

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 8:30 a.m. on July 8, 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 8:30 a.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
Kay Wilcox	Director

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

Mrs. Victoria Carlo	Administrator
Mrs. Tina Davis	District Indigent Care Director
Mr. Hubert Oxford, IV	General Counsel for the District (via Zoom)
Ms. MaKayla Vidal	District CPA
Mr. Mo Danishmund	Riceland Medical Center
Mr. Michael Roney	Forvis Mazars, LLP (via Zoom)
Mr. Mort Mehdi	Architect Design and Development Inc. (via Zoom/telephone)

Following the introduction of guests, the meeting opened with the Pledge of Allegiance to the United States flag and the Pledge to the Texas flag. The Board then proceeded with the agenda, which was taken out of order to allow the presentation regarding the New Markets Tax Credit program to be heard first.

4. Public Comment – limited to three minutes.

Vice President Stramecki initiated and conducted the meeting because President Murrell was unable to conduct the meeting due to illness. Vice President Stramecki then asked those in attendance for any public comment. There being none, Vice President Stramecki moved to the next item of business.

7. Discuss and take action, if necessary, regarding presentation on the New Markets Tax Credit (NMTC) program and its potential use in connection with the Administrative Building and Clinic.

The Board first considered the agenda item regarding the New Markets Tax Credit ("NMTC") program and its potential use in connection with the Administrative Building and Clinic project. Mr. Michael Roney of Forvis Mazars, LLP appeared by Zoom and provided the Board with an overview of the NMTC program, including eligibility based upon qualifying census tract location, the role of Community Development Entities and NMTC investors, the seven (7) year compliance period, and the potential financial benefit to the District if an allocation is obtained.

Mr. Roney explained that the program is intended to encourage investment in qualifying low-income communities and that, based on the project location, the District's project appears to satisfy the geographic eligibility requirements. He reviewed the basic NMTC structure, including the use of the District's own project funds together with third-party NMTC-generated proceeds, an interest-only structure during the seven (7) year period, and the potential forgiveness of the third-party portion at the end of the compliance period.

The Board discussed timing, including the expected project schedule, the anticipated NMTC award cycle, and the need to begin discussions with Community Development Entities before the project proceeds too far into construction. The Board also discussed whether previously acquired land and any additional project components could be included within the NMTC funding structure, subject to applicable lookback and timing rules.

Mr. Roney then reviewed the draft engagement proposal and explained the available fee structures, including hourly billing and a success-based fee structure. The Board expressed its preference for the success-based fee structure. (*See Exhibit "A"*). Mr. Oxford advised that the Board had previously approved participation in the NMTC program, and therefore no formal action was required at this meeting. The Board directed that the engagement agreement be finalized and

sent to counsel for review, with the intent that the agreement be presented for execution by the appropriate authorized representative after review.

No action was taken as the Board hired Mr. Roney and Forvis Mazars, LLP during the June 2026 Regular Meeting.

5. Discuss and take action, if necessary, on approving grant request.

The Board then considered the grant request submitted by Riceland Medical Center for the build-out of a surgical suite at the hospital. The Board reviewed the grant materials included in the Board packet, which described the proposed build-out and equipping of a surgical suite intended to expand access to surgical services for residents of Chambers County and surrounding communities. (See **Exhibit “B”**).

Mr. Danishmund provided background regarding the project and explained that similar surgical-suite work had been discussed in prior years but had not moved forward. Mr. Mort Mehdi of Architect Design and Development Inc. appeared by Zoom/telephone and provided architectural and construction context for the proposed project. Mr. Mehdi explained that the existing surgical space is outdated and that the proposed project would convert existing hospital space into a compliant surgical suite with related support areas.

Mr. Danishmund discussed the operational need for the project, including the hospital's prior limited trial of procedures, the interest of multiple surgeons in performing procedures at the facility, patient access considerations, and scheduling constraints at other surgical facilities. The Board discussed the scope of the proposed surgical suite, including the operating room, pre-operative and post-operative areas, decontamination and sterilization areas, physician changing area, and related circulation and support spaces.

The Board discussed the procurement requirements applicable to a District-funded construction project. Mr. Oxford and Mrs. Carlo noted that, because the District is a governmental entity, any District-funded construction work must comply with applicable Texas procurement requirements, including public procurement, advertising, documentation, and contractor-selection requirements under applicable provisions of the Texas Government Code. Mr. Mehdi advised that his firm provides design and construction-management services but acknowledged that he needed to further review the specific governmental procurement requirements applicable to the District. Mr. Mehdi agreed to report

back to the Board before the July 22, 2026 Board meeting regarding whether his firm could fully manage and comply with those requirements.

The Board then discussed the project budget. The project materials reflected a total development cost of approximately \$1,767,340.00, an approved HHSC grant in the approximate amount of \$423,854.00, and a remaining project balance of approximately \$1,343,486.00. The Board discussed possible District funding levels, including matching the grant amount, contributing a lesser fixed amount, or funding approximately one-half (1/2) of the remaining project balance. Following discussion, the Board reached consensus that any approval should be conditioned on confirmation of compliance with applicable governmental procurement requirements.

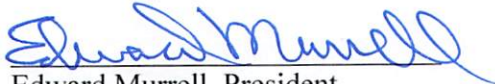
Thereafter, a motion was made by Director Wilcox to approve District grant funding in an amount equal to approximately one-half (1/2) of the remaining project balance after application of the approved HHSC grant, estimated at approximately \$670,000.00, for the surgical suite project, subject to Architect Design and Development Inc., through Mr. Mort Mehdi, confirming by the July 22, 2026 Board meeting that the project can be handled in compliance with applicable Texas governmental procurement requirements, including applicable provisions of Chapter 2254 and Chapter 2269 of the Texas Government Code, and that the procurement and construction-management process can be handled in a manner acceptable to the District. This motion was seconded by Director Murrell and unanimously approved by all Board members present.

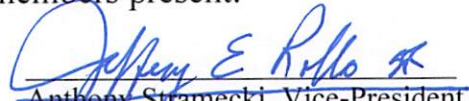
6. Discuss and take action, if necessary, regarding updates on architectural meetings with contractors for the Administrative Building and Clinic.

Mrs. Carlo then provided a brief update regarding the Administrative Building and Clinic project. She advised that the Administrative Building agreement had been signed and that the related pre-construction agreement was expected to be brought back to the Board for consideration at the next regular meeting. No formal action was requested or taken on this agenda item.

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Upon the conclusion of the discussion of the agenda items, Vice President Stramecki then called for any other such matters before the Board. There being none, Vice President Stramecki confirmed the next Regular Meeting was scheduled for July 22, 2026 at 6:00 p.m. A motion was then made by Director Murrell at 9:46 a.m. to adjourn the meeting. This motion was seconded by Director Rollo and unanimously approved by all the Board members present.


Edward Murrell, President


Anthony Stramecki, Vice-President