

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

January 7, 2021

The Board of Directors (the "Board") of Kaufman County Fresh Water Supply District No. 1-A (the "District") met in regular session by audio conference, open to the public, on Thursday, January 7, 2021 at 1:00 pm.

Ms. Sarah Landiak, General and Bond Counsel for the District, announced that the Meeting would be conducted by audio conference to mitigate the spread of COVID-19. Ms. Landiak 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. Ms. Landiak 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:

Greg Leveling	President
Steve Mitchell	Vice President
William Rogers	Secretary
Michael Regan	Assistant Secretary
Ronald Sorenson	Assistant Secretary

All Directors were present by audio conference at the commencement of the meeting. The following individuals were also recorded as present: Mr. Bryant Caswell, P.E., and Ms. Karena Hauter, P.E. with BGE, Inc. ("BGE"); Ms. Kerry Tovery of Dye & Tovery, LLC ("D&T"); Mr. Cameron Robinson of Inframark; Mr. RL Lemke of Pillar Income Asset Management; Mr. John Kissling, member of the Board of Directors of Kaufman County Fresh Water Supply District No. 1-B ("KC1B"); and Ms. Sarah Landiak, attorney, and Ms. Genny Lutzel, paralegal, with Winstead PC.

1. Call to Order. The meeting was called to order at 1:05 p.m.
2. Public Comments and Communications. Director Leveling opened the meeting to public comment. Hearing none, Director Rogers moved that the Board close the public comment session. Director Regan seconded said motion, which carried unanimously.
3. Minutes of December 3, 2020 Board Meeting. Following a discussion, Director Rogers moved that the Board approve the Minutes of the December 3, 2020 Board Meeting. Director Regan seconded said motion, which carried unanimously.

4. 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 summarized the status of construction projects, noting that the Windmill Farms Upper Windmill and Big Brushy Sewer improvement project is now complete.

Next, Ms. Hauter reviewed with the Board copies of a proposed amendment to the contract with BGE for additional services relative to easement negotiations and related services for the Windmill Farms Regional Sewer Project CR 212 to Windmill Farms Lift Station (Package 1 – Force Main & Gravity Main) and Windmill Farms Regional Sewer Project Mustang Creek Lift Station to CR 212 (Package 2 – Gravity Main). Ms. Hauter reviewed with the Board the proposed scope of services and fees for same. Following a discussion, Director Mitchell moved that the Board approve the contract amendment with BGE as presented. Director Regan seconded said motion, which carried unanimously.

Next, Ms. Hauter reviewed with the Board copies of a proposal from BGE to prepare and submit a Texas Pollutant Discharge Elimination System ("TPDES") permit renewal application for the wastewater treatment plan to the Texas Commission on Environmental Quality. Ms. Hauter reviewed with the Board the proposed scope of services and fees for same. Following a discussion, Director Mitchell moved that the Board approve the proposal from BGE as presented. Director Regan seconded said motion, which carried unanimously.

Ms. Hauter next recommended that the Board approve Pay Estimate No. 11 for \$138,672.58 and Change Order No. 5: \$50,151.03 from McInnis Brothers Construction, Inc. for work performed on the Regional Lift Station project. Following a discussion, Director Mitchell moved that the Board approve Pay Estimate No. 11 and Change Order No. 5 as recommended by the District's Engineer. Director Regan seconded said motion, which carried unanimously.

Ms. Hauter next recommended that the Board approve Pay Estimate No. 8 and Final from Excel Aircraft, LLC in the amount of \$267,935.30 and Change Order No. 4 in the amount of a decrease (\$44,652.29) for work performed on the WMF Upper Windmill and Big Brushy Sewer project. Ms. Hauter next requested that the Board authorize final acceptance of the certificate of completion and acceptance of said facilities. Following a discussion, Director Mitchell moved that the Board (i) approve Pay Estimate No. 8, and Change Order No. 4 as recommended by the District's Engineer; and (ii) authorize final acceptance of said facilities. Director Sorenson seconded said motion, which carried unanimously.

Ms. Hauter next recommended that the Board approve pay Estimate No. 8 from Summit Solutions, Inc. in the amount of \$63,460.00 for the Pump Station Expansion – Phase 1 Project. Following a discussion, Director Mitchell moved that the Board approve Pay Estimate No. 8 as recommended by the District's Engineer. Director Sorenson seconded said motion, which carried unanimously.

Upon motion by Director Rogers, seconded by Director Regan, and unanimously carried, the Board accepted the Engineer's Report.

5. Developer's Report. Mr. Lemke generally discussed the status of development, lot and home sales within the Windmill Farms subdivision. No formal action was taken by the Board.
6. Review and approve Second Amendment to Joint Utility and Wholesale Allocation Agreement.

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

Ms. Landiak stated that the Board would enter Executive Session by telephone conference in a manner set forth by email to Board members. The meeting was closed to the public at 1:32 p.m. The President reconvened the meeting in open session at 1:45 p.m. No formal action was taken by the Board.

7. Operator's Report. Mr. Robinson reviewed with the Board copies of an Operations Report prepared by Inframark, a copy of which is attached hereto as Exhibit "B". Mr. Robinson summarized operation and maintenance items performed on behalf of the District as of November 2020. Next, Mr. Robinson stated that the wastewater treatment plant ("WWTP") is compliant with all permit parameters, and water accountability reports reflect 98% for the same period of time. Mr. Robinson next discussed with the Board repair work and related services needed to repair and/or replace components at the Digester No. 2 unit at the WWTP, noting the estimate to include multiple sludge haul services to be \$17,736.00. Following a discussion, Director Mitchell moved that the Board (i) accept the Operator's report; and (ii) authorize repair work to restore Digester No. 2 as reported by Inframark. Director Rogers seconded said motion, which carried unanimously.
8. 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 Mitchell moved that the Board (i) approve the bookkeeper reports; and (ii) authorize payment of bills as listed thereon. Director Rogers seconded said motion, which carried unanimously.
9. Tentative Date for Next Meeting. Upon motion duly made, seconded and unanimously carried, the Board scheduled the next meeting of the Board for Thursday February 4, 2021, 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 2:08 p.m.




Secretary