

**Minutes of Meeting
Board of Directors
Kaufman County Fresh Water Supply District No. 1-A**

May 7, 2020

The Board of Directors (the "Board") of Kaufman County Fresh Water Supply District No. 1-A (the "District") met in regular session by audio conference, open to the public, on Thursday, May 7, 2020 at 1:00 pm.

Mr. Ross Martin, General and Bond Counsel for the District, announced that the Meeting would be conducted by audio conference to mitigate the spread of COVID-19. Mr. Martin confirmed that Meeting participants would observe guidance provided by the Texas Attorney General's office to suspend certain requirements of the Texas Open Meetings Act. Mr. Martin next stated that (i) Notice of the Meeting was given in accordance with Chapter 551, Government Code, and Chapter 49, Texas Water Code, as amended by the Governor's Order and Attorney General's guidance; (ii) the Meeting was being conducted in a transparent and accessible manner; (iii) Meeting packets were distributed to all participants, and made available to the public; and (iv) the Meeting would be recorded and available for electronic distribution upon request.

The roll was called of the members of the Board to-wit:

Greg Leveling	President
Steve Mitchell	Vice President
William Rogers	Secretary
Michael Regan	Assistant Secretary
Ronald Sorenson	Assistant Secretary

All Directors were present by audioconference at the commencement of the meeting. The following individuals were also recorded as present: Mr. John Kissling, member of the Board of Directors of Kaufman County Fresh Water Supply District No. 1-B; Mr. Jason Kaup and Mr. Matt Scharmen, members of the Board of Directors of Kaufman County Fresh Water Supply District No. 1-C; Mr. Bryant Caswell, P.E., and Ms. Karena Hauter, P.E. of BGE, Inc. ("BGE"); Mr. Cameron Robinson and Mr. Todd Burer of Inframark, LLC ("Inframark"); Ms. Kerry Tovery of Dye & Tovery, LLC ("D&T"); Mr. RL Lemke of Pillar Income Asset Management; and Mr. Ross Martin, attorney, and Ms. Genny Lutz, paralegal, with Winstead PC.

1. Call to Order. The meeting was called to order at 1:03 p.m.
2. Consideration was next given to Statement of Officer forms and administration of Oaths of Office to Duly Elected Directors. Mr. Martin stated that following the May 2, 2020 Director's Election, Directors Mitchell and Rogers were each declared elected for new four-year terms. Next, Mr. Martin noted that required Statement of Officer and Oath of Office forms have been prepared for execution by the newly-elected members. Upon motion by Director Mitchell, seconded by Director Rogers, the Board unanimously moved to accept said forms.

3. Consideration was next given to reorganization of the Board. Upon motion by Director Mitchell, seconded by Director Rogers, and unanimously carried, no changes were made to the slate of offices.
4. Public Comments and Communications. Director Leveling opened the meeting to public comment. The Board recognized Mr. Jason Kaup, Mr. Matt Scharmen, and Mr. Kissling. Hearing no public comments, Director Mitchell moved that the Board close the public comment session. Director Rogers seconded said motion, which carried unanimously.
5. Minutes of April 2, 2020 Board Meeting, ratify and approve all actions taken by the Board. Following a discussion, Director Rogers moved that the Board approve the Minutes of the April 2, 2020 Board of Directors meeting, and ratify and approve all actions taken by the Board. Director Regan seconded said motion, which carried unanimously.
6. Engineer's Report. Ms. Hauter reviewed with the Board copies of an Engineer's Report prepared by BGE, a copy of which is attached hereto as Exhibit "A". Ms. Hauter reported on the status of construction projects within the District, noting final inspection of the wastewater treatment plant expansion project, and punch list items to be addressed.

Mr. Caswell briefed the Board on the status of a water main leak at the pump station, and coordination of restoration with Inframark. Next, Mr. Caswell reviewed with the Board a memorandum to address pro-rata cost sharing for regional lift station costs.

Ms. Hauter stated that the Windmill Farms Upper Windmill and Big Brushy Sewer project is nearly complete and awaiting completion of manholes, testing, and videos. Next, Ms. Hauter stated that the pump station expansion – Phase 1 project is underway and electrical contractors are onsite.

Ms. Hauter next recommended that the Board approve Pay Estimate No. 3 in the amount of \$182,408.40, and Change Order No. 1 in the amount of \$12,463.18 from McInnis Brothers Construction, Inc. for work performed on the regional lift station. Following a discussion, Director Mitchell moved that the Board approve the Pay Estimate and Change Order, as presented. Director Regan seconded said motion, which carried unanimously.

Ms. Hauter next recommended that the Board approve Pay Estimate No. 2 in the amount of \$22,500.00 from Summit Solutions, Inc. for work performed on the pump station expansion – Phase 1. Following a discussion, Director Mitchell moved that the Board approve Pay Estimate No. 2, as presented. Director Regan seconded said motion, which carried unanimously.

Next, Mr. Caswell discussed a possible solution for use in screening trash at the lift station, and stated that additional details will be presented at the next Board meeting.

Upon motion by Director Regan, seconded by Director Rogers, and unanimously carried, the Board accepted the Engineer's Report.

7. Developer's Report. Mr. Lemke summarized the status of single-family home sales and construction of commercial property currently underway within Kaufman County Fresh Water Supply District No. 1-D. Upon motion by Director Rogers, seconded by Director Sorenson, and unanimously carried, the Board accepted the Developer's report.
8. Interlocal Cooperation Agreement by and between the District and Walden Pond Fresh Water Supply District of Kaufman County for the provision of water and wastewater services. The Board deferred action on the matter.
9. Second Amendment to Joint Utility and Wholesale Allocation Agreement. Mr. Martin briefly discussed the status of proposed amendment with the Board. No formal action was taken by Board.
10. Operator's Report. Mr. Robinson reviewed with the Board copies of an Operations Report prepared by Inframark, a copy of which is attached hereto as Exhibit "B". Mr. Robinson discussed with the Board an incident which occurred on May 6, 2020 that resulted in the loss of water to district customers, and issuance of a Boil Water Notice to inform customers to boil water prior to use for drinking water or human consumption. Mr. Robinson noted that the Windmill Farms Homeowners Association announced the Boil Water Notice by publication on the Windmill Farms HOA website, e-mail blast, and local news media. Mr. Robinson noted that Inframark was reviewing options to improve communications with customers following suggestions and comments from residential utility customers.

Mr. Robinson stated that all corrective actions to restore the water line are complete, noting that rescission of the Boil Water Notice is pending laboratory test results from the Texas Commission on Environmental Quality. Mr. Robinson and Director Leveling recognized BGE for communicating and coordinating emergency repair work to restore the water lines.

Finally, Mr. Robinson requested Board authorization to review and replace the current auto-dialer notification system with a cellular based device for use at District facilities. Mr. Robinson reported that the current auto-dialer device failed to notify the District's operator of the low water pressure.

Following a discussion, Director Mitchell moved that the Board (i) approve the Operator's report; and (ii) authorize Inframark to review and implement a cellular based notification system for use at District Facilities, in an amount not to exceed \$10,000. Director Rogers seconded said motion, which carried unanimously.

11. Bookkeeping Report, Payment of Invoices, Current and Proposed Budget Matters, Bank Resolutions, and related Bookkeeping matters. Ms. Tovery reviewed with the Board copies of the Operating Expense Cash Report – General Fund and Joint Utility Facilities and Operations report prepared by D&T, copies of which are attached hereto as Exhibit "C". Following a discussion, Director Mitchell moved that the Board (i) approve the bookkeeper reports; and (ii) authorize payment of bills as listed thereon. Director Rogers seconded said motion, which carried unanimously.

Executive Session. Upon motion by Director Leveling, seconded by Director Mitchell, the Board voted unanimously to convene into Executive Session pursuant to Section

551.071(1)(A), Texas Government Code to consult with the District's attorney regarding pending or contemplated litigation.

Mr. Martin stated that the Board would enter Executive Session by telephone conference in a manner set forth by email from him to the following persons: Greg Leveling, Steve Mitchell, William Rogers, Ron Sorenson, and Mike Regan, members of the Board, Bryant Caswell, and Karena Hauter of BGE, and Sarah Landiak, attorney. Director Leveling announced the Executive Session to be held pursuant to said Government Code provision and closed the meeting to the public at 2:00 p.m. The President reconvened the meeting in open session at 2:17 p.m. No formal action was taken by the Board following Executive Session.

12. Tentative Date for Next Meeting. Upon motion duly made, seconded and unanimously carried, the Board scheduled the next meeting of the Board for Thursday, June 4, 2020 at 1:00 pm, location to be determined.

After noting that there was no further business to come before the Board, the meeting adjourned at 2:20 p.m.



/s/ William Rogers

Secretary