

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

THE STATE OF TEXAS §

COUNTY OF KAUFMAN §

KAUFMAN COUNTY FRESH WATER SUPPLY DISTRICT NO. 7-A §

The Board of Directors (the “Board” or the “Board of Directors”) of Kaufman County Fresh Water Supply District No. 7-A (also sometimes referred to herein as the “District”) met in special session, open to the public, at 2728 N. Harwood Street, Suite 500, Dallas, Texas 75201, a designated meeting place outside the boundaries of the District on February 8, 2022, and the roll was called of the members of the Board to-wit:

Barbara King	President
Patrick Loudon	Vice President
W. Garrett Wesp	Secretary
Dyane Fisher	Assistant Secretary
Joshua Lane	Assistant Secretary

All members of the Board were present at the commencement of the meeting with the exception of Director Loudon and Director Lane, thus constituting a quorum. Also present were: Mr. Matthew Merritt of LJA Engineering, Inc. (“LJA”); Ms. Samantha Jones of Robert W. Baird & Co.; Ms. Brandi Galindo of Dye & Toverly, LLC; and Mr. Scott Eidman, attorney, and Ms. Amy Bieber, paralegal, each of Winstead PC.

The meeting was called to order at 12:16 p.m.

1. The Board called for public communications and comments. Hearing none, Director Fisher moved that the Board close the public comment section of the meeting. Director King seconded said motion, which carried unanimously.

2. The Board next acknowledged receipt of the Minutes from November 17, 2021, Board of Directors meeting. Following a discussion, Director Wesp moved that the Board approve the Minutes as presented. Director King seconded said motion, which carried unanimously.

3. In the absence of a developer representative, the Board deferred action on a Developer’s report.

4. The Board next considered an Assignment of Payment Right by and between Mabrey & Partners, LLC, and Scarborough Management, LLC, a copy of which is attached hereto as Exhibit “A”, and a Partial Assignment of Payment Rights Under Reimbursement Agreement by and between Mabrey & Partners, LLC, and LGI Homes-Texas, LLC, a copy of which is attached hereto as

Exhibit “B”. Mr. Eidman explained that the assignments are between developers with a financial interest in the development and the District is asked to acknowledge the assignments of reimbursable expenses. Following a discussion, Director Fisher moved that the Board acknowledge the assignments as presented. Director King seconded said motion, which carried unanimously.

5. The Board next considered an Amended Rate Order, a copy of which is attached hereto as Exhibit “C”. Mr. Eidman explained that the developer has requested the sewer capacity fee to be increased from \$500.00 to \$1,000.00. Following a discussion, Director Wesp moved that the Board approve the Amended Rate Order as presented. Director King seconded said motion, which carried unanimously.

6. The Board next recognized Mr. Merritt, who updated the Board with regard to development within the District. Mr. Merritt reported that design of a gravity sewer main is underway along with several other design elements for the overall development. No formal action was taken by the Board.

7. The Board next recognized Ms. Galindo, who presented to and reviewed with the Board copies of a bookkeeping report dated February 8, 2022, a copy of which is attached hereto as Exhibit “D”. Ms. Galindo also noted that a cost-of-living rate increase pursuant to the District’s bookkeeping services agreement would be in effect for 2022. Following a discussion, Director King moved that the Board (i) approve the bookkeeping report; and (ii) authorize the payment of bills listed thereon. Director Wesp seconded said motion, which carried unanimously.

8. The Board next recognized Mr. Eidman, who reviewed the District’s current Investment Policy, dated January 7, 2020, with the Board. Mr. Eidman noted that an annual review of said Policy is required, and that no amendments to the Investment Policy are recommended by the District’s legal counsel at this time. Next, Mr. Eidman presented to and reviewed with the Board a Resolution Acknowledging Annual Review of the Investment Policy and Investment Strategies, a copy of which is attached hereto as Exhibit “E”. Following a discussion, Supervisor King moved that the Board approve the Resolution as presented. Supervisor Fisher seconded said motion, which carried unanimously.

9. The Board next considered a Resolution Adopting Prevailing Wage Rate Scale for Construction Projects, a copy of which is attached hereto as Exhibit “F”. Following a discussion, Director Fisher moved that the Board approve the Resolution as presented. Director King seconded said motion, which carried unanimously.

10. The Board next considered a Resolution Designating Depositories and Establishing Investment Accounts for Deposit of District Funds, a copy of which is attached hereto as Exhibit “G”. Following a discussion, Director King moved that the Board approve the Resolution as presented. Director Wesp seconded said motion, which carried unanimously.

11. The Board next considered the supplemental agenda. Mr. Eidman presented to and reviewed with the Board an Order Calling Directors Election, a copy of which is attached hereto as

Exhibit “H”. Following a discussion, Director King moved that the Board (i) approve the Order as presented; and (ii) authorize distribution of the Notice of Election. Director Wesp seconded said motion, which carried unanimously.

There being no further business to conduct, Director King moved that the meeting be adjourned at 12:30 p.m. Director Fisher seconded said motion, which carried unanimously. The Board adjourned until further call.

[Signature page follows]

APPROVED AND ADOPTED this 15th day of March, 2021.



/s/ W. Garrett Wesp

W. Garrett Wesp, Secretary

Board of Directors

Kaufman County Fresh Water Supply District

No. 7-A