

**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 15, 2025, 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 |
| Matthew Bomberger | 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 Berrones-Mood and Director Mitchell, thus constituting a quorum. Also in attendance were: Ms. Sarah Landiak, attorney, and Ms. Amy Bieber, paralegal, each of Winstead PC; Ms. Kerry Tovery of Dye & Tovery, LLC; Mr. Jake Finch of Scarborough Management, LLC; and Mr. Matt Clark of Barraza Consulting Group, LLC (“Engineer”). Mr. Michael Bailey of McCall Gibson Swedlund Barfoot Ellis PLLC (“Auditor”) joined the meeting by telephone.

The meeting was called to order at 12:06 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 18, 2024, Board of Directors meeting. Following a discussion, Director Purcell moved that the Board approve the Minutes as presented. Director Bomberger seconded said motion, which carried unanimously.

3. The Board next recognized Mr. Bailey, who presented to and reviewed with the Board a draft of the District’s audit for the fiscal year ended September 30, 2024, a copy of which is attached hereto as Exhibit “A”. Following a discussion, Director Dickerson 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 Bomberger seconded said motion, which carried unanimously.

4. The Board recognized Mr. Clark, who presented to and reviewed with the Board an engineering report dated January 15, 2025, a copy of which is attached hereto as Exhibit "B", and updated the Board with regard to engineering matters and construction within the District. Mr. Clark next requested that the Board authorize the advertising for re-bids for the water, wastewater, and storm drainage improvements contract for Verandah Phase 8, and recommended that the Board ratify and award the award of the following contracts to the lowest qualified bidders:

- Grading improvements contract for Verandah Phase 8 to Obra Ramos Excavation, Inc. ("Ramos") in the total base bid amount of \$1,326,145.90 for 103 calendar days.
- Paving improvements contract for Verandah Phase 8 to Gilco Contracting, Inc. ("Gilco") in the total base bid amount of \$2,665,624.40 for 90 calendar days.

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

- Change Order No. 1 in the amount of (\$1,303,662.25) from KIK Underground, LLC ("KIK") under the water, wastewater, and storm drainage improvements contract for Verandah Phase 3E.
- Pay Order No. 3 in the amount of \$23,985.00 from KIK under the water, wastewater, and storm drainage improvements contract for Verandah Phase 3E.
- Pay Order No. 4RET in the amount of \$64,240.24 from KIK under the water, wastewater, and storm drainage improvements contract for Verandah Phase 3E.
- Pay Application No. 2 in the amount of \$353,787.19 from KIK under the offsite water and wastewater improvements contract for the Verandah development.

Following a discussion, Director Purcell moved that the Board (i) authorize the advertising for re-bids for the water, wastewater, and storm drainage improvements contract for Verandah Phase 8; (ii) award the grading improvements contract for Verandah Phase 8 to Ramos as recommended by the District's Engineer; (iii) award the paving improvements contract for Verandah Phase 8 to Gilco as recommended by the District's Engineer; (iv) approve the pay applications and change order as recommended by the District's Engineer; and (v) approve the Engineer's report as presented. Director Bomberger seconded said motion, which carried unanimously.

5. The Board next recognized Mr. Finch, who updated the Board with regard to development within the District, reporting that the offsite water and wastewater lines are complete, Verandah Phase 8 will be underway shortly, and final landscaping in Verandah Phase 3E is almost complete. Following a discussion, Director Dickerson moved that the Board approve the developer's report as presented. Director Bomberger seconded said motion, which carried unanimously.

6. The Board next recognized Ms. Tovery, who presented to and reviewed with the Board a bookkeeping report dated January 15, 2025, a copy of which is attached hereto as Exhibit "C". Following a discussion, Director Dickerson 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 Bomberger seconded said motion, which carried unanimously.

7. 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 "D". Following a discussion, Director Bomberger moved that the Board approve the Resolution as presented. Director Dickerson seconded said motion, which carried unanimously.

8. The Board next considered a Resolution Adopting Prevailing Wage Rate Scale for Construction Projects, a copy of which is attached hereto as Exhibit "E". Following a discussion, Director Dickerson moved that the Board adopt the Resolution as presented. Director Bomberger seconded said motion, which carried unanimously.

9. 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 "F". Following a discussion, Director Purcell moved that the Board approve the Resolution as presented. Director Dickerson seconded said motion, which carried unanimously.

There being no further business to conduct, and upon motion by Director Dickerson, seconded by Director Bomberger, and unanimously carried, the meeting was adjourned at 12:26 p.m.

[Signature page follows]

APPROVED AND ADOPTED the 26th day of February, 2025.

By: *Cynthia Berrones-Mood*
Cynthia Berrones-Mood, Secretary
Board of Directors

