

MINUTES OF THE MEETING
OF
THE BOARD OF DIRECTORS

THE STATE OF TEXAS §

COUNTY OF GRAYSON §

SUNSET RANCH MUNICIPAL UTILITY DISTRICT OF GRAYSON COUNTY §

The Board of Directors (the "Board") of Sunset Ranch Municipal Utility District of Grayson County (the "District") met in regular session at 1:00 p.m. on Wednesday, January 8, 2025, at the offices of Kimley-Horn & Associates, Inc., 13455 Noel Road, Two Galleria Office Tower, Dallas, Texas 75240 (7th Floor Boardroom), an official meeting place located outside the boundaries of the District, for which notice was given as required by Chapter 551, Government Code, and Chapter 49, Texas Water Code.

The roll was called of the members of the Board to-wit:

Dan Allen	President
Mason John	Vice President
Reed Hatley	Secretary
Daniel Lara	Assistant Secretary
Reid Pierce	Assistant Secretary

All members of the Board were present with the exception of Directors John and Hatley, thus constituting a quorum. Also present were: Ms. Stephanie White of Kimley-Horn & Associates; Inc., the District's Engineers; Mr. Brian Hunnicutt and Mr. Phil Janco of Green Brick Partners, Inc., developers and landowners in the District; Ms. Stefani Chastain of Dye & Toverly LLC, the District's Bookkeepers; Mr. Luisenrique Aranda-Beyer of Robert W. Baird & Co., the District's Financial Advisors; Mr. Ross Martin, Attorney, and Ms. Melisa Montague, Paralegal, of Winstead PC, the District's Attorneys; and Ms. Anna Cox, a member of the public.

The meeting was called to order at 1:10 p.m.

1. Public Communication and Comment. The Board opened the meeting to public comment. Director Allen moved that the Board close the public comment session. Director Pierce seconded said motion, which carried unanimously, subject to certain clerical errors closed the public communication and comment session of the meeting.

2. Minutes of December 11, 2024 Board of Directors Meeting. Following a discussion, Director Allen moved that the Board approve the minutes of the December 11, 2024 meeting. Director Pierce seconded said motion, which carried unanimously.

3. Financial Advisor's Report. Mr. Aranda-Beyer then presented an MSRB Form G-10 and G-24 disclosure confirmation letter prepared by Robert W. Baird & Co., and it was noted that

such letter was an annual requirement for financial advisors to send out for districts which could possibly have any complaints. Upon motion by Director Allen, seconded by Director Pierce, the Board acknowledged receipt of the MSRB Rulemaking Board Form G-10 and G-24 disclosure confirmation letter, a copy of which is attached as Exhibit "A."

4. Engineer's Report. Ms. White then presented to and reviewed with the Board the Engineer's Report, a copy of which is attached hereto as Exhibit "B." She noted that the clearing and mass grading for Sunset Ranch, Phases 1, 2A, and 2B was currently being completed. Ms. White also reported that Sunset Ranch, Phase 1 Utility was under construction and the Offsite Force Main construction will begin as soon as a once the easement acquisition is completed and plans are approved. Regarding the lift station, she reported that the equipment for the wet well has been order and construction would begin after the receipt of the equipment. Then Ms. White presented Pay Application No. 2 in the amount of \$10,035.00 for the lift station to serve Sunset Ranch to Rey-Mar Construction, LLC.

Following a discussion, Director Allen moved that the Board accept the Engineer's Report and all items listed therein as recommended by the District's Engineer. Director Pierce seconded said motion, which carried unanimously.

5. Developer's Report. Mr. Hunnicutt reported the clearing and grading for Phase 1 should be completed soon, and he said that the water and sewer utilities construction would begin in the spring. He noted that a pre-construction meeting for the lift station would be held soon. Next, Mr. Hunnicutt reported that almost all of the easements had been acquired for the force main and that the Developer and Engineer were working with Grayson County to finalize all plans and specifications for Phase 1.

6. Amended Mustang Special Utility District Non-Standard Service Agreement. Mr. Hunnicutt noted that this was not necessary at this time and should be removed from future agendas.

7. Bookkeeper's Report. Ms. Chastain then reported that Kathi Dye would be retiring in mid- to late-spring but that there would be no change in service. She then presented to and reviewed with the Board copies of a Bookkeeper's Report, a copy of which is attached hereto as Exhibit "C." Ms. Chastain noted that the 2025 Consumer Price Index had increased and, therefore, the Bookkeeper's fees had increased in accordance with the report. Following a discussion, Director Pierce moved that the Board (i) approve the Bookkeeper's Report; and (ii) authorize payment of invoices. Director Allen seconded said motion, which carried unanimously.

8. Resolution Acknowledging Annual Review of Investment Policy. Consideration was next given to the review of the District's Investment Policy, and if timely, approve a Resolution Acknowledging Annual Review. Mr. Martin noted that no changes are recommended at this time. Following a discussion, Director Pierce moved that the Board approve said Resolution Acknowledging Annual Review of Investment Policy and Investment Strategies. Director Allen seconded said motion, which carried unanimously. A copy of the resolution is attached as Exhibit "D."

9. Resolution Designating Depositories and Establishing Investment Accounts for Depositor of Funds. Consideration was next given to the review and approval of a Resolution Designating Depositories and Establishing Investment Accounts for Depositor of Funds. Ms. Chastain noted that she had an updated list of banks that provide services for public funds. Following a discussion, Director Allen moved that the Board adopt said resolution. Director Pierce seconded said motion, which carried unanimously. A copy of the resolution is attached as Exhibit "E."

10. Resolution Adopting Prevailing Wage Rate Scale for Construction Projects. The Board deferred this item.

11. Condemnation of Sanitary Sewer Easements. Mr. Martin then updated the Board regarding condemnation proceedings for certain sanitary sewer easements. He then presented an engagement letter from the law firm of Baker Moran. He stated that there was a conflict with one of the landowners and Winstead PC so an outside law firm is necessary. Following a discussion, Director Allen moved that the Board approve the engagement letter as presented. Director Pierce seconded said motion, which carried unanimously. A copy of the engagement letter is attached as Exhibit "F."

12. Date for the Next Meeting. Mr. Martin stated that the next meeting is scheduled for February 12, 2025. Upon motion duly made by Director Pierce, and seconded by Director Allen, the Board scheduled the next meeting for Wednesday, February 12, 2025 at 1:00 p.m., or until further call.

There being no further business to conduct, Director Allen moved that the meeting be adjourned at 1:22 p.m. Director Pierce seconded said motion, which carried unanimously. The Board adjourned until further call.

(EXECUTION PAGE FOLLOWS)

APPROVED AND ADOPTED this 12th day of February, 2025.



(DISTRICT SEAL)

A handwritten signature in blue ink, appearing to be "Paul B.", written over a horizontal line.

Asst. Secretary, Board of Directors

LIST OF EXHIBITS

Exhibit "A" – MSRB G-10 and G-24 Disclosure Letter

Exhibit "B" – Engineering Report

Exhibit "C"–Bookkeeping Report

Exhibit "D" - Resolution Acknowledging Annual Review of Investment Policy

Exhibit "E" - Resolution Designating Depositories and Establishing Investment Accounts for Depositor of Funds

Exhibit "F" – Engagement Letter for Condemnation of Easements with Baker Moran