

**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, December 8, 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 Walker, thus constituting a quorum. Also present were Ms. Sarah Landiak, attorney, and Ms. Amy Bieber, paralegal, each of Winstead PC; Mr. Brandi Galindo and Ms. Stefani Chastain of Dye & Toverly, LLC (“Bookkeeper”); and Mr. Daniel Rawls of LJA Engineering, Inc. (“Engineer”). Mr. Michael Poole of Lennar Homes joined the meeting by telephone.

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 October 13, 2022, Board of Directors meeting. Following a discussion, and upon motion by Director Thye, seconded by Director Garretson and unanimously carried, the Board approved the Minutes as presented.

3. The Board next recognized Mr. Poole, who updated the Board with regard to development within the District. Mr. Poole noted that final cleanup is underway in Shale Creek Phase 3A ahead of final acceptance of the phase and delivery of lots, which is expected in early January, and that excavation has begun in Phase 3B with wet utilities to follow in January. Mr. Poole noted that excavation is also underway in Phase 4, but installation of wet utilities in that phase is on hold and may begin in summer of 2023. Following a discussion, Director Garretson moved that the Board approve the Developer’s report as presented. Director Thye seconded said motion, which carried unanimously.

4. The Board next considered an Assignment of Payment Rights from T. Wilson & Associates, Inc., to Western Frontier Development Partners, L.P., in relation to partial assignment of payment rights from Shale-114, L.P, a copy of which is attached hereto as Exhibit "A". Following a discussion, Director Babcock moved that the Board ratify and acknowledge the assignments as presented. Director Thye seconded said motion, which carried unanimously.

5. The Board next recognized Mr. Rawls, who presented to and reviewed with the Board an engineering reported dated December 8, 2022, a copy of which is attached hereto as Exhibit "B". Mr. Rawls updated the Board with regard to engineering and development matters within the District, noting that the utility improvements contract and paving improvements contract for Phase 4 will likely need to be re-bid as the schedule for construction of that phase is currently on hold. Mr. Rawls also reported that the lift station to serve the development is complete and the Engineer is working on final closeout with the contractor prior to final acceptance by the District.

Next, Mr. Rawls reviewed with the Board bids received for the paving, utility, and street light improvements contract to serve Shale Creek Phase 3B, noting that the lowest qualified bidder was Conatser Construction TX, LP ("Conatser") in the base bid amount of \$1,969,984.40 for 115/30 days, and recommended that the Board award said contract to Conatser. Next, Mr. Rawls recommended approval of the following pay applications and change orders:

- Pay Application No. 11 from Conatser in the amount of \$106,047.00 under the water, wastewater, storm drainage, paving, and street light improvements contract for Shale Creek Phase 3A.
- Pay Application No. 12 from Conatser in the amount of \$49,177.80 under the water, wastewater, storm drainage, paving, and street light improvements contract for Shale Creek Phase 3A.
- Pay Application No. 13 (Retainage) from Conatser in the amount of \$661,877.05 under the water, wastewater, storm drainage, paving, and street light improvements contract for Shale Creek Phase 3A.

Following a discussion, Director Lucky moved that the Board (i) award the paving, utility, and street light improvements contract for Shale Creek Phase 3B to Conatser as recommended by the District's Engineer; (ii) approve all pay applications and as recommended by the District's Engineer; and (iii) approve the Engineer's report as presented. Director Thye seconded said motion, which carried unanimously.

6. The Board next recognized Ms. Galindo, who presented to and reviewed with the Board copies of a Bookkeeping Report dated December 8, 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 Thye seconded said motion, which carried unanimously.

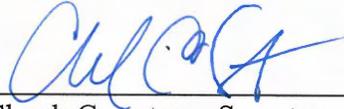
7. The Board next considered a Resolution Adopting Amended Operating Budget for the fiscal year ending July 31, 2023, a copy of which is attached hereto as Exhibit "D".

Following a discussion, Director Babcock moved that the Board approve the resolution and operating budget as presented. Director Thye seconded said motion, which carried unanimously.

There being no further business to conduct, and upon motion by Director Garretson, seconded by Director Babcock and unanimously carried, the Board adjourned at 11:41 a.m. until further call.

[Signature Page Follows]

APPROVED AND ADOPTED this 12th day of January, 2023.



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

