

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

THE STATE OF TEXAS §

COUNTIES OF DENTON AND WISE §

NORTH FORT WORTH WATER CONTROL AND IMPROVEMENT §
DISTRICT NO. 1 DENTON AND WISE COUNTIES

The Board of Directors (the “Board”) of North Fort Worth Water Control and Improvement District No. 1 of Denton and Wise Counties (the “District”) met in regular session, open to the public, at 2728 N. Harwood Street, Suite 500, Dallas, Texas, on Thursday, August 18, 2022, and the roll was called of the members of the Board to-wit:

J.D. Walker	President
Donald Lucky	Vice President
Charles Garretson	Secretary
Steve Babcock	Assistant Secretary
Thomas Thye	Assistant Secretary

All members of the Board were present at the commencement of the meeting with the exception of Director Garretson, thus constituting a quorum. Also present were Ms. Sarah Landiak, attorney, and Ms. Amy Bieber, paralegal, each of Winstead PC; Mr. Brandi Galindo of Dye & Toverly, LLC (“Bookkeeper”); and Mr. Daniel Rawls of LJA Engineering, Inc. (“Engineer”).

The meeting was called to order at 11:31 a.m.

1. The Board called for public communications or comments. Hearing none, the Board closed the public comment session of the meeting.

2. The Board next reviewed the Minutes from June 16, 2022, Board of Directors meeting. Following a discussion, and upon motion by Director Walker, seconded by Director Babcock and unanimously carried, the Board approved the Minutes as presented.

3. The Board next confirmed receipt of the 2022 tax rolls by the Denton Central Appraisal District and the Wise County Appraisal District and recognized Ms. Landiak, who discussed the 2022 truth-in-taxation calculations and noted that Assessments of the Southwest will continue to provide such calculations on behalf of the District. Following a discussion, Director Thye moved that the Board authorize Assessments of the Southwest to complete truth-in-taxation calculations for the District. Director Walker seconded said motion, which carried unanimously.

4. The Board continued to recognized M.s Landiak, who presented to and reviewed with the Board the 2022 tax rate calculations and recommendations from Hilltop Securities, Inc., the District’s Financial Advisor, a copy of which is attached hereto as Exhibit “A”. The total tax rate recommendation is \$0.60 per \$100 of net taxable value to be designated for maintenance and

operations, and Ms. Landiak noted that this is above the voter-approval tax rate and subject to rollback election should any resident choose to petition the District. Following a discussion, Director Babcock moved that the Board (i) approve the proposed tax rate; (ii) call a public hearing on the proposed tax rate for September 8, 2022, at 11:30 a.m. at Rudy's Country Store and Bar-B-Q; and (iii) authorize publication of a notice of the same. Director Thye seconded said motion, which carried unanimously.

5. The Board deferred action with regard to auditing services for the District.

6. In the absence of a developer representative, the Board deferred action with regard to a developer's report.

7. The Board next recognized Mr. Rawls, who presented to and reviewed with the Board an engineering report dated August 18, 2022, a copy of which is attached hereto as Exhibit "B". Mr. Rawls updated the Board with regard to construction within the District, then recommended approval of the following pay applications and change orders:

- Pay Application No. 6 from Conatser Construction TX, LP ("Conatser") under the water, wastewater, storm drainage, paving, and street light improvements for Shale Creek Phase 3A in the amount of \$387,315.00.
- Pay Application No. 7 from Conatser under the water, wastewater, storm drainage, paving, and street light improvements for Shale Creek Phase 3A in the amount of \$610,164.00.
- Pay Application No. 8 from Conatser under the water, wastewater, storm drainage, paving, and street light improvements for Shale Creek Phase 3A in the amount of \$58,230.00.
- Pay Application No. 5 from Conatser under the mass grading improvements contract for the Shale Creek development in the amount of \$55,485.00.

Following a discussion, Director Walker moved that the Board (i) approve all pay applications and as recommended by the District's Engineer; and (ii) approve the Engineer's report as presented. Director Babcock seconded said motion, which carried unanimously.

8. The Board next continued to recognize Ms. Galindo, who presented to and reviewed with the Board an amended agreement for bookkeeping services with Dye & Toverly, LLC. Ms. Galindo noted that the only amendment to the agreement is that the charge for travel and the charge for meeting attendance have been combined into a single hourly fee. Following a discussion, Director Thye moved that the Board approve the amended agreement as presented. Director Babcock seconded said motion, which carried unanimously.

9. The Board next recognized Ms. Galindo, who presented to and reviewed with the Board copies of a Bookkeeping Report dated August 18, 2022, a copy of which is attached hereto as Exhibit "C". Following a discussion, Director Lucky moved that the Board (i) approve the bookkeeping report; (ii) authorized the payment of bills as listed thereon, and (iii) approve the investment of funds as recommended by the District's Bookkeeper. Director Walker seconded said motion, which carried unanimously.

10. The Board continued to recognize Ms. Galindo, who presented to and reviewed with the Board a draft budget for the 2022-2023 fiscal year, a copy of which is attached hereto as Exhibit "D". Following a discussion, Director Thye moved that the Board (i) approve the budget for the 2022-2023 fiscal year as presented; and (ii) adopt a Resolution regarding the same. Director Walker seconded said motion, which carried unanimously.

There being no further business to conduct, and upon motion by Director Walker, seconded by Director Babcock and unanimously carried, the Board adjourned at 11:43 a.m. until further call.

[Signature Page Follows]

APPROVED AND ADOPTED this 8th day of September, 2022.



Thomas H Thye ASST SEC

~~Chuck Garretson~~, Secretary, Board of Directors
North Fort Worth Water Control & Improvement
District No. 1 of Denton and Wise Counties

