

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

March 4, 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, March 4, 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 with the exception of Director Mitchell. The following individuals were also recorded as present: 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 ("KC1-B"); and Ms. Sarah Landiak attorney, and Ms. Genny Lutzell, paralegal, with Winstead PC.

1. Call to Order. The meeting was called to order at 1:02 p.m.
2. Public Comments and Communications. Director Leveling opened the meeting to public comment. Hearing none, Director Sorenson moved that the Board close the public comment session. Director Regan seconded said motion, which carried unanimously.
3. Minutes of February 4, 2021 Board Meeting. Following a discussion, Director Rogers moved that the Board approve the Minutes of the February 4, 2021 Board Meeting, with modifications to reflect that Director Leveling opened the meeting to public comments. 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 currently underway within the District.

Next, Ms. Hauter reminded the Board that bids were reviewed at the last meeting for construction of 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). Next, Ms. Hauter reported that BGE has determined that Belt Construction of Texas, LLC (“Belt Construction”) is the lowest qualified bidder for both improvements projects, and recommended that the Board approve both contracts, subject to verification of bonds and insurance coverage. Following a discussion, Director Rogers moved that the Board award a contract for construction of Package 1 – Force Main & Gravity Main to Belt Construction in the amount of \$3,926,755.00, subject to bond and insurance coverage verification. Director Regan seconded said motion, which carried unanimously. Next, Director Sorenson moved that the Board award a contract for construction of Package 2 – Gravity Main to Belt Construction in the amount of \$5,264,348.00, subject to bond and insurance coverage verification. Director Rogers seconded said motion, which carried unanimously.

Ms. Hauter next reviewed with the Board copies of a proposal from BGE for construction administration and project representation for Windmill Farms Regional Sewer Projects (Packages 1, and 2 – Force Main & Gravity Main), a copy of which is included in the Engineer's Report. Following a discussion, Director Sorenson moved that the Board approve the representation letter from BGE dated February 9, 2021 to perform construction administration and project representation services for the Windmill Farms Regional Sewer Projects. Director Regan seconded said motion, which carried unanimously.

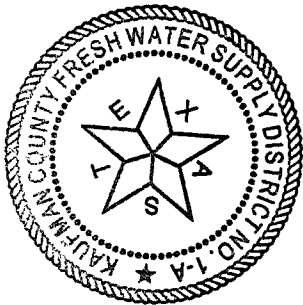
Upon motion by Director Regan, seconded by Director Sorenson, and unanimously carried, the Board accepted the Engineer's Report.


5. Developer's Report. Mr. Lemke generally discussed the status of residential and commercial development. Upon motion by Director Rogers, seconded by Director Sorenson, the Board accepted the Developer's Report.
6. Review and Approval of District's Insurance Policies. Ms. Landiak presented to and reviewed with the Board copies of a summary of proposed insurance renewals, a copy of which is attached hereto as Exhibit "B". Following a discussion, Director Sorenson moved that the Board approve the insurance policy renewals as prepared by McDonald & Wessendorff Insurance. Director Rogers seconded said motion, which carried unanimously.
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 "C". Mr. Robinson summarized operation and maintenance items performed on behalf of the District. Next, Mr. Robinson reported on the status of repair work on blower units, noting that they are waiting for delivery of parts. Next, Mr. Robinson summarized emergency repair work of facility components during the recent severe weather event noting freeze damage of valves

in the “Raz Line” and disruptions in Booster Pump #2 caused by rolling electrical blackouts. Mr. Robinson next reviewed with the Board the following estimates for repair work: (i) Machining & Valve Automation Services LLC in the amount of \$7,470.00 for repair of raz line valves; and (ii) Tube Pump Systems LLC in the amount of \$5,625.00 for replacement of a motor in Booster Pump #2. Following a discussion, Director Sorenson moved to (i) authorize and approve both estimates, as presented; and (ii) accept the Operator’s Report. Director Regan seconded said motion, which carried unanimously.

8. Bookkeeping Report, Payment of Invoices, Current and Proposed Budget Matters, Bank Resolutions, and related Bookkeeping matters. Ms. Tovery 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 “D”. Following a discussion, Director Regan moved to (i) approve the bookkeeper reports; and (ii) disbursement of funds. Director Rogers seconded said motion, which carried unanimously.
9. Budget Fiscal Year Ending March 31, 2022. Ms. Tovery presented to and reviewed with the Board copies of the proposed Operating Budget – General Expenses for fiscal year ending March 31, 2022, a copy of which is attached hereto as Exhibit “E”. Following a discussion, Director Rogers moved to approve the Operating Budget, as presented. Director Sorenson seconded said motion, which carried unanimously.
10. Audit Engagement Continuance Letter from McCall Gibson Swedlund Barfoot PLLC. Ms. Landiak reviewed with the Board copies of a letter dated March 4, 2021, in connection with audit services to be provided to the District, a copy of which is attached hereto as Exhibit “F”. The Board acknowledged receipt of same.
11. Tentative Date for Next Meeting. Upon motion duly made, seconded and unanimously carried, the Board scheduled the next meeting of the Board for Thursday April 1, 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 1:52.




Secretary