

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

April 7, 2022

The Board of Directors (the "Board") of Kaufman County Fresh Water Supply District No. 1-A (the "District") met in special session by open to the public, on Thursday, April 7, 2022 at 1:00 p.m., at 2728 N. Harwood Street, Suite 500, Dallas, Texas 75201, an official meeting place outside the boundaries of the District. The roll was called of the members of the Board, to wit:

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| Doug Bynum | President |
| Michael Regan | Vice President |
| Ronald Sorenson | Secretary |
| Jordan Peterson | Assistant Secretary |

All Directors were present at the commencement of the meeting. The following individuals were also present: Ms. Kerry Tovery of Dye & Tovery LLC ("D&T"); Ms. Karena Hauter, P.E., and Ms. Leslie Madison, P.E. of BGE, Inc. ("BGE"); Mr. John Kissling, member of the Board of Directors of Kaufman County Fresh Water Supply District No. 1-B; Mr. Cameron Robinson of Inframark; and Mr. Ross Martin, attorney, Ms. Angie Barrett, paralegal and Ms. Genny Lutz, paralegal each of Winstead PC.

1. The meeting was called to Order at 1:07 p.m.
2. Public Comment and Communications. The Board opened the meeting to public comment. Hearing none, the Board closed the public comment session of the meeting.
3. Minutes of March 3, 2022 Board of Directors Meeting. Following a discussion, Director Regan moved to approve the Minutes of the March 3, 2022 Board meeting. Director Sorenson seconded said motion, which carried unanimously.
4. Engineer's Report. Ms. Hauter presented to and 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 confirmed receipt of the renewal permit for the wastewater treatment plant. Next, Ms. Hauter summarized work completed on the regional lift station, and punch list items to be addressed. Next, Ms. Hauter discussed the proposed offer from Belt Construction of Texas, LLC to address construction delays, noting that BGE recommends that the Board approve the final offer of \$74,021.60.

Next, Ms. Hauter reviewed with the Board the following Pay Estimates and Change Orders: (i) Windmill Farms Regional Sewer Project Mustang Creek Lift Station to CR 212 (Package 2 – Gravity Main) – Pay Estimate No. 12 from Belt Construction of Texas, LLC in the amount of \$237,519.98; (ii) Change Order No. 2 for \$247,216.90 for additional pipe, manhole adjustments, and additional sidewalk width and irrigation between Rogers Parkway and FM 1641; and (iii) Change Order No. 3 for \$74,021.60 for the Belt Construction of Texas, LLC for the delay claim.

Finally, Ms. Hauter requested Board authorization to survey clarifier weirs at the wastewater treatment plant in an amount to exceed \$6,000.00.

Following a discussion Director Peterson moved that the Board (i) accept and approve the Engineer's report including all action items recommended by BGE; and (ii) approve all pay estimates and change orders as recommended by the District Engineer. Director Sorenson seconded said motion, which carried unanimously.

5. Developer's Report. Mr. Lemke summarized the status of construction and development within the Windmill Farms subdivision, including possible construction of additional multi-family units property. Finally, Mr. Lemke stated that the lift station is scheduled for completion in mid-May 2022. Following a discussion, Director Sorenson moved that the Board accept the Developer's report. Director Peterson seconded said motion, which carried unanimously.
6. Operator's Report. Mr. Robinson reviewed with the Board copies of an Operator's Report, a copy of which is attached hereto as Exhibit "B". Mr. Robinson noted that Inframark is working with BGE to address operational issues at the wastewater treatment plant facility to include review of clarifiers and additional sludge haul services. Finally, Mr. Robinson requested Board authorization to engage additional services for onsite dewatering services not to exceed \$30,000. Following a discussion, Director Regan moved that the Board accept the Operator's Report; and authorize Inframark to engage Magna Flow to perform onsite dewatering services in an amount not to exceed \$30,000. Director Peterson seconded said motion, which carried unanimously.
7. Bookkeeping Report, Payment of Invoices, Current and Proposed Budget Matters, Bank Resolutions, and related Bookkeeping matters. Ms. Toverly 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 Regan moved to approve the bookkeeper reports; and authorize disbursement of funds. Director Sorenson seconded said motion, which carried unanimously.
8. Ratify and approve an Operating Agreement with Kaufman County Fresh Water Supply District No. 1-D ("Operating Agreement with KC1D"). Mr. Martin presented to and reviewed with the Board copies of an Operating Agreement relative to operating and maintenance of facilities serving KC1D, a copy of which is attached hereto as Exhibit "D". Following a discussion, Director Regan moved that the Board ratify and approve said Operating Agreement. Director Sorenson seconded said motion, which carried unanimously.
9. Ratify and approve Amendment to Interlocal Agreements with Walden Pond Fresh Water Supply District for Water and Wastewater Treatment Services. Mr. Martin presented to and reviewed with the Board copies of Amended and Restated Interlocal Agreements for Water and Wastewater Treatment Services to serve the eastern and western portions of Walden Pond Fresh Water Supply District, a political subdivision of the State of Texas, a copy of which is attached hereto as Exhibit "E". Following a discussion, Director Peterson

moved that the Board ratify and approve said Interlocal Agreements to serve Walden Pond Fresh Water Supply District. Director Regan seconded said motion, which carried unanimously.

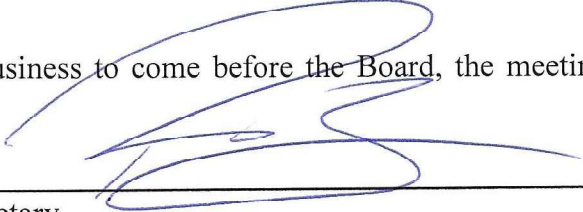
10. Second Amendment to Joint Utility and Wholesale Allocation Agreement. Mr. Martin reviewed with the Board the proposed amendment to the Joint Utility and Wholesale Allocation Agreement. Following a discussion, Director Regan moved that the Board approve said Amendment, subject to final review by District counsel. Director Peterson seconded said motion, which carried unanimously.
11. Consider and approve Settlement Agreement for litigation regarding nonpayment of wastewater improvement costs by Kaufman County Fresh Water Supply District No. 1-B.

Executive Session. Upon motion by Director Regan, seconded by Director Peterson, 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.

The meeting was closed to the public at 1:25 p.m. The Board reconvened the meeting in open session at 1:35 p.m. Following a discussion, Director Regan moved that the Board approve the Settlement Agreement, subject to attorney comments. Director Peterson seconded said motion, which carried unanimously.

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, May 5, 2022 at 1:00 pm, or until further call.

After noting that there was no further business to come before the Board, the meeting adjourned at 1:35 pm.



Secretary