

**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, January 17, 2024, 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, thus constituting a quorum. Also in attendance were: Ms. Sarah Landiak, attorney, and Ms. Melisa Montague, paralegal, each of Winstead PC; Ms. Stefani Chastain of Dye & Toverly, LLC; Mr. Matt Clark of Barraza Consulting Group, LLC, (“Engineer”); and Mr. Matt Bomberger, a landowner within the District. Ms. Alyssa Saccomen of McCall Gibson Swedlund Barfoot PLLC joined the meeting by telephone.

The meeting was called to order at 12:31 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 the December 13, 2023, Board of Directors meeting. Following a discussion, Director Purcell moved that the Board approve the Minutes as presented. Director Dickerson seconded said motion, which carried unanimously.

3. The Board next recognized Ms. Landiak, who announced the resignation of Director Ramey and noted that Mr. Bomberger, a property owner within the District, has expressed his desire to serve on the Board of Directors. Following a discussion, Director Berrones-Mood moved that the Board (i) appoint Mr. Bomberger to the Board of Directors to serve for the remainder of the term expiring on May 4, 2024; and (ii) adopt the Order as presented. Director Purcell seconded said motion, which carried unanimously.

4. The Board next recognized Ms. Saccomen, who presented to and reviewed with the Board a draft of the District’s audit for the fiscal year ended September 30, 2023, a copy of which

is attached hereto as Exhibit “A”. After discussion on the matter, Director Mitchell moved that the Board (i) approve the audit as presented; and (ii) authorize the District’s auditor to file the audit with the Texas Commission on Environmental Quality. Director Dickerson seconded said motion, which carried unanimously.

5. The Board next considered a Resolution Requesting Use of Surplus Funds, a copy of which is attached hereto as Exhibit “B”. Following a discussion, Director Dickerson moved that the Board approve the Resolution as presented. Director Mitchell seconded said motion, which carried unanimously.

6. The Board next considered the ratification and approval of a supplement to the agreed-upon procedures report (“AUP”) related to the District’s Series 2023 Unlimited Tax Road Bonds. It was noted that this supplement to the AUP has been previously presented and is now considered for ratification. Following a discussion, Director Purcell moved that the Board ratify and approve the supplement to the AUP as presented. Director Mitchell seconded said motion, which carried unanimously.

7. The Board next recognized Mr. Clark, who presented to and reviewed with the Board an engineering report dated January 17, 2024, a copy of which is attached hereto as Exhibit “C”, and updated the Board with regard to engineering matters and construction within the District. Next, Mr. Clark presented bids received for the grading improvements contract for Verandah Phase 3E and recommended award of said contract to the lowest qualified bidder, De Leon Excavating, LLC (“De Leon”) in the base bid amount of \$665,565.56.

Mr. Clark next recommended approval of the following pay applications and change order:

- Pay Application No. 7 in the amount of \$96,389.37 from KCK Utility Construction, Inc. (“KCK”) under the water, wastewater, and storm drainage improvements contract for Verandah Phase 9.
- Pay Application No. 8RET in the amount of \$359,625.69 from KCK under the water, wastewater, and storm drainage improvements contract for Verandah Phase 9.
- Change Order No. 3 in the amount of \$6,915.00 from KCK under the water, wastewater, and storm drainage improvements contract for Verandah Phase 9.

Finally, Mr. Clark reported that all construction within Verandah Phase 9 is complete and has been inspected and approved by the District’s Engineer; therefore, Mr. Clark recommended that the Board finally accept all contracts for Verandah Phase 9. Following a discussion, Director Dickerson moved that the Board (i) award the grading improvements contract for Verandah Phase 3E to De Leon as recommended by the District’s Engineer; (ii) approve the pay applications and the change order as recommended by the District’s Engineer; (iii) finally accept Verandah Phase 9 as recommended by the District’s Engineer; and (iv) approve the Engineer’s report as presented. Director Berrones-Mood seconded said motion, which carried unanimously.

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

9. The Board next considered a Consent to Assignment of reimbursement agreement, a copy of which is attached hereto as Exhibit “D”. Following a discussion, Director Mitchell moved that the Board approve the Consent to Assignment subject to final confirmation of exhibit for same. Director Bomberger seconded said motion, which carried unanimously.

10. The Board next recognized Ms. Chastain, who presented to and reviewed with the Board copies of a bookkeeping report dated January 17, 2024, a copy of which is attached hereto as Exhibit “E”. Ms. Chastain also noted a cost-of-living increase of hourly rates pursuant to the District’s bookkeeping services agreement. 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 Purcell seconded said motion, which carried unanimously.

11. The Board next recognized Ms. Landiak, who reviewed the District’s current Investment Policy, dated February 11, 2020, with the Board. Ms. Landiak noted that an annual review of said Policy is required, and that no amendments to the Investment 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 “F”. Following a discussion, Director Berrones-Mood moved that the Board approve the Resolution as presented. Director Purcell seconded said motion, which carried unanimously.

12. The Board next considered a Resolution Adopting Prevailing Wage Rate Scale for Construction Projects, a copy of which is attached hereto as Exhibit “G”. Following a discussion, Director Dickerson moved that the Board adopt the Resolution as presented. Director Berrones-Mood seconded said motion, which carried unanimously.

13. The Board next considered a Resolution Designating Depositories and Establishing Investment Accounts for Deposit of District Funds, a copy of which is attached hereto as Exhibit “H”. Following a discussion, Director Purcell moved that the Board approve the Resolution as presented. Director Mitchell seconded said motion, which carried unanimously.

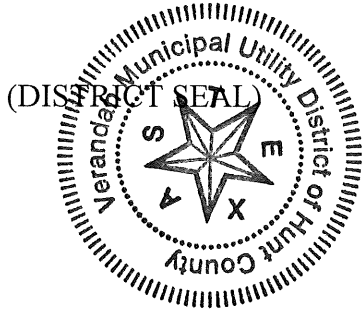
14. The Board next considered the supplemental agenda. Ms. Landiak presented to and reviewed with the Board an Order Calling Directors Election, a copy of which is attached hereto as Exhibit “I”. Following a discussion, Director Dickerson moved that the Board (i) approve the Order as presented; and (ii) authorize distribution of the Notice of Election. Director Bomberger seconded said motion, which carried unanimously.


There being no further business to conduct, and upon motion duly made, seconded, and unanimously carried, the meeting was adjourned at 1:02 p.m.

[Signature page follows]

APPROVED AND ADOPTED the 21st day of February, 2024.

VERANDAH MUNICIPAL UTILITY DISTRICT
OF HUNT COUNTY



By: 
Cynthia Berrones-Mood, Secretary
Board of Directors