Hilltop Securities, Inc. (“Financial Advisor”); and Mr. Bob Cabbage, a landowner within the District. Mr. Brian Lopera of McCall Gibson Swedlund Barfoot PLLC (“McCall Gibson”) joined the meeting by telephone conference.

The meeting was called to order at 3:38 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 Fitzgerald moved that the Board close the public comment session of the meeting. Director Vaughn seconded said motion, which carried unanimously.

2. The Board next confirmed receipt of the draft minutes of the July 28, 2022, Board of Directors meeting. Following a discussion, Director Fitzgerald moved that the Board approve the minutes as drafted. Director Stanwyck seconded the motion, which carried unanimously.

3. The Board next considered the appointment of a Director to fill the vacancy on the Board. Mr. Martin reported that Mr. Robert Cabbage, a property owner within the District, has expressed his desire to serve on the Board of Directors. Following a discussion, Director

Fitzgerald moved that the Board (i) appoint Mr. Cabbage to the Board of Directors to serve for the remainder of the term expiring on May 4, 2024; and (ii) adopt an Order declaring the same. Director Stanwyck seconded said motion, which carried unanimously.

4. Consideration was next given to the administration of Statement of Officer and Oath of Office to Director Poindexter, and discussion of government training requirements pursuant to Chapter 551 of the Texas Government Code. Mr. Martin stated that members of the Board are subject to the Open Meetings Act and the Public Information Act, and will be required to participate in an educational training session provided through the Texas Attorney General's office. No formal action was taken by the Board.

5. Consideration was next given to the election of officers. Following a discussion and by motion duly made, seconded, and unanimously carried, the following slate of officers was elected:

Gary Fitzgerald	President
Marc Stanwyck	Vice President
Robert Cabbage	Secretary
Glen Vaughn	Assistant Secretary
VACANT	Assistant Secretary

6. The Board next considered the engagement of McCall Gibson as auditor for the District and reviewed a proposal for auditing service, a copy of which is attached hereto as Exhibit "A". Following a discussion, Director Stanwyck moved that the Board ratify and approve the engagement of McCall Gibson as presented. Director Fitzgerald seconded said motion, which carried unanimously.

7. The Board recognized Mr. Lopera who presented to and reviewed with the Board a draft copy of the District's audit prepared by McCall Gibson for the fiscal year ended March 31, 2022, a copy of which is attached hereto as Exhibit "B". Following a discussion, Director Vaughn moved that the Board (i) approve the draft audit as presented; and (ii) authorize the District's consultants to file the final audit with the Texas Commission on Environmental Quality and the Texas Comptroller's office. Director Stanwyck seconded said motion, which carried unanimously.

8. The Board next considered a Resolution Establishing District's Regular Monthly Meeting Date, a copy of which is attached hereto as Exhibit "C". Following a discussion, Director Cabbage moved that the Board (i) adopt the 4th Wednesday of the month at 3:00 p.m. as the District's regular monthly meeting; and (ii) approve the Resolution as presented. Director Vaughn seconded said motion, which carried unanimously.

9. The Board next considered ratification of the engagement of McCall Parkhurst & Horton as disclosure counsel for the District. Mr. Martin noted that required notice of the District entering into a contingent fee agreement has been given, and requested that the Board ratify the previous approval of the engagement of disclosure counsel. Following a discussion, Director Fitzgerald moved that the Board ratify the engagement of disclosure counsel as presented. Director Vaughn seconded said motion, which carried unanimously.

10. The Board next recognized Mr. Delgado, who presented to and reviewed with the Board MSRB G-42 disclosures prepared by Hilltop, the District's Financial Advisor. Following a discussion, Director Cabbage moved that the Board formally acknowledge receipt of such disclosures. Director Vaughn seconded said motion, which carried unanimously.

11. Next, Mr. Delgado discussed with the Board the proposed schedule of events related to the issuance of the District's \$4,055,000 Unlimited Tax Road Bonds, Series 2022 ("Series 2022 Road Bonds") and reviewed with the Board a Preliminary Official Statement and Notice of Sale, copies of which are attached hereto as Exhibit "D" and Exhibit "E", respectively. The Board discussed the timing of the bond sale and upon motion by Director Stanwyck, seconded by Director Vaughn and unanimously carried, the Board authorized the publication of the Official Notice of Sale and the Preliminary Official Statement in connection with the sale of the District's Series 2022 Road Bonds, such sale date being set for September 19, 2022, as set forth therein.

12. The Board next recognized Mr. Martin, who discussed with the Board the need to authorize the District's auditor to prepare an Agreed Upon Procedures ("AUP") Report in connection with the Series 2022 Road Bonds. Following a discussion, Director Vaughn moved that the Board authorize McCall Gibson to prepare an AUP Report in connection with the sale of the District's Series 2022 Road Bonds. Director Stanwyck seconded said motion, which carried unanimously.

13. The Board next confirmed receipt of the 2022 tax rolls by the Denton Central Appraisal District and the Wise County Appraisal District and recognized Mr. Delgado, who presented to and reviewed with the Board the 2022 tax rate calculations and recommendations from Hilltop, a copy of which is attached hereto as Exhibit "F". The total tax rate recommendation is \$1.00 per \$100 of net taxable value, with \$0.2642 allocated for maintenance and operations and \$0.7358 allocated for road debt service. Following a discussion, Director Vaughn moved that the Board (i) approve the proposed tax rate; (ii) call a public hearing on the proposed tax rate for September 19, 2022, at 3:00 p.m. at the offices of Dye & Toverly, LLC; and (iii) authorize publication of a notice of the same. Director Fitzgerald seconded said motion, which carried unanimously.

14. The Board next recognized Mr. Alvis, who presented to and reviewed with the Board an Engineer' report dated August 24, 2022, a copy of which is attached hereto as Exhibit "G". Mr. Alvis briefly updated the Board with regard to engineering within the District, then recommended approval of the following pay applications:

- Pay Application No. 5 from PCI Construction, Inc. ("PCI") in the amount of \$274,314.69 under the water, wastewater, and storm drainage improvements contract for Elizabeth Creek Phase 2.
- Pay Application No. 6 from PCI in the amount of \$68,018.40 under the water, wastewater, and storm drainage improvements contract for Elizabeth Creek Phase 2.

- Pay Application No. 7 from PCI in the amount of \$50,451.30 under the water, wastewater, and storm drainage improvements contract for Elizabeth Creek Phase 2.
- Pay Application No. 8 from PCI in the amount of \$3,240.00 under the water, wastewater, and storm drainage improvements contract for Elizabeth Creek Phase 2.
- Pay Application No. 9F from PCI in the amount of \$179,427.36 under the water, wastewater, and storm drainage improvements contract for Elizabeth Creek Phase 2.
- Pay Application No. 4 from Mario Sinacola & Sons Excavating, Inc. (“Sinacola”) in the amount of \$44,667.00 under the paving improvements contract for Elizabeth Creek Phase 2.
- Pay Application No. 5 from Sinacola in the amount of \$6,035.40 under the paving improvements contract for Elizabeth Creek Phase 2.
- Pay Application No. 6 from Sinacola in the amount of \$2,543.94 under the paving improvements contract for Elizabeth Creek Phase 2.
- Pay Application No. 7 from Sinacola in the amount of \$39,267.00 under the paving improvements contract for Elizabeth Creek Phase 2.
- Pay Application No. 8 from Sinacola in the amount of \$9,744.98 under the paving improvements contract for Elizabeth Creek Phase 2.
- Pay Application No. 9F from Sinacola in the amount of \$133,105.48 under the paving improvements contract for Elizabeth Creek Phase 2.
- Pay Application No. 1 from Independent Utility Construction, Inc. (“IUC”) in the amount of \$98,876.00 under the street light improvements contract for Elizabeth Creek Phase 1.
- Pay Application No. 2 from IUC in the amount of \$35,308.08 under the street light improvements contract for Elizabeth Creek Phase 1.
- Pay Application No. 3F from IUC in the amount of \$7,062.32 under the street light improvements contract for Elizabeth Creek Phase 1.
- Pay Application No. 1 from IUC in the amount of \$89,975.83 under the street light improvements contract for Elizabeth Creek Phase 2.
- Pay Application No. 2 from IUC in the amount of \$28,068.89 under the street light improvements contract for Elizabeth Creek Phase 2.
- Pay Application No. 3F from IUC in the amount of \$6,212.88 under the street light improvements contract for Elizabeth Creek Phase 2.

Following a discussion, Director Fitzgerald moved that the Board (i) approve all pay applications as recommended by the District’s Engineer; and (ii) approve the Engineer’s report as presented. Director Stanwyck seconded said motion, which carried unanimously.

15. The Board next recognized Mr. Mizerek, who updated the Board with regard to development within the District, noting that work has started on Sendera Ranch Boulevard. No formal action was taken by the Board.

17. The Board next recognized Ms. Tovery, who presented to and reviewed with the Board copies of a bookkeeping report dated August 4, 2022, a copy of which is attached hereto

as Exhibit “H”. Ms. Tovery also presented to and reviewed with the Board an amended agreement for bookkeeping services with Dye & Tovery, LLC, noting that the only amendment to the agreement is that the charge for travel and the charge for meeting attendance have been combined into a single hourly fee. Following a discussion, Director Vaughn moved that the Board (i) approve the bookkeeping report as presented; (ii) authorize the payment of bills listed thereon; (iii) ratify and approve the bookkeeping report dated July 28, 2022; and (iv) approve the amended agreement for bookkeeping services as presented. Director Fitzgerald seconded said motion, which carried unanimously.

18. The Board continued to recognize Ms. Tovery, who presented draft budgets to the Board for the 2022-2023 fiscal year. The Board next considered a Resolution Adopting Operating Budget and a Resolution Adopting Debt Service Budget for the fiscal year ending March 31, 2023, copies of which are attached hereto as Exhibit “I” and Exhibit “J”, respectively. Following a discussion, Director Fitzgerald moved that the Board approve the budgets and related Resolutions as presented. Director Vaughn seconded said motion, which carried unanimously.

There being no further business to conduct, and upon motion by Director Fitzgerald, seconded by Director Stanwyck and unanimously carried, the meeting was adjourned at 4:15 p.m. until further call.

[Signature Page Follows]

APPROVED AND ADOPTED this 19th day of September, 2022.



Robert Cabbage, Secretary
Alpha Ranch Water Control and
Improvement District of Denton and Wise
Counties

