

**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 Monday, August 28, 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
VACANT	Assistant Secretary

All members of the Board were present at the commencement of the meeting with the exception of Director McCall, thus constituting a quorum. Director McCall joined the meeting by telephone conference as a non-voting member of the Board. Also present were Ms. Taylor Elliott, attorney, and Ms. Amy Bieber, paralegal, of Winstead PC; Mr. Zack Washburn of Washburn Construction Services (“Operator”); Mr. Jonathan Ireton of Westwood Professional Services (“Engineers”); Ms. Brandi Galindo of Dye & Toverly, LLC (“Bookkeeper”); and Mr. Robert Bourland, a member of the public.

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 Smith 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 August 11, 2025, Board of Directors meeting. Following a discussion, and upon motion by Director Wilson, seconded by Director Smith, and unanimously carried, the Board approved the minutes as presented.

3. Upon motion duly made, seconded, and unanimously carried, the Board convened a public hearing regarding the District’s proposed 2025 tax rate at 6:03 p.m. The notice of the hearing was published in accordance with the requirements of the Texas Water Code, and a copy of said notice is attached hereto as Exhibit “A”. The Board reviewed the tax rate recommendation prepared by Hilltop Securities, Inc., Financial Advisor for the District, and, hearing no public comment, Director Wilson moved that the Board close the public hearing.

Director Smith seconded said motion, which carried unanimously. The Board reopened the meeting.

4. The Board next reviewed and discussed an Order Setting Tax Rate for 2025, a copy of which is attached hereto as Exhibit "B". Following a discussion, Director Smith moved that the Board (i) levy a 2025 operations and maintenance tax of \$0.2000 per \$100 of net taxable value; (ii) levy a 2025 utility bond debt service tax of \$0.1740 per \$100 of net taxable value; and (iii) adopt the Order Setting Tax Rate for 2025 to reflect the same. Director Wilson seconded said motion, which carried unanimously.

5. The Board next recognized Mr. Washburn, who updated the Board with regard to ongoing maintenance and operations within the District. No formal action was taken by the Board.

6. The Board next recognized Mr. Ireton, who updated the Board with regard to engineering within the District. No formal action was taken by the Board.

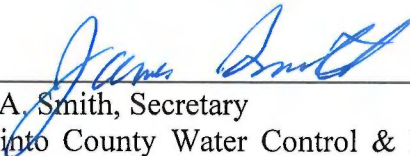
7. The Board next recognized Ms. Galindo, who presented to and reviewed with the Board a copy of the District's current bookkeeping report and sanitary sewer billing and collections report dated August 28, 2025, a copy of which is attached hereto as Exhibit "C". Following a discussion, Director Wilson moved that the Board (i) approve the Bookkeeping report; (ii) authorize payment of bills as listed thereon; (iii) approve the sanitary sewer billing and collections report as presented; and (iv) approve the investment of funds as recommended by the District's Bookkeeper. Director Smith seconded said motion, which carried unanimously.

There being no further business to conduct and upon motion by Director Wilson, seconded by Director Smith and unanimously carried, the meeting was adjourned at 6:19 p.m. until further call.

[Signature page follows]

APPROVED AND ADOPTED this 4th day of December, 2025.





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