

**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, November 15, 2023, and the roll was called of the members of the Board, to-wit:

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 Ramey, thus constituting a quorum. Also in attendance were: Mr. Scott Eidman, attorney, and Ms. Amy Bieber, paralegal, each of Winstead PC; Ms. Brandi Galindo of Dye & Toverly, LLC; Mr. Art Barraza of Barraza Consulting Group, LLC, (“Engineer”); and Mr. Andre Ayala of Hilltop Securities, Inc. (“Hilltop”).

The meeting was called to order at 12:39 p.m.

1. The Board called for public communications and comments. Hearing none, Director Purcell moved that the Board close the public comment section of the meeting. Director Mitchell seconded said motion, which carried unanimously.

2. The Board next acknowledged receipt of the Minutes from the October 18, 2023, Board of Directors meeting. Following a discussion, Director Dickerson 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 reviewed the bid results, a copy of which is attached hereto as Exhibit “A”, and reviewed the bids that were received in connection with the sale of the District’s \$3,570,000 Unlimited Tax Road Bonds, Series 2023A (the “Series 2023A Road Bonds”). Mr. Ayala recommended that the Board award the bid to Robert W. Baird & Co., Inc. (“Baird”) of Milwaukee, WI, at an interest rate of 4.849975%. The Board next recognized Mr. Eidman, who presented to and reviewed with the Board copies of (i) an Order Authorizing the Issuance of the District’s \$3,570,000 Unlimited Tax Road Bonds, Series 2023A; (ii) a Paying Agent/Registrar Agreement designating Regions Bank 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 Berrones-Mood moved that the Board (i) award the bid for Series 2023A Road Bonds to Baird; (ii) approve all instruments in connection with the Series 2023A Road Bond issue; and (iii) authorize the Board President to execute, and the Board Secretary to attest to same. Director Mitchell seconded said motion, which carried unanimously at 12:42 p.m.

4. The Board continued to recognize Mr. Eidman, who discussed the proposed closing date for the Series 2023A Road Bonds and related Agreed Upon Procedures (“AUP”) Report in connection with the bond closing scheduled for December 14, 2023. Next, Mr. Eidman presented to and reviewed with the Board a proposed engagement for arbitrage compliance services from Arbitrage Compliance Specialists in connection with the Series 2023A Road Bonds, a copy of which is attached hereto as Exhibit “E”, and explained that the services are necessary to ensure compliance of the Series 2023A bonds with IRS rules. Following a discussion, Director Berrones-Mood moved that the Board (i) authorize submission of the Transcript of Proceedings for the Series 2023A Road Bonds to the office of the Texas Attorney General; (ii) schedule the next Board meeting date for December 13, 2023; (iii) authorize McCall Gibson Swedlund Barfoot PLLC to prepare an AUP Report for review at the next meeting of the Board of Directors; and (iv) approve the engagement of Hilltop for arbitrage compliance services as presented. Director Mitchell seconded said motion, which carried unanimously.

The Board continued to recognize Mr. Eidman, who presented to and reviewed the Board a draft supplemental Agreed-Upon Procedures Report (“Supplemental AUP”) prepared by McCall Gibson Swedlund Barfoot PLLC, a copy of which is attached hereto as Exhibit “F”. Mr. Eidman explained that the Supplemental AUP is related to the District’s reimbursement of the Developer from the District’s Unlimited Tax Road Bonds, Series 2023, in the total amount of \$441,529.11, and the distribution of such funds is reflected in the Supplemental AUP. Following a discussion, Director Vaughn moved that the Board approve the Supplemental AUP as presented. Director Fitzgerald seconded said motion, which carried unanimously.

5. The Board next considered an Order Authorizing Application for Approval of Project and Utility Bond Issue by Texas Commission on Environmental Quality (“TCEQ”) and Requesting Waivers, a copy of which is attached hereto as Exhibit “G”. Mr. Eidman explained that this is the first step toward the District’s next utility bond issuance. Following a discussion, Director Mitchell moved that the Board adopt the Order as presented. Director Dickerson seconded said motion, which carried unanimously.

6. The Board next recognized Mr. Barraza, who discussed the need to acquire two easements for construction of utilities in Verandah Phase 9, and requested that the Board authorize the engagement of Saunders, Walsh & Beard for legal services to begin an initial offer process to the owners of the land where the easements would lie. Following a discussion, Director Mitchell moved that the Board authorize the engagement of Saunders, Walsh & Beard as discussed. Director Dickerson seconded said motion, which carried unanimously.

7. The Board continued to recognize Mr. Barraza, who presented to and reviewed with the Board an engineering report dated November 15, 2023, a copy of which is attached hereto as

Exhibit “H”, and updated the Board with regard to engineering matters and construction within the District. Next, Mr. Barraza recommended approval of the following pay applications and change order:

- Pay Application No. 4RET in the amount of \$6,451.88 from Hammett Excavation, Inc. (“Hammett”) under the offsite grading improvements contract for CR2650.
- Pay Application No. 2 in the amount of \$1,456,097.74 from GM Construction TX (“GM”) under the paving improvements contract for Verandah Phase 9.
- Change Order No. 3 in the amount of \$39,332.60 from GM under the paving improvements contract for Verandah Phase 9.
- Pay Application No. 1 in the amount of \$11,250.00 from GM under the panel replacement contract for Verandah Phase 1A.

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

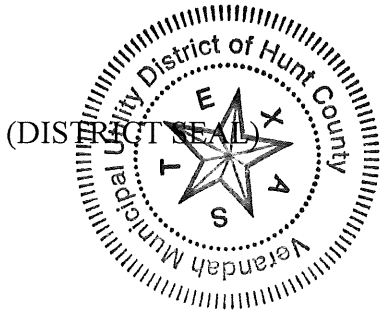
8. In the absence of a developer representative, the Board deferred action on a developer’s report.

9. The Board next recognized Ms. Galindo, who presented to and reviewed with the Board copies of a bookkeeping report dated November 15, 2023, a copy of which is attached hereto as Exhibit “I”. Following a discussion, Director Mitchell moved that the Board (i) approve the bookkeeping report as presented; (ii) authorize the payment of bills listed thereon; and (iii) approve the investment of funds as recommended by the District’s Bookkeeper. Director Berrones-Mood seconded said motion, which carried unanimously.

There being no further business to conduct, and upon motion by Director Mitchell, seconded by Director Dickerson and unanimously carried, the meeting was adjourned at 12:53 p.m.

[Signature page follows]

APPROVED AND ADOPTED the 13th day of December, 2023.



VERANDAH MUNICIPAL UTILITY DISTRICT
OF HUNT COUNTY

By: 
Cynthia Berrones-Mood, Secretary
Board of Directors