

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 regular session, open to the public, at 2728 N. Harwood Street, Suite 500, Dallas, Texas on Wednesday, July 20, 2022, and the roll was called of the members of the Board, to-wit:

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Jon Mitchell	President
Glenn Purcell	Vice President
Cynthia Berrones-Mood	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 Dickerson, thus constituting a quorum. Also in attendance were: Ms. Sarah Landiak, attorney, and Ms. Amy Bieber and Ms. Angie Barrett, paralegals, each of Winstead PC, attorneys for the District; Ms. Brandi Galindo of Dye & Toverly, LLC; Mr. Matt Clark of Barraza Consulting Group, LLC, (“Engineer”); and Mr. Andre Ayala of Hilltop Securities, Inc.

The meeting was called to order at 12:33 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 June 14, 2022, and July 5, 2022, Board of Directors meetings. Following a discussion, Director Ramey moved that the Board approve the Minutes as presented. Director Purcell seconded said motion, which carried unanimously.

3. The Board next recognized Mr. Ayala, who reported that the District obtained bond insurance and received an investment grade rating prior to bidding of the District’s \$13,000,000 Unlimited Tax Road Bonds, Series 2022 (the “Series 2022 Road Bonds”). Mr. Ayala next reviewed the bid results, a copy of which is attached hereto as Exhibit “A”, and reported that seven qualified bids were submitted in connection with the sale of the Series 2022 Road Bonds. Mr. Ayala recommended that the Board award the bid to SAMCO Capital Markets of Dallas, Texas, at an

interest rate of 4.26%. Following a discussion, Director Berrones-Mood moved that the Board award the bid for Series 2022 Road Bonds to SAMCO Capital Markets. Director Mitchell seconded said motion, which carried unanimously at 12:37 p.m.

4. The Board next recognized Ms. Landiak, who presented to and reviewed with the Board copies of (i) an Order Authorizing the Issuance of \$13,000,000 Verandah Municipal Utility District of Hunt County Unlimited Tax Road Bonds, Series 2022; (ii) a Paying Agent/Registrar Agreement designating BOKF, NA, as the paying agent/registrar; and (iii) a General and No-Litigation Certificate, copies of which are attached hereto as Exhibit “B”, “C”, and “D”, respectively. Following a discussion, Director Purcell moved that the Board (i) approve all instruments in connection with the Series 2022 Road Bond issue; and (ii) authorize the Board President to execute, and the Board Secretary to attest to same. Director Ramey seconded said motion, which carried unanimously.

5. The Board continued to recognize Mr. Martin, who discussed the proposed closing date for the Series 2022 Road Bonds and related Agreed Upon Procedures (“AUP”) Report in connection with the bond closing scheduled for August 18, 2022. Following a discussion, Director Ramey moved that the Board (i) authorize submission of the Transcript of Proceedings for the Series 2022 Road Bonds to the office of the Texas Attorney General; (ii) schedule the next Board meeting date for August 17, 2022; and (iii) authorize McCall Gibson Swedlund Barfoot PLLC to prepare an AUP Report for review at the next meeting of the Board of Directors. Director Mitchell seconded said motion, which carried unanimously.

6. Next, the Board considered the engagement of Arbitrage Compliance Specialists, Inc. (“ACS”) for arbitrage reporting for the District’s Series 2022 Road Bonds. A copy of the proposed engagement letter is attached hereto as Exhibit “E”. Following a discussion, Director Purcell moved that the Board approve the engagement as presented. Director Berrones-Mood seconded said motion, which carried unanimously.

7. The Board recognized Mr. Ayala, who discussed with the Board a preliminary Plan of Finance for the District’s Bond Anticipation Note, Series 2022 (the “Series 2022 Utility BAN”) and discussed the process of issuance of a BAN with the Board. Mr. Ayala noted that the final BAN amount will be 70% of the District’s proposed utility bond issuance for 2023. Next, Mr. Ayala presented to and reviewed with the MSRB G-42 disclosures prepared by the District’s Financial Advisor, a copy of which is attached hereto as Exhibit “F” and a related fee letter. Following a discussion, Director Purcell moved that the Board (i) acknowledge receipt of the Financial Advisor’s disclosures and fee letter; and (ii) approve the preliminary Plan of Finance for the Series 2022 Utility BAN. Director Berrones-Mood seconded said motion, which carried unanimously.

8. The Board next recognized Mr. Clark, who presented to and reviewed with the Board an engineering report dated July 20, 2022, a copy of which is attached hereto as Exhibit “G”. Mr. Clark reported the final walkthrough of the school site occurred on July 14, and repairs to District roads from construction vehicles to the school can now begin. Mr. Clark requested that the Board authorize the preparation of construction plans for such repairs to Verandah Boulevard, Blackbrush

Drive, and Basswood Lane, as well as authorizing the bidding of a contract to clear and maintain drainage areas in the District's rights-of-way.

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

- Pay Application No. 1 the amount of \$18,514.08 from Hammett Excavation, Inc. ("Hammett") under the offsite grading improvements contract for CR2650.
- Pay Application No. 6R in the amount of \$42,790.50 from Hammett under the grading improvements contract for Valor Farms Phase 2.
- Pay Application No. 1 in the amount of \$16,023.60 from Rey-Mar Construction under the Lift Station #2 expansion contract to serve the Verandah development.
- Pay Application No. 2 in the amount of \$413,909.10 from Hammett under the grading improvements contract for Verandah Phase 7.
- Pay Application No. 2 in the amount of \$102,982.50 from KCK Utility Construction, Inc. under the water, wastewater, and storm drainage improvements contract for Verandah Phase 7.

Following a discussion, Director Berrones-Mood moved that the Board (i) authorize the preparation of construction plans for road repairs; (ii) authorize the Engineer to bid the contract to clear and maintain drainage areas; (iii) approve the pay applications and change orders as recommended by the District's Engineer; and (iv) approve the Engineer's Report as presented. Director Ramey seconded said motion, which carried unanimously.

9. In the absence of a developer representative, the Board deferred action with regard to a developer's report.

10. The Board next considered ratification and approval of Amendment No. 3 to the Amended and Restated Reimbursement Agreement, a copy of which is attached hereto as Exhibit "H"; and a Facilities Reimbursement Agreement, a copy of which is attached hereto as Exhibit "I". Ms. Landiak noted that the Amendment and Agreement have been previously approved by the Board under the developer's report, but requested that the Board ratify such approval. Following a discussion, Director Ramey moved that the Board ratify and approve the Amendment and Agreement as presented. Director Purcell seconded said motion, which carried unanimously.

11. Board next recognized Ms. Galindo, who presented to and reviewed with the Board copies of a bookkeeping report July 20, 2022, a copy of which is attached hereto as Exhibit "J". Following a discussion, Director Berrones-Mood 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 Ramey seconded said motion, which carried unanimously.

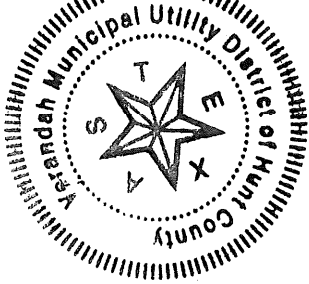
There being no further business to conduct, and upon motion by Director Purcell, seconded by Director Ramey and unanimously carried, the meeting was adjourned at 12:54 p.m.

[Signature page follows]

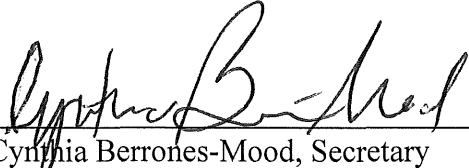
APPROVED AND ADOPTED the 17th day of August, 2022.

VERANDAH MUNICIPAL UTILITY DISTRICT
OF HUNT COUNTY

(DISTRICT SEAL)



By:



Cynthia Berrones-Mood, Secretary
Board of Directors