

**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 August 8, 2022, 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 Fisher, thus constituting a quorum. Also present were: Mr. Daniel Rawls of LJA Engineering, Inc. ("LJA"); Ms. Brandi Galindo of Dye & Toverly, LLC; Mr. Ross Martin, attorney, and Ms. Amy Bieber, paralegal, each of Winstead PC; Mr. Ryan Nesmith of Robert W. Baird & Co. ("Financial Advisor"); and Mr. Bill King, a member of the Board of Supervisors of Kaufman County Fresh Water Supply District No. 7-B ("District 7-B").

The meeting was called to order at 12:12 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 May 17, 2022, Board of Directors meeting. Following a discussion, Director Wesp moved that the Board approve the Minutes as presented. Director Lane seconded said motion; which carried unanimously.

3. The Board next recognized Mr. Nesmith, who explained the process of setting tax rates, noting that the District would levy its initial tax rate in 2022 prior to the completion of houses within the District, noting that the proposed tax rate is slated for operation and maintenance expenses. Mr. Martin stated that the District would be levying its initial tax rate and that notice requirements would change in future years to include a public hearing on the matter. Next, Mr. Nesmith presented to and reviewed with the Board a letter prepared by Baird recommending an initial tax rate levy of \$1.00 per \$100 of assessed value, a copy of which is attached hereto as Exhibit "A". Finally, Mr. Martin presented to and reviewed with the Board copies of an Order Setting Tax

Rate for 2022, a copy of which is attached hereto as Exhibit "B". Following a discussion, Director Wesp moved that the Board (i) accept the tax rate recommendation of not to exceed \$1.00 per \$100.00 of assessed value; and (ii) adopt the Order Setting Tax Rate for 2022 as presented, which was \$1.00 per \$100.00 of assessed value. Director King seconded said motion, which carried unanimously.

4. Consideration was next given to an Amended District Information Form ("ADIF"), a copy of which is attached hereto as Exhibit "C". Mr. Martin noted that the form is being updated to reflect the District's levy of a tax rate. Following a discussion, Director Lane moved that the Board (i) approve the ADIF as presented; and (ii) authorize the filing of same with the Texas Commission on Environmental Quality and Kaufman County. Director Wesp seconded said motion, which carried unanimously.

5. The Board next recognized Mr. Martin, who discussed truth-in-taxation calculation requirements and recommended that the Board engage Assessments of the Southwest to complete said tax calculations on behalf of the District. Mr. Martin then presented an Agreement for Services of Tax Advisor by and between the District and Assessments of the Southwest, a copy of which is attached hereto as Exhibit "D". Following a discussion, Director Wesp moved that the Board approve the Agreement as presented. Director Lane seconded said motion, which carried unanimously.

6. In the absence of a developer representative, the Board deferred action with regard to a developer's report.

7. The Board next recognized Mr. Rawls, who updated the Board with regard to engineering matters within the District. Mr. Rawls updated the Board with regard to design for the master infrastructure for the development, which includes a trunk line from the wastewater treatment plant in District 7-B, and reported that the first contracts for construction within the District will be ready for Board review and approval at the next meeting with construction to begin by the end of the year. Director King moved that the Board accept the Engineer's report as presented. Director Lane seconded said motion with a vote of 3-1 with Director Sliter voting "nay."

8. The Board next recognized Ms. Galindo, who presented to and reviewed with the Board copies of a bookkeeping report dated August 8, 2022, a copy of which is attached hereto as Exhibit "E". Ms. Galindo also presented to and reviewed with the Board an amended agreement for bookkeeping services with Dye & Toverly, LLC, noting that the only amendment to the agreement is that the charge for travel and the charge for meeting attendance have been combined into a single hourly fee. Following a discussion, Director King moved that the Board (i) approve the bookkeeping report as presented; (ii) authorize the payment of bills listed thereon; and (iii) approve the amended agreement for bookkeeping services as presented. Director Wesp seconded said motion, which carried unanimously.


9. Consideration was next given to the supplemental agenda. The Board next recognized Mr. Martin, who discussed with the Board the need to hold elections on behalf of the District to confirm the passage of all prior District propositions following the consent of the City of

Talty to creation of the District in its extraterritorial jurisdiction. Next, Mr. Martin presented to and reviewed with the Board copies of an Order Approving Engineer's Report and Calling Confirmation Election, Supervisors Election, Road Powers Election, Sanitary Sewer Power Election, Utility Bond Election, Utility Refunding Bond Election, Road Bond Election, Road Refunding Bond Election, Maintenance Tax Election, and Election for Approval of Joint Utility Contract, Joint Road Contract, and *Ad Valorem* Tax in Support Thereof to be held on Tuesday, November 8, 2022, a copy of which is attached hereto as Exhibit "F". Following a discussion, Director Lane moved that the Board approve and adopt the Order as presented. Director King seconded said motion, which carried unanimously. Next, Director King moved that the Board authorize distribution of notice of the elections as required by law. Director Wesp seconded said motion, which carried unanimously.

There being no further business to conduct, Director King moved that the meeting be adjourned at 12:20 p.m. Director Lane seconded said motion, which carried unanimously. The Board adjourned until further call.

[Signature page follows]

APPROVED AND ADOPTED this 20th day of September, 2022.



W. Garrett Wesp, Secretary

Board of Directors

Kaufman County Fresh Water Supply District

No. 7-A

