

**MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS**

THE STATE OF TEXAS §
COUNTIES OF DENTON AND WISE §
ALPHA RANCH FRESH WATER SUPPLY DISTRICT NO. 1
OF DENTON AND WISE COUNTIES §

The Board of Directors (the “Board”) of Alpha Ranch Fresh Water Supply District No. 1 of Denton and Wise Counties (the “District”) met in special session, open to the public, on the 28th day of July, 2020, by telephone conference.

Mr. Scott Eidman, General and Bond Counsel for the District, announced that the Meeting would be conducted by telephone conference to mitigate the spread of COVID-19. Mr. Eidman 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. Eidman 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 made available for electronic distribution upon request.

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

Charlie Haynes	President
Douglas B. Strecker	Vice President
James Fipps	Secretary
David G. Sims	Assistant Secretary

All members of the Board were present by telephone at the commencement of the meeting, thus constituting a quorum. All Directors present voted on all matters that came before the Board. Also present were Mr. Andrew Mizerek, P.E., of Peloton Land Solutions, Inc.; Ms. Kerry Tovery of Dye & Tovery, LLC, bookkeepers for the District; Mr. Andre Ayala of Hilltop Securities, Inc.; and Mr. Scott Eidman, attorney, and Ms. Amy Bieber, paralegal, each of Winstead PC, attorneys for the District.

The meeting was called to order at 6:04 p.m. and evidence was presented that public notice of such meeting had been given as required by law.

1. The Board first called for public communications or comment. Hearing none, Director Fipps moved that the Board close the public comment session of the agenda. Director Strecker seconded said motion, which carried unanimously.

2. The Board next confirmed receipt of the draft minutes of the March 3 2020, Board of Directors meeting. Following a discussion, Director Fipps moved that the Board approve the minutes as drafted. Director Strecker seconded the motion, which carried unanimously.

3. Consideration was next given to the administration of Statement of Officer Forms, and Oaths of Office to Directors. Ms. Bieber noted that the documents would be distributed for signing by Director Strecker and Director Sims to mark the beginning of their new four-year terms. No formal action was taken by the Board.

4. The Board next recognized Mr. Ayala, who introduced himself and presented to and reviewed with the Board a statement of qualifications from Hilltop Securities, Inc. ("Hilltop"), a copy of which is attached hereto as Exhibit "A". Next, Mr. Ayala presented to and reviewed a Municipal Advisory Agreement by and between the District and Hilltop, a copy of which is attached hereto as Exhibit "B". Mr. Ayala reviewed the proposed scope of services and standard fee schedule. Following a discussion, the Board deferred action on the engagement of a financial advisor.

5. The Board next considered the renewal of District insurance coverages, a summary of the proposal for which is attached hereto as Exhibit "C". Following a discussion, Director Fipps moved that the Board approve the renewal of District insurance coverages as presented. Director Strecker seconded said motion, which carried unanimously.

6. The Board next considered an Interlocal Cooperation Agreement for Property Tax Assessment and Collection by and between the District and Denton County, Texas, a copy of which is attached hereto as Exhibit "D". Mr. Eidman discussed the matter with the Board, noting that the District would be levying taxes for the first time in the 2020 tax year. Following a discussion, Director Fipps moved that the Board approve the Interlocal Cooperation Agreement as presented. Director Sims seconded said motion, which carried unanimously.

7. The Board continued to recognize Mr. Eidman, who explained the process of setting tax rates, noting that the District would levy its initial tax rate in 2020 prior to the completion of houses within the District. Mr. Eidman noted that the proposed tax rate is slated for operation and maintenance expenses. Next, Mr. Eidman presented to and reviewed with the Board copies of an Order Setting Tax Rate for 2020, a copy of which is attached hereto as Exhibit "E". Mr. Eidman stated that the District would be levying its initial tax rate and that notice requirements would change in future years to include a public hearing on the matter, but recommended an initial tax rate not to exceed \$1.20 per \$100 of assessed value. Following a discussion, Director Fipps moved that the Board (i) accept the tax rate recommendation of not to exceed \$1.00 per \$100.00 of assessed value; and (ii) adopt the Order Setting Tax Rate for 2020 as presented, which was \$1.20 per \$100.00 of assessed value. Director Sims seconded said motion, which carried unanimously.

8. The Board next recognized Mr. Mizerek, who introduced himself and presented to and reviewed with the Board an Engineering Services Agreement prepared by Peloton Land Solutions, Inc. (Peloton), a copy of which is attached hereto as Exhibit "F". Mr. Mizerek

reviewed the proposed scope of services and standard fee schedule. Following a discussion, Director Fipps moved that the Board (i) approve the Agreement as presented; and (ii) authorize the District's legal counsel to notify Pape-Dawson Engineers, Inc. (Pape-Dawson), the District's current Engineer, of the District's termination of their contract. Director Strecker seconded said motion, which carried unanimously.

9. The Board continued to recognize Mr. Mizerek, who updated the Board with regard to engineering projects within the District. Mr. Mizerek also noted that Peloton has received documents from Pape-Dawson and will be preparing future engineering reports for the Board starting with the next Board meeting, and reported that work is continuing on the Elizabeth Creek development within the District. No formal action was taken by the Board.

10. In the absence of a developer representative, the Board deferred action on a developer's report.

11. The Board continued to recognize Ms. Tovery, who presented to and reviewed with the Board a bookkeeping report dated March 3, 2020, a copy of which is attached hereto as Exhibit "G". Following a discussion, and upon motion by Director Fipps, seconded by Director Sims and unanimously carried, the Board approved the bookkeeping report and payment of expenses reflected therein.

12. The Board next recognized Mr. Eidman who recommended that the Board continue to authorize the District's bookkeeper to distribute funds as approved on the bookkeeping report pursuant to Section 49.151, Texas Water Code. Following a discussion, Director Fipps moved that the Board authorize the distribution of funds by the Bookkeeper as requested. Director Strecker seconded said motion, which carried unanimously.

13. The Board continued to recognize Ms. Bieber, who discussed the new District web page, which can be found at <https://www.winsteadspecialdistricts.com/denton-county/alpha-ranch-fresh-water-supply-district-no-1-of-denton-and-wise-counties/>. Ms. Bieber explained that the District's attorneys have set up a web page for the District, available to the public, to ensure compliance with new website posting requirements pursuant to Senate Bill 2 and House Bill 305 passed in the Texas legislature in 2019. No formal action was taken by the Board.

There being no further business to conduct, and upon motion by Director Fipps, seconded by Director Strecker and unanimously carried, the meeting was adjourned at 6:39 p.m. until further call.

[Signature Page Follows]

APPROVED AND ADOPTED this 29th day of April, 2021.



James Pippas, Secretary
Alpha Ranch Fresh Water Supply District
No. 1 of Denton and Wise Counties