

**MINUTES OF MEETING  
OF THE  
BOARD OF DIRECTORS**

THE STATE OF TEXAS §

COUNTY OF PALO PINTO §

PALO PINTO COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 §

The Board of Directors (the “Board”) of Palo Pinto County Water Control and Improvement District No. 1 (the “District”) met in special session, open to the public, at 300 Throckmorton Street, Suite 1700, Fort Worth, Texas 76102, a designated meeting place of the District located outside the boundaries of the District, on Wednesday, February 5, 2025, and the roll was called of the members of the Board to-wit:

Todd McCall	President
Melissa Wilson	Vice President
Dr. James Arthur Smith	Secretary
Mark Dannehl	Assistant Secretary
Ric Hayward	Assistant Secretary

All members of the Board were present at the commencement of the meeting with the exception of Director Hayward, thus constituting a quorum. Also present were Ms. Taylor Elliott, attorney, and Ms. Amy Bieber, paralegal, of Winstead PC; Mr. Zack Washburn or Washburn Construction Services (“Operator”); and Ms. Kerry Tovery of Dye & Tovery, LLC (“Bookkeeper”). Ms. Michelle Townes of McCall Gibson Swedlund Barfoot Ellis PLLC (“Auditor”) joined the meeting by telephone.

The meeting was called to order at 6:01 p.m., and evidence was presented that public notice of such meeting had been given as required by law.

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

2. The Board next reviewed the Minutes from the December 5, 2024, Board of Directors meeting. Following a discussion, and upon motion by Director McCall, seconded by Director Dannehl, and unanimously carried, the Board approved the minutes as presented.

3. The Board next recognized Ms. Townes, who presented to and reviewed with the Board a draft of the audit for the fiscal year ended September 30, 2024, a copy of which is attached hereto as Exhibit “A”. Following a discussion, Director McCall moved that the Board (i) approve the audit pursuant to final attorney review; and (ii) authorize the District’s auditor to file the same with the Texas Commission on Environmental Quality as required. Director Wilson seconded said motion, which carried unanimously.

4. The Board next recognized Mr. Washburn, who updated the Board with regard to ongoing maintenance and operations within the District, reporting that the District had to undertake two sizable repairs in November and December, but otherwise everything is quiet. No formal action was taken by the Board.

5. In the absence of an engineer representative, the Board deferred action with regard to an engineer's report.

6. The Board next recognized Ms. Tovery, who presented to and reviewed with the Board a copy of the District's current bookkeeping report and sanitary sewer billing and collections report dated February 5, 2025, a copy of which is attached hereto as Exhibit "B". Following a discussion, Director McCall moved that the Board (i) approve the Bookkeeping report; (ii) approve the sanitary sewer billing and collections report as presented; (iii) authorize payment of bills as listed thereon; and (iv) approve the investment of funds as recommended by the District's Bookkeeper. Director Smith seconded said motion, which carried unanimously.

7. The Board next recognized Ms. Elliott, who reviewed the District's current Investment Policy, dated January 22, 2020, with the Board. Ms. Elliott 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. Elliott 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 "C". Following a discussion, Director McCall moved that the Board approve the Resolution as presented. Director Smith seconded said motion, which carried unanimously.

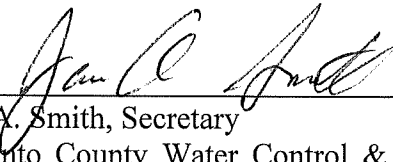
8. The Board next considered a Resolution Adopting Prevailing Wage Rate Scale for Construction Projects, a copy of which is attached hereto as Exhibit "D". Following a discussion, Director McCall moved that the Board adopt the Resolution as presented. Director Wilson seconded said motion, which carried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

There being no further business to conduct and upon by Director McCall, seconded by Director Dannehl and unanimously carried, the meeting was adjourned at 6:18 p.m. until further call.

*[Signature page follows]*

APPROVED AND ADOPTED this 11<sup>th</sup> day of August, 2025.



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James A. Smith, Secretary  
Palo Pinto County Water Control & Improvement  
District No. 1

