

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

May 7, 2020

The Board of Directors (the "Board") of Kaufman County Fresh Water Supply District No. 1-D (the "District") met in regular session by audio conference, open to the public, on Thursday, May 7, 2020 at 12:00 noon.

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:

Alice D. Bittner	President
Jenny Berry Woods	Vice President
Heather Aubrey Baker	Secretary
Kellye Teal	Treasurer/Asst. Secretary
Connie Christensen	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 12:04 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 Woods, Baker, and Teal 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 Christensen, seconded by Director Bittner, the Board unanimously moved to accept said forms.

3. Consideration was next given to reorganization of the Board. Upon motion by Director Christensen, seconded by Director Bittner, and unanimously carried, no changes were made to the slate of offices.
4. Public Comments and Communications. Director Bittner opened the meeting to public comment. The Board recognized Mr. Kaup, who commented on the need to improve communication with residents following the recent interruption of utilities, and subsequent notification of a Boil Water Notice. Mr. Kaup suggested utilization of text notifications in the future. Next, Mr. Kaup requested that the District consider formal action on a safety patrol agreement with Kaufman County. Hearing no other public comments, Director Bittner moved that the Board close the public comment session. Director Woods seconded said motion, which carried unanimously.
5. Minutes of April 2, 2020 Board Meeting. Following a discussion, Director Christensen moved that the Board approve the Minutes of the April 2, 2020 Board of Directors meeting, as transcribed. Director Bittner 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 next discussed the status of construction and improvements within the District.

Ms. Hauter next reviewed with the Board the following Pay Estimates and Change Orders, from Obra Ramos Construction, LLC for earthwork improvements in Windmill Farms Phase 4B: (i) Pay Estimate No. 7 in the amount of \$22,376.43; (ii) Pay Estimate No. 8 in the amount of \$79,033.55; (iii) Change Order No. 2 in the amount of \$10,519.90; and (iv) Change Order No. 3 in the amount of \$36,644.90. Following a discussion, Director Christensen moved that the Board approve said Pay Estimates and Change Orders, as presented. Director Baker seconded said motion, which carried unanimously.

Ms. Hauter next reviewed with the Board Pay Estimate No. 4 from Glenn Thurman, Inc. in the amount of \$17,373.60 for paving improvements in Windmill Farms Phase 4B. Following a discussion, Director Christensen moved that the Board approve Pay Estimate No. 4, as presented. Director Bittner seconded said motion, which carried unanimously.

Next, Ms. Hauter reviewed with the Board the following Pay Estimates and Change Order from Glenn Thurman, Inc. for paving improvements in Windmill Farms Phase 6A: (i) Pay Estimate No. 2 in the amount of \$159,634.89; (ii) Pay Estimate No. 3 in the amount of \$27,507.60; and (iii) Change Order No. 1 in the amount of \$119,496.50. Following a discussion, Director Christensen moved that the Board approve said Pay Estimates and Change Orders as presented. Director Bittner seconded said motion, which carried unanimously.

Following a discussion, Director Bittner moved that the Board approve the Engineer's Report. Director Teal seconded said motion, which carried unanimously.

7. Operator's Report. The Board recognized Mr. Robinson who reviewed with the Board an Operations and Maintenance Report prepared by Inframark, a copy of which is attached hereto as Exhibit "B". Mr. Robinson reported the first billing cycle for District customers.

Next, Mr. Robinson recommended that the Board authorize temporary suspension of utility disconnections for non-payment of utilities during the COVID-19 crisis.

Next, Mr. Robinson discussed with the Board an incident that 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, mass e-mail, 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 recognized BGE for communicating and coordinating emergency repair work to restore the water lines.

Following a discussion, Director Bittner moved that the Board (i) accept the Operator's Report; and (ii) authorize Inframark to temporarily suspend disconnection of utilities due to non-payment during the COVID-19 emergency declaration imposed by Governor of the State of Texas. Director Teal seconded said motion, which carried unanimously.

8. Developer's Report. Mr. Lemke briefed the Board on the status of homes sales, and stated that the commercial tract is scheduled for closing next week. Mr. Lemke stated that a fuel station is planned for construction on said tract. No formal action was taken by the Board.
9. Review and Approve Second Amendment to Joint Utility and Wholesale Allocation Agreement. Mr. Martin discussed the matter with the Board. The Board deferred action on the matter.
10. Bookkeeper's Report. Ms. Toverly presented to and reviewed with the Board copies of the District's bookkeeping report prepared by D&T, attached hereto as Exhibit "C". Following a discussion, Director Bittner moved that the Board (i) approve the bookkeeper's report as presented; and (ii) authorize payment of checks as listed in the report. Director Christensen seconded said motion, which carried unanimously.
11. Discuss tentative date for next meeting. Upon motion duly made, seconded and unanimously carried, the Board scheduled the next meeting for Thursday, June 4, 2020, at 12:00 noon, location to be determined.
12. After noting no further business to come before the Board, Director Christensen moved that the meeting be adjourned. Director Bittner seconded said motion, which carried unanimously. The meeting adjourned at 12:36 p.m.



/s/ Heather Aubrey Baker
Secretary