

**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 regular 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 April 18, 2023, and the roll was called of the members of the Board to-wit:

Barbara King	President
Brian Sliter	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 Lane and Director Fisher, thus constituting a quorum. Also present were: Mr. Ishmael Machoka and Mr. Edgar Saucedo of LJA Engineering, Inc. (“LJA” or “Engineer”); Ms. Kathi Dye of Dye & Toverly, LLC (“Bookkeeper”); Mr. Jake Finch, a developer of lands within the District; Mr. Scott Eidman and Mr. Jake Hockett, attorneys, and Ms. Amy Bieber, Paralegal, of Winstead PC; and Mr. Bill King, a member of the Board of Supervisors for Kaufman County Fresh Water Supply District No. 7-B.

The meeting was called to order at 12:04 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 King seconded said motion, which carried unanimously.

2. The Board next acknowledged receipt of the Minutes from the March 21, 2023, Board of Directors meeting. Following a discussion, Director Sliter moved that the Board approve the Minutes as presented. Director Wesp seconded said motion, which carried unanimously.

3. The Board next recognized Mr. Finch, who updated the Board with regard to development within the District. Mr. Finch reported that construction on Phase 1, the first 60 homesite lots, is underway, but the capacity from those homes will not support operation of the planned wastewater treatment plant. Instead of moving forward with the plant at this time, the Engineer is completing an analysis of the capacity of the facilities in the neighboring Kaufman County Fresh Water Supply District No. 4-A (“District 4-A”) with the intention of connecting Phase 1 of the District to District 4-A with a gravity line to serve the needs of the District until there is

sufficient capacity to support the wastewater treatment plant. No formal action was taken by the Board.

4. The Board next recognized Mr. Eidman, who further discussed with the Board proposed changes to the current agreements related to construction of off-site water and wastewater lines to serve the District. Mr. Eidman also presented to and review with the Board two First Amendments to Construction and Escrow Agreements for Water Line Facilities and Wastewater Line Facilities, copies of which are attached hereto as Exhibit “A” and Exhibit “B”, respectively, and explained that the amendments make the District the escrow holder and appoint the District’s Bookkeeper, Dye & Toverly, LLC, as the escrow agent. Following a discussion, Director Wesp moved that the Board approve the First Amendments as presented. Director King seconded said motion, which carried unanimously.

5. The Board next considered a Construction Materials Testing Services and Fees proposal from Alpha Testing, LLC, a copy of which is attached hereto as Exhibit “C”. Mr. Finch explained that the services described in the proposal would only be utilized should the Developer choose to move forward with construction of a connection from the District to District 4-A. Following a discussion, Director Wesp moved that the Board approve the proposal as presented. Director King seconded said motion, which carried unanimously.

6. Mr. Eidman noted for the Board that the corresponding construction contract for the master utility construction related to the off-site water and wastewater lines would be addressed as a change order to be presented by the Engineer, and therefore an amendment to the contract would not be needed. No formal action was taken by the Board.

7. The Board next recognized Mr. Saucedo, who presented to and reviewed with the Board an engineering report dated April 18, 2023, a copy of which is attached hereto as Exhibit “D”. Mr. Saucedo updated the Board with regard to engineering matters within the District and recommended of the award of the following contract to the lowest qualified bidders as follows:

- Paving improvements contract for Kingsborough Phase 1A to Midkiff Holdings, LLC d/b/a GM Construction TX (“GM”) in the total base bid amount of \$1,456,677.40 for 60 contract days.
- Water, wastewater, and storm drainage improvements contract for Kingsborough Phase 1A to KCK Utility Construction, Inc. (“KCK”) in the total base bid amount of \$1,716,273.10 for 50 contract days.
- Master utility improvements contract for Kingsborough East to KCK in the total base bid amount of \$656,637.25 for 28 contract days.

Next, Mr. Rawls presented and recommended approval of the following change order:

- Change Order No. 1 from KCK under the master utility improvements contract for Kingsborough East to change the Owner’s name within the related contract documents from JLM 717 Kaufman, LP, to Kaufman County Fresh Water Supply District No. 7-A.

Following a discussion, Director Sliter moved that the Board (i) award the paving improvements contract for Kingsborough Phase 1A to GM as recommended by the District's Engineer; (ii) award the water, wastewater, and storm drainage improvements contract for Kingsborough Phase 1A to KCKD as recommended by the District's Engineer; (iii) award the master utility improvements contract for Kingsborough East to KCK as recommended by the District's Engineer; (iv) approve Change Order No. 1 from KCK as recommended by the District's Engineer; and (v) approve the Engineer's report as presented. Director Wesp seconded said motion, which carried unanimously.

8. The Board next recognized Ms. Dye, who presented to and reviewed with the Board a bookkeeping report dated April 18, 2023, a copy of which is attached hereto as Exhibit "E". Ms. Dye also presented a revised list of designated depositories for approval, a copy of which is attached hereto as Exhibit "F". Following a discussion, Director King moved that the Board (i) approve the bookkeeping report as presented; (ii) approve the revised list of designated depositories as presented; and (iii) authorize the payment of bills listed thereon. Director Wesp seconded said motion, which carried unanimously.

There being no further business to conduct, Director Sliter moved that the meeting be adjourned at 12:19 p.m. Director King seconded said motion, which carried unanimously. The Board adjourned until further call.

[Signature page follows]

APPROVED AND ADOPTED this 16th day of May, 2023.



W. Garrett Wesp
W. Garrett Wesp, Secretary
Board of Directors
Kaufman County Fresh Water Supply District
No. 7-A