

**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 23, 2023, and the roll was called of the members of the Board to-wit:

Barbara King	President
Karen Arington	Vice President
W. Garrett Wesp	Secretary
Laura Harris	Assistant Secretary
Joshua Lane	Assistant Secretary

All members of the Board were present at the commencement of the meeting with the exception of Director King, thus constituting a quorum. Also present were: Mr. Ishmael Machoka 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. Devon Whitlock of Robert W. Baird & Co. (“Financial Advisor”); Mr. Jake Hockett, and Mr. Scott Eidman attorneys, and Ms. Amy Bieber, paralegal, each of Winstead PC; and Mr. Jeffery Gray and Mr. Dave Arington, members of the Kaufman County Fresh Water Supply District No. 7-B Board of Supervisors. Mr. James Mabrey, a developer of lands within the District, and Mr. Brian Toldan of McCall Gibson Swedlund Barfoot PLLC joined the meeting by telephone conference.

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 Arington seconded said motion, which carried unanimously.

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

3. Upon motion by Director Achar, seconded by Director Harris and unanimously carried, the Board opened a public hearing on the District’s tax rate for 2023. Mr. Hockett noted that the notice of the hearing was published in accordance with the requirements of the Texas

Water Code, and a copy of said notice is attached hereto as Exhibit "A". No landowners or taxpayers were present to address the Board at this time. Mr. Whitlock discussed the tax rate recommendation to the Board, noting that the Financial Advisor is recommending a total tax rate of \$1.00, all of which will be allocated to maintenance and operations. Mr. Whitlock stated that the expectation is for the Board to issue bonds in this calendar year, so the 2024 tax rate will include a debt service component to the tax rate. Following a discussion, Director Arington moved that the Board close the public hearing. Director Wesp seconded said motion, which carried unanimously at 12:07 p.m. The Board reopened the meeting.

4. The Board next reviewed and discussed an Order Setting Tax Rate for 2023, a copy of which is attached hereto as Exhibit "B". Following a discussion, Director Wesp moved that the Board (i) levy a 2023 operations and maintenance tax of \$1.00 per \$100 of net taxable value; and (ii) adopt the Order Setting Tax Rate for 2023 to reflect the same. Director Arington seconded said motion, which carried unanimously.

5. The Board next recognized Mr. Toldan, who reviewed with the Board an engagement letter for auditor services, a copy of which is attached hereto as Exhibit "C". Mr. Toldan then reviewed a summary of McCall Gibson's qualifications, proposed scope of services and fees for same. Following a discussion, Director Wesp moved that the Board engage McCall Gibson Swedlund Barfoot for auditor services and authorize the preparation of an audit report for the 2022-2023 fiscal year. Director Arington seconded said motion, which carried unanimously.

6. The Board next recognized Mr. Whitlock, who updated the Board with regard to the proposed issuance of road bonds for the District, reporting that a bond sale is currently planned for October 2023. No formal action was taken by the Board.

7. The Board next recognized Mr. Mabrey, who updated the Board with regard to construction of facilities for the development, noting that construction of the lift station is out for bid, and construction of the wastewater treatment plant will be out shortly. The Board next recognized Mr. Finch, who reported that the off-site utility lines are complete and have been inspected and finally accepted by all parties. No formal action was taken by the Board.

8. The Board next recognized Mr. Machoka, who presented to and reviewed with the Board an engineering report dated August 23, 2023, including a proposal for road bond services in connection with the proposed 2023 bond issuance, a copy of which is attached hereto as Exhibit "D". The Board deferred action with regard to such proposal, and no formal action was taken by the Board.

9. The Board next recognized Ms. Dye, who presented to and reviewed with the Board a bookkeeping report dated August 23, 2023, a copy of which is attached hereto as Exhibit "E". The Board next considered a Resolution Adopting Operating Budget for the fiscal year ending July 31, 2024, a copy of which is attached hereto as Exhibit "F". Following a discussion, Director Arington moved that the Board (i) approve the bookkeeping report as presented; (ii) authorize the payment of bills listed thereon; and (iii) adopt the resolution as presented. Director Wesp seconded said motion, which carried unanimously.

There being no further business to conduct, Director Arington moved that the meeting be adjourned at 12:24 p.m. Director Harris seconded said motion, which carried unanimously. The Board adjourned until further call.

[Signature page follows]

APPROVED AND ADOPTED this 27th day of September, 2023.

W. Garrett Wesp

W. Garrett Wesp, Secretary

Board of Directors

Kaufman County Fresh Water Supply District

No. 7-A

