

MINUTES FOR THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE WINNIE-STOWELL HOSPITAL DISTRICT

The meeting of the Board of Directors of the Winnie-Stowell Hospital District (“District”) was posted pursuant to the Texas Open Meetings Act three (3) business days prior to the opening of said meeting for 6:00 p.m., March 18, 2026 at the District’s Offices located at 520 Broadway, Winnie, Texas 77665 (a copy of said Notice being placed amongst the files of the District). An electronic copy of this meeting is available upon request.

At approximately 6:10 p.m., the meeting was convened, and roll was called of the members of the Board, to wit:

Mr. Ed Murrell	President
Mr. Anthony Stramecki	Vice-President
Robert “Bobby” Way	Treasurer
Jeff Rollo	Secretary

All said Board Members were present except for Director Rollo, thus constituting a quorum. In addition, to the above-named Board Members, also present at the meeting were:

Mrs. Victoria Carlo	District Administrator
Mrs. Tina Davis	Indigent Care Director
Ms. Kiela Barron	Office Assistant
Mr. Scott Johnson	Nursing Home Coordinator
Mr. Hubert Oxford, IV	General Counsel for the District
Mrs. Makayla Vidal	District CPA
Ms. Kaley Smith	Chief Executive Officer, Coastal Gateway Health Clinic (“Clinic”).
Mr. Kaleb Norris	Coastal Gateway Health Clinic
Dr. Michael Lyons	Coastal Gateway Health Clinic
Mr. Mo Danishmund	CFO, Riceland Hospital (“Hospital”)

Following the Pledge of Allegiance; and introduction of guests, President Murrell invited public comment. However, no comments were made.

5. Review and approve the Minutes of the February 18, 2026 Regular Meeting.

President Murrell then asked the Board to review and approve the minutes from the February 18, 2026 Regular Meeting. Staff advised that the minutes were in order.

Director Stramecki then made a motion to approve the minutes of the February 18, 2026 Regular Meeting. This motion was seconded by Director Way and unanimously approved by all the Board Members present.

6. Review and approve Accountant's report and financials report for monthly payment of invoices; and adopt any budget amendments, if necessary.

Following the review and approval of the minutes, President Murrell called on Mrs. MaKayla Vidal, the District's CPA, to present the financial report for February 2026. President Murrell also welcomed Mrs. Vidal back from maternity leave. Mrs. Vidal then presented the Board with the February 2026 Balance Statement and Income Statement. (*See Exhibit "A-1"*). Prior to addressing the February 2026 financial statements, Mrs. Vidal affirmed to the Board that the financial reports presented for December and February were correct and then asked if there were any questions. There being none, Mrs. Vidal then turned to the February financial statements and reported that everything was in order and within budget.

Next, Mrs. Vidal was asked to review the Treasurer's Report for March 18, 2026. (*See Exhibit "A-2"*). Mrs. Vidal opened the report with a review of the invoices proposed for payment during the reporting period, as outlined below.

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Pending Expenses	For	Amount
Bayside Dental	SP Program	\$3,026.00
Brookshire Brothers	Indigent Care	\$1,494.32
\$25 Optical	SP Program	\$100.00
Coastal Gateway Health Center	Indigent Care	\$539.11
Dr. June Stansky	SP Program	\$60.00
Kalos Counseling (Ben Odom)	Youth Counseling	\$595.00
Thompson Outpatient Clinic, LLC	Indigent Care	\$890.86
UTMB at Galveston	Indigent Care	\$42,898.43
UTMB Faculty Group Practice	Indigent Care	\$9,026.45
Wilcox Pharmacy	Indigent Care /Charity Care	\$1,287.12
Hubert Oxford	Retainer	\$1,000.00
Benckenstein & Oxford	Invoice No	\$17,090.00
Graciela Chavez	Inv 965995	\$160.00
US Department of Education	Acct# 1778777782 - Benjamin Odom	\$1,801.60
3Branch & More	Inv # 46091	\$8,831.67
Function4	INV1275329	\$135.00
Technology Solutions	Inv #, 2025	\$151.50
Indigent Healthcare Solutions	Indigent Care Inv # 81392	\$2,023.00
Vidal Accounting Services	Invoice 00132	\$5,845.00
Stone Hilton	Inv # 373 (Replenishment of	\$40,890.00
Coastal Gateway Health Center	Grant Payment (Siding Scale 5,857.62	\$333,599.11
Total Expenses		\$471,444.17

Once the Board reviewed the invoices, Mrs. Vidal referred the Board to the Funds Summary section of the Treasurer's report, which is set forth below.

Funds Summary	Totals
Prosperity Operating (Unrestricted)	\$746,032.27
First Financial DACA (Unrestricted)	\$565,839.72
First Financial DACA (Restricted)	\$3,144,717.24
First Financial Money Market	\$24,875,262.20
TexStar (Restricted)	\$7,232,919.88
FFB CD Balance	\$0.00
Total District Funds	\$36,564,771.30
Less First Financial (Restricted)	(\$3,144,717.24)
Less TexStar Restricted Amount	(\$500,000.00)
Less LOC Outstanding	\$0.00
Less First Financial Money Market	\$0.00
Less Committed Funds (<i>See Total Commitment</i>)	(\$1,212,363.08)
Cash Position (<i>Less First Financial Restricted</i>)	\$31,707,690.99
Pending Expenses	(\$471,444.17)
Ending Balance (Cash Position-Pending Expenses)	\$31,236,246.82
*Total Funds (Ending Balance+LOC Outstanding+QIPP Funds Outstanding+Outstanding Chow Loans)	\$34,771,416.05

According to Mrs. Vidal, the District's total funds available as of the reporting period were \$31,236,246.82 and the District's Total Funds were \$31,236,246.82. Compared to the prior month, this is an increase of \$406,058.68 in funds available

and \$1,653,174.97 in Total Funds.

Regarding the remainder of the Treasurer's Report, Mrs. Vidal updated the Board on the District's Committed Funds; Advance to Hospital for the DY-8 Repayment and IRS Advance Repayment; Interim Working Capital advances ("CHOW Advance"); and outstanding loan balances. (See Exhibit "A-2").

Following the review of the Treasurer's Report, Mrs. Vidal asked the Board to review the bank register, which also includes the invoices previously listed and discussed. (See **Exhibit "A-3"**).

Upon the completion of the discussion of the financials and the budget amendment, President Murrell then called for a motion to approve the financials, Treasurer's Report, payment of invoices and budget amendment. In response, Director Stramecki made a motion to approve: (i) the February 2026 financials; (ii) the Treasurer's Report; (iii) pay the outstanding invoices; and (iv) approve the Check Register as read. (See **Exhibit "A-1", through "A-3"**). This motion was seconded by Director Rollo and unanimously approved by all the Board Members present.

7. Discuss and take-action on Committee Reports: a) Finance Committee; b) Indigent Healthcare Committee; c) Personnel Committee; and d) Hospital Liaison.

Next, President Murrell asked the Committees if there were any reports. President Murrell and Director Way reported that they met with Thr3e Design ("Architect") twice since the last meeting and made revisions to the size of the proposed new healthcare facility. (See **Exhibit "B"**). According to the two, the new facility will now have fifteen (15) rooms, one (1) procedure room; and the size will be reduced from twenty-four thousand (24,000) square feet to fourteen thousand (14,000) square feet. Thereafter, the Committee recommended that during the next meeting, the District needed to terminate the existing hourly agreement with the Architect; enter into a new traditional agreement with the Architect; and adopt a procurement method set forth in Chapter 2269 of the Texas Government Code. The rest of the Board thanked President Murrell and Director Way for the efforts and agreed to put this on the agenda for the next meeting.

8. Receive reports, by:

a. **Administrator's Report:** The Board received updates from the Administrator regarding several operational and programmatic matters. See **Exhibit**

“C”. In summary, with respect to the Oak Grove transaction, the Board was advised that the Purchase and Sale Agreement has been executed and the matter is progressing toward an anticipated closing date of April 30; however, due to the contractual and financial considerations involved, the Administrator asked that this be discussed in executive session. The Board was also informed that enrollment for QIPP Year 10 has been successfully completed for all seventy-nine (79) facilities, reflecting effective coordination and continued participation in the program. In addition, the Administrator recognized the achievement of the District’s Indigent Care Director, Mrs. Davis, who has obtained licensure as a Community Health Worker, enhancing the District’s ability to provide timely assistance to clients and strengthening overall service capacity. Finally, the Administrator noted the update regarding Stone-Hilton but stated that matter will be addressed as part of the Attorney’s Report.

b. **District Indigent Care Director Report:** Next, President Murrell called on Mrs. Davis for the Indigent Care Director Report. Mrs. Davis reviewed the monthly report on active clients and the District’s programs and then directed the Board to her monthly reports and the following charts and asked if there were any questions. (*See Exhibit “D”*).

c. **Grant Report and Community Health Worker Report:** Mrs. Carlo was then asked to give the District’s Grant Report and Community Health Worker Report. Complete copies of the reports are attached as **Exhibit “E”**.

d. **District General Counsel Report:** The Board received an update from Attorney Oxford regarding the Stone Hilton engagement and the status of the retainer. It was noted that the District initially funded the \$50,000 retainer and has since incurred \$40,890 in legal fees, reducing the retainer balance to \$9,110. Attorney Oxford advised the Board that he will communicate with Stone Hilton regarding delaying the requirement to replenish the retainer to \$50,000 until the District has had an opportunity to coordinate with the Stratford Hospital District and the Liberty Hospital District. Attorney Oxford further advised that he was going to engage with the Stratford Hospital District and the Liberty Hospital District to determine their willingness to participate and share in the legal costs associated with the engagement.

e. **Coastal Gateway Report:** Turning to the Coastal Gateway report, Dr. Lyons presented Coastal Gateway’s monthly report. A summary of the report is found in **Exhibit “F”**.

f. **LTC Report:** The Board was then directed to the Monthly LTC Report. This month, Mr. Johnson reviewed the report to provide a high level review of the District's nursing facilities but also discussed specific facilities' accomplishments and issues. (See **Exhibit "G"**).

g. **Hospital Report:** Following the LTC Report, President Murrell called on Mr. Danishmund to discuss the Hospital's report. Mr. Danishmund thanked President Murrell for the opportunity to present the Hospital's February 2026 monthly report and the year-to-date comparison from previous years, which is as follows:

2026				
Census	2025 YTD	Jan	Feb	YTD Monthly Average
ER Visits	295	285	247	266
Conversion to Inpatient/observation	28	30	28	29
Percentage	0	11%	11%	11%
Transferred out of ER	11	7	7	7
Percentage Transferred out to ER	0	2%	3%	3%
ER shifts covered by doctors	0	0%	0%	0%
Number Inpatient days	52	50	48	49
Number Hospice days	0	0	0	0
Number Swingbed days	10	0	0	0
Number Observation days	30	38	20	29
Total All Inpt. Days	93	88	68	78
Average Inpatient days per day	3	2.84	2.43	2.63
CTs (# tests)	107	98	114	106
Xrays (# tests)	256	264	239	252
Ultrasounds (# tests)	25	16	23	20
Labs-Covid (#encounters)	38	38	22	30
Labs-RPP (#encounters)	48	57	60	59
Labs-All Other (# encounters)	756	834	936	885
Encounters - Adult Clinic	263	240	237	239
Encounters - Pediatric Clinic	127	89	112	101
Behavioral Health patients	46	37	39	38
Physical Therapy	2	0	0	0
Labs from FQHQ (# tests)	2	6	7	7
Radiology from FQHQ (# tests)	26	23	22	23
Labs from Physician 1 (# tests)	2381	1658	1517	1,588
Radiology from Physician 1 (# tests)	0	0	0	0
Labs from Physician 2 (# tests)	1192	1282	1432	1,357
Radiology from Physician 2 (# tests)	0	0	0	0
Labs from Physician 3 (# tests)	810	945	856	901
Radiology from Physician 3 (# tests)	4	0	0	0

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Yearly Averages									
Census	2019	2020	2021	2022	2023	2024	2025	2026	Average
ER Visits	190	174	220	229	249	262	295	266	236
Conversion to Inpatient/observation	10	13	21	20	26	26	28	29	21
Percentage of Converted Patients	5%	7%	9%	9%	10%	10%	9%	11%	9%
Transferred out of ER	10	12	11	11	10	11	11	7	10
Percentage Transferred out of ER	5%	7%	5%	5%	4%	4%	4%	3%	4%
ER shifts covered by doctors	79%	65%	56%	4%	2%	1%	0%	0	26%
Number Inpatient days	58	115	191	154	81	73	52	49	97
Avg. Inpatient Days	4.84	9.55	15.94	12.86	6.74	6.04	4.35	4.08	8.05
Number Hospice days	12	5	9	4	2	0	0	0	4
Number Swingbed days	16	47	48	65	22	17	10	29	32
Average No. of Swingbed	1.34	3.94	4.01	5.38	1.85	1.38	0.85	2.42	2.64
Number Observation days	18	23	25	33	39	34	30	29	29
Total All Inpt. Days	104	190	273	255	144	123	93	78	158
Average Inpatient days per day	3.42	6.23	8.96	8.41	4.76	4.05	3.05	2.63	5.19
CTs	42	57	64	67	80	95	107	106	77
Xrays	204	228	287	249	211	239	256	252	241
Ultrasounds	23	16	37	35	20	25	25	20	25
Labs-Covid (#encounters)	0	0	0	460	47	43	38	30	77
Labs-RPP (#encounters)	0	0	0	120	77	46	48	59	44
Labs-All Other (# encounters)	0	0	0	331	633	600	756	885	401
Encounters - Adult Clinic	576	479	486	294	230	200	263	239	346
Encounters - Pediatric Clinic	283	209	225	252	208	138	127	101	193
Behavioral Health patients	57	11	13	38	43	44	46	38	36
Physical Therapy	5	0	0	1	3	1	2	0	2

9. Discuss and take-action, if necessary, on any grant requests.

Director Stramecki told the Board that no action needed to be taken on this agenda item.

10. Discuss and take-action, if necessary, to give authority to staff for upgrades to the Highway 124 building located on Seabreeze property.

Mrs. Carlo was then called on to discuss making some minor upgrades to the facility located on the property located on Highway 124 and that was formerly owned by Seabreeze. Per Mrs. Carlo, she has been discussing with President Murrell the potential to buy a conference room table and chairs, and some other furniture such as a desk, chairs, etc. for this building so that it could be utilized for meetings and/or possibly future construction meetings. Mrs. Carlo estimated that the costs would not exceed \$10,000.00 and asked for authority to make the purchases.

The Board agreed and then Director Stramecki made a motion to give Mrs. Carlo up to \$10,000.00 to buy the furniture needed for this building and to make any other necessary improvements. The motion was seconded by Director Way, and unanimously approved by all the Board Members present.

11. Discuss and take-action, if necessary, on approving the engagement of hiring a law firm and/or collection agency to represent the District in matters involving the HMG nursing facility

Attorney Oxford stated that no action needed to be taken on this agenda item and it could be removed from future agendas.

12. Discuss and take-action, if necessary, on approving QIPP Year 10 enrollment applications.

Staff asked the Board to ratify the enrollment applications for the District's seventy-nine (79) nursing facilities. This year, the enrollment process was very difficult because the State of Texas's STEPs portal was not working great but thanks to LTC and Charice Cole, they managed to get all the applications for all seventy-nine (79) facilities completed. Charice was instrumental in keeping the process moving forward despite the challenges. The Board acknowledged the update and ratified the submission of the enrollment applications

The Board agreed, and Director Stramecki made a motion to ratify the submission of the enrollment applications for the District's seventy-nine (79) nursing facilities in connection with the QIPP Year 10 program and to approve the actions taken by staff in completing and submitting such applications. The motion was seconded by Director Way, and unanimously approved by all the Board Members present.

13. Discuss and take-action, if necessary, on approving First Financials' Collateral Security Agreement.

The Board received an update regarding the District's depository and collateralization structure with First Financial Bank. It was noted that the District's accounts had previously been placed in an IntraFi arrangement for collateralization purposes, and that the Bank has requested a return to the standard public funds pledging protocol. Staff advised that, under the proposed Collateral Security Agreement, the Bank will pledge eligible securities held by a third-party custodian to secure the District's deposits in accordance with the Texas Public Funds Collateral Act, maintaining collateral at a level of at least one hundred and ten percent (110%) uninsured deposits. The Board was further advised that transitioning away from the IntraFi structure would simplify account administration while maintaining required collateralization. After discussion, the Board considered the Collateral Security Agreement and related documentation. (See **Exhibit "H"**).

Thereafter, Director Stramecki made a motion to approve the Collateral Security Agreement with First Financial Bank; to authorize the transition of the District's accounts from the IntraFi structure back to the standard public funds pledging protocol; and to authorize the President to execute all documents necessary to effectuate such transition. The motion was seconded by Director Way, and unanimously approved by all the Board Members present.

- 14. Discuss and take-action, if necessary, on authorizing the assignment of the District's Cascade's facilities (i.e., Port Arthur and Galveston) to Trinity Oak Capital Management, LLC; to purchase the Cascades at Jacinto facility; and to consider approving any necessary accounts receivable loans.**

The Board discussed the potential inclusion of the Cascades at Jacinto facility in the District's QIPP program, including projected revenues and operational considerations, and directed staff to continue evaluating the opportunity and coordinating with the prospective operator regarding next steps. If approved, this facility will be under the management of Trinity Oak Capital Management, LLC. The Board further considered the assignment of the District's existing Cascades facilities (Port Arthur and Galveston) to Trinity Oak Capital Management, LLC. After discussion, the Board also discussed giving President Murrell authority to execute all agreements necessary to effectuate the assignment, as well as any related accounts receivable loan documents and/or Housing and Urban Development loan documents, if requested by the Manager and/or facility landlord.

The Board agreed, and then Director Stramecki made a motion to approve the assignment of the District's existing Cascades facilities (Port Arthur and Galveston) to Trinity Oak Capital Management, LLC; to authorize the continued evaluation of the potential inclusion of the Cascades at Jacinto facility in the District's QIPP program; and to authorize President Murrell to execute all agreements necessary to effectuate the assignment, as well as any related accounts receivable loan documents and/or Housing and Urban Development loan documents, if requested by the manager and/or facility landlord. The motion was seconded by Director Way and unanimously approved by all the Board Members present.

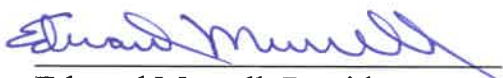
15. Discuss and take-action, if necessary, on discussing staff salaries.

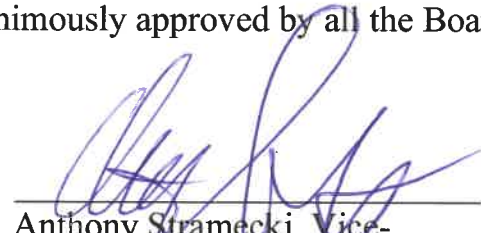
President Murrell then asked the Board to go into executive session prior to addressing the agenda item. The Board entered executive session at 7:52 p.m. to discuss personnel matters pursuant to Chapter 551.074 of the Texas Government Code, and to discuss Health Care Services as provided by Chapter 551.085 of the Texas Government Code. In addition to the Board members, the following individuals were present during executive session at the invitation of the Board:

- Mrs. Victoria Carlo, Administrator
- Mrs. Tina Davis, Indigent Care Director
- Ms. Kiela Barron, Administrative Assistant
- Mr. Hubert Oxford, IV, General Counsel for the District
- Daniel Duplechin, Oak Grove Nursing Facility

The Board reconvened in open session at 8:10 p.m. following executive session and took action on the salary increase request. As such, a motion was made by Director Stramecki to authorize a salary increase for the Indigent Care Director, Tina Davis, from \$64,200.00 to \$75,000.00. The motion was seconded by Director Way and unanimously approved by all the Board Members present.

At the end of the discussion of the agenda items, President Murrell called for any other such matters before the Board. There being none, the Board then confirmed the date for the next Regular Meeting to be on April 22, 2026. A motion was then made by Director Stramecki at 8:13 p.m. to adjourn the meeting. This motion was seconded by Director Way and unanimously approved by all the Board Members present.


Edward Murrell, President


Anthony Stramecki, Vice-
President

MINUTES FOR THE SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE WINNIE-STOWELL HOSPITAL DISTRICT

The meeting of the Board of Directors of the Winnie-Stowell Hospital District (“District”) was noticed and filed pursuant to the Texas Open Meetings Act a full three (3) business days prior to the opening of said meeting at 2:30 p.m. on April 1, 2026 at the District’s Offices located at 520 Broadway, Winnie, Texas 77665, (a copy of said Notice being placed amongst the files of the District). An electronic copy of this meeting is available upon request.

1. Call the Meeting to Order

At approximately 2:32 p.m., the meeting was convened, and the roll was called of the Members of the Board, to wit:

Mr. Ed Murrell	President
Mr. Anthony Stramecki	Vice-President
Robert “Bobby” Way	Treasurer
Jeff Rollo	Secretary

All said Board Members were present. In addition to the above-named Board members, also present at the meeting were:

Mrs. Victoria Carlo	Administrator
Mr. Hubert Oxford, IV	General Counsel for the District
Mr. Mo Danishmund	Riceland Medical Hospital
Ms. Jennifer Higgins	THR3E Design LLC
Mr. Carlos Villagomez	THR3E Design LLC

4. Public Comment

Following the introduction of guest(s) and the Pledge of Allegiance, President Murrell then asked those in attendance for any public comment. Since there was none, the President asked for the Board Members to move to Agenda Item No. 5.

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5. Discuss and take-action, if necessary, on approving the Intergovernmental Transfer for the ATLIS program as requested by the Winnie Community Hospital.

President Murrell then called on staff to explain this agenda item. Staff provided an update regarding the ATLIS SFY 2026 (Year 2) Intergovernmental Transfer (IGT) program, including receipt of Declaration of Intent materials on March 24, 2026 and the upcoming deadline of April 10, 2026. Staff reported that the District had received a partially completed Declaration of Intent and IGT commitment form from Riceland Medical Center, which had been prepared using prior year's information, and that key financial inputs and program details for SFY 2026 were not yet available at that time. Staff noted that, as of March 24, 2026, it was unclear whether the program would proceed for SFY 2026, and that additional guidance and funding information were expected from state and industry sources, including TORCH, prior to the submission deadline.

Staff then reported that, based on guidance from program representatives, the District may be asked to make a single funding contribution for the SFY 2026 program year rather than multiple payments. Staff indicated that a total estimated IGT commitment of \$117,000.00 had been suggested as a reasonable amount to cover the full program year; however, staff emphasized that the Declaration of Intent reflects a non-binding commitment only and does not obligate the District to fund the amount unless and until final program details and funding requirements are confirmed.

Thereafter, a motion was made by Director Stramecki, to authorize submission of the Declaration of Intent for participation in the ATLIS SFY 2026 (Year 2) IGT program reflecting an estimated amount of \$117,000.00, with no obligation to fund unless and until final program details are confirmed and approved by the Board. This motion was seconded by Director Rollo and unanimously approved by all the Board members.

6. Discuss and take action, if necessary, on the following:

- (a) Approval of a traditional Owner-Architect Agreement with THR3E Design LLC for architectural services, transitioning from the current programming/services phase under the AIA B202-2020 agreement to a full-service architectural engagement;**
- (b) Determine and adopt the appropriate procurement method for construction services in compliance with applicable Texas laws,**

including receipt of recommendations from the Architect regarding best value procurement, competitive sealed proposals, or other authorized methods, and authorize the Architect to proceed with implementation of the selected procurement method, including preparation of procurement documents and solicitation of proposals for the Project.

President Murrell, together with representatives of THR3E Design LLC (“THR3E”), presented this agenda item to the Board. The discussion began with a detailed review of the proposed Owner-Architect Agreement, including the transition from the prior programming phase under the AIA B202-2020 agreement to a full-service architectural engagement under an AIA B101 agreement. Representatives of THR3E explained that the agreement covers all phases of the project, including schematic design, design development, construction documents, bidding and negotiation, and construction phase administration, as well as coordination of all required engineering and specialty consultants. *See Exhibit “A”.*

The Board reviewed the scope of the proposed project, including development of a new medical clinic facility, and discussed the anticipated size, overall project budget, and design approach. Representatives of THR3E also reviewed the proposed project schedule and the sequencing of design and construction activities.

The parties then reviewed the proposed fee structure in detail. The Architect of Record fee was presented as \$395,500.00, with additional consultant fees for structural engineering of \$55,000.00 and MEP engineering of \$143,500.00, for a total basic services A/E fee of \$594,000.00. Additional consultant services were also reviewed, including civil engineering services of \$126,960.00, landscape design of \$10,500.00, furniture design of \$28,000.00, windstorm inspection services of \$5,000.00, and low voltage and security consulting of \$18,200.00, among other related services. Total additional consultant costs were presented as \$188,660.00. In total, the combined architectural and consultant fees for the project were presented as \$782,660.00. Representatives of THR3E also explained the allocation of fees across the various project phases, including schematic design, design development, construction documents, bidding and negotiation, and construction administration.

The discussion then turned to the appropriate procurement methodology for selecting the contractor for the project. Representatives of THR3E advised the Board regarding available procurement options under Texas law, including competitive sealed bidding, competitive sealed proposals, and construction manager delivery methods. The Board reviewed the Construction Manager-at-Risk Request for

Qualifications (“RFQ”) included in the meeting packet and received an explanation from THR3E regarding the recommendation to utilize the CMAR delivery method. *See Exhibit “B”.*

THR3E explained that, under the Construction Manager-at-Risk (“CMAR”) delivery method, the Board is required to publicly solicit qualifications from interested contractors in accordance with Texas Government Code Chapter 2269, including Section 2269.253, and to select the construction manager-at-risk on the basis of demonstrated competence and qualifications, rather than lowest bid, using published evaluation criteria and a best value standard. The process allows the Board to shortlist the most qualified firms and conduct interviews, after which the Board will select the highest-ranked firm and negotiate a guaranteed maximum price, with the ability to proceed to the next-ranked firm if negotiations are unsuccessful.

THR3E further explained that this method allows for early involvement of the contractor during the design phase, including the provision of preconstruction services such as cost estimating, scheduling, and value engineering. The Board discussed that this approach enables the early selection of a qualified contractor while maintaining pricing control through the negotiated guaranteed maximum price, and is intended to improve cost certainty, reduce the risk of change orders, enhance coordination among the architect, consultants, and contractor, and better align the project scope and budget prior to commencement of construction.

After the discussion on these matters, a motion was made by Director Stramecki to approve the Owner-Architect Agreement with THR3E Design LLC for full-service architectural services, transitioning from the prior AIA B202-2020 programming phase to an AIA B101 agreement, and to adopt the Construction Manager-at-Risk procurement method in accordance with Texas Government Code Chapter 2269, including authorization for the issuance of a Request for Qualifications, evaluation of submissions, conducting interviews, selection of the most qualified firm, and negotiation of a guaranteed maximum price, and further authorizing THR3E Design LLC to assist with preparation of procurement documents and implementation of the selected procurement process for the Project. This motion was seconded by Director Rollo and unanimously approved by all the Board Members.

Upon the conclusion of the discussion of the agenda items, President Murrell then called for any other such matters before the Board. There being none, President Murrell confirmed the next Regular Meeting was scheduled for April 22, 2026 at 6:00 p.m. A motion was then made by Director Stramecki at 3:30 p.m. to adjourn

the meeting. This motion was seconded by Director Way and unanimously approved by all the Board Members present.



Edward Murrell, President



Anthony Stramecki, Vice-President