

**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”) of Kaufman County Fresh Water Supply District No. 7-A (the “District”) met in special session, open to the public, on the 30<sup>th</sup> day of August, 2021, by telephone conference.

Mr. Scott Eidman, General Counsel for the District, announced that the Meeting would be conducted by telephone conference to mitigate the spread of COVID-19. Mr. Eidman 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. Mr. Eidman 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 made available for electronic distribution upon request.

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

All members of the Board were present by telephone at the commencement of the meeting with the exception of Director Loudon, thus constituting a quorum. Also present by telephone were: Mr. Daniel Rawls and Mr. Matthew Merritt of LJA Engineering, Inc. (“LJA”); Ms. Kathi Dye of Dye & Toverly, LLC; Mr. Scott Eidman, attorney, and Ms. Amy Bieber, paralegal, each of Winstead PC; Ms. Samantha Jones of Robert W. Baird & Co.; and Mr. James Mabrey, a developer of lands within the District.

The meeting was called to order at 12:00 p.m.

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

2. The Board next acknowledged receipt of the Minutes from August 19, 2021, Board of Directors meeting. Following a discussion, Director King moved that the Board approve the Minutes as presented. Director Wesp seconded said motion, which carried unanimously.

3. The Board recognized Mr. Mabrey, who updated the Board with regard to development within the District. No formal action was taken by the Board.

4. The Board next recognized Mr. Eidman, who discussed with the Board the utility bond application process with the Texas Commission on Environmental Quality (“TCEQ”), and explained that while the District is not yet ready to issue utility bonds, the Developer has requested that the Board authorize an engagement with Jones-Heroy & Associates, Inc. (“Jones-Heroy”) to begin preliminary review of Developer expenses for development within the District in preparation for a future utility bond issuance and application to TCEQ related to same. Mr. Eidman presented to and reviewed with the Board an engagement letter from Jones-Heroy for such services, a copy of which is attached hereto as Exhibit “A”. Following a discussion, Director Fisher moved that the Board approve the engagement of Jones-Heroy as presented. Director King seconded said motion, which carried unanimously.

5. The Board continued to recognize Mr. Eidman, who reviewed with the Board the status of the transfer of a wastewater treatment plant permit from Kaufman County Fresh Water Supply District No. 4-A to the District. Mr. Eidman explained that the TCEQ has requested a Core Data Form to be completed on behalf of the District and requested that the Board authorize the District’s consultants to complete and submit a Core Data Form and any other documentation TCEQ may request to complete the transfer of the permit to the District. Following a discussion, Director Wesp moved that the Board authorize the District’s consultants to complete and submit a Core Data Form and any related documentation as may be necessary to TCEQ for transfer of the wastewater treatment permit to the District. Director King seconded said motion, which carried unanimously.

6. The Board next reviewed a Cooperation Agreement by and between the District, LGI Homes-Texas, LLC (“LGI”), and JLM 717 Kaufman, LP (“JLM 717”) related to the pending sale of land within the District from JLM 717 to LGI, a copy of which is attached hereto as Exhibit “B”. Following a discussion, Director Wesp moved that the Board approve the agreements and policy as presented. Director Fisher seconded said motion, which carried unanimously.

7. The Board next reviewed a Wastewater Construction and Escrow Agreement by and between the District, LGI, and JLM 717, a copy of which is attached hereto as Exhibit “C”. Following a discussion, Director Wesp moved that the Board approve the agreements and policy as presented. Director King seconded said motion, which carried unanimously.

8. The Board next reviewed a Water Line Construction and Escrow Agreement by and between the District, LGI, and JLM 717, a copy of which is attached hereto as Exhibit “D”. Following a discussion, Director Wesp moved that the Board approve the agreements and policy as presented. Director King seconded said motion, which carried unanimously.

9. The Board deferred action with regard to any additional documents related to the closing of land sale between LGI and JLM 717.

10. The Board recognized Mr. Rawls, who gave the Board an opportunity to ask questions regarding the status of engineering projects within the District. No formal action was taken by the Board.

11. The Board next recognized Ms. Dye, who presented to and reviewed with the Board copies of a bookkeeping report dated August 30, 2021, a copy of which is attached hereto as Exhibit "E". Following a discussion, Director Fisher moved that the Board (i) approve the bookkeeping report; (ii) authorize the payment of bills listed thereon; and (iii) authorize the distribution of said payments by the District's bookkeeper pursuant to Section 49.151, Texas Water Code. Director Wesp seconded said motion, which carried unanimously.

12. Following a discussion, the Board deferred action with regard to a Resolution Establishing the District's Regular Monthly Meeting.

There being no further business to conduct, Director King moved that the meeting be adjourned at 12:18 p.m. Director Wesp seconded said motion, which carried unanimously. The Board adjourned until further call.

*[Signature page follows]*

APPROVED AND ADOPTED this 30<sup>th</sup> day of August, 2021.

/s/ W. Garrett Wesp

W. Garrett Wesp, Secretary

Board of Directors

Kaufman County Fresh Water Supply District

No. 7-A

