

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

THE STATE OF TEXAS §  
COUNTIES OF DENTON AND WISE §  
NORTH FORT WORTH WATER CONTROL AND IMPROVEMENT §  
DISTRICT NO. 1 DENTON AND WISE COUNTIES

The Board of Directors (the “Board”) of North Fort Worth Water Control and Improvement District No. 1 of Denton and Wise Counties (the “District”) met in special session, open to the public, at 520 Interstate 35 Frontage Road, Denton, Texas 76205, on September 7, 2023, and the roll was called of the members of the Board to-wit:

J.D. Walker	President
Donald Lucky	Vice President
Charles Garretson	Secretary
Steve Babcock	Assistant Secretary
Thomas Thye	Assistant Secretary

All members of the Board were present at the commencement of the meeting with the exception of Director Garretson, thus constituting a quorum. Director Garretson entered later as noted below. Also present were Mr. Scott Eidman, attorney, of Winstead PC; Ms. Brandi Galindo of Dye & Toverly, LLC (“Bookkeeper”) and Mr. Ishmael Machoka of LJA Engineering, Inc. (“Engineer”). Mr. Michael Poole of Lennar Homes joined the meeting by telephone.

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

1. The Board called for public communications or comments. Hearing none, Director Walker moved that the Board close the public comment session of the meeting. Director Babcock seconded said motion, which carried unanimously.

2. The Board next reviewed the Minutes from August 10, 2023, Board of Directors meeting. Following a discussion, and upon motion by Director Walker, seconded by Director Thye and unanimously carried, the Board approved the Minutes as presented.

3. Upon motion by Director Walker, seconded by Director Babcock and unanimously carried, the Board convened a public hearing regarding the District’s proposed 2023 tax rate. 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”. The Board reviewed the tax rate recommendation prepared by Hilltop Securities, Inc., and, hearing no public comment, Director Walker moved that the Board close the public hearing. Director Babcock seconded said motion, which carried unanimously. 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 Walker moved that

the Board (i) levy a 2023 operations and maintenance tax of \$0.60 per \$100 of net taxable value; and (ii) adopt the Order Setting Tax Rate for 2023 to reflect the same. Director Babcock seconded said motion, which carried unanimously.

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

6. At this time, Director Garretson joined the meeting. The Board next recognized Mr. Machoka, who presented to and reviewed with the Board an engineering report dated September 7, 2023, a copy of which is attached hereto as Exhibit "C". Mr. Machoka updated the Board with regard to engineering and development matters within the District, and then recommended ratification of award of the following contract to the lowest qualified bidders as follows:

- Paving, utility, and street light improvements for Shale Creek Phase 4 to Conatser Construction TX, LP ("Conatser") in the base bid amount of \$4,646,677.00.

Next, Mr. Machoka recommended that the Board approve the following pay application and change order:

- Pay Application No. 3 from Conatser in the amount of \$180,282.60 under the paving, utility, and street light improvements for Shale Creek Phase 3B.
- Change Order No. 1 from Conatser in the amount of \$1,796.00 under the paving, utility, and street light improvements for Shale Creek Phase 4.

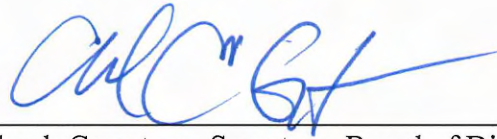
Following a discussion, Director Garretson moved that the Board (i) ratify award of the contract for paving, utility, and street light improvements for Shale Creek Phase 4 to Conatser as recommended by the District's Engineer; (ii) approve the pay application and change order as recommended by the District's Engineer; and (iii) approve the Engineer's report as presented. Director Walker seconded said motion, which carried unanimously.

7. The Board next recognized Ms. Galindo, who presented to and reviewed with the Board copies of a Bookkeeping Report dated September 7, 2023, a copy of which is attached hereto as Exhibit "D". Following a discussion, Director Walker moved that the Board (i) approve the bookkeeping report; (ii) authorize the payment of bills as listed thereon; and (iii) approve the investment of funds as recommended by the District's Bookkeeper. Director Lucky seconded said motion, which carried unanimously.

8. 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 "E". Following a discussion, Director Walker moved that the Board adopt the Resolution as presented. Director Thye seconded said motion, which carried unanimously.

There being no further business to conduct, and upon motion duly made, seconded, and unanimously carried, the Board adjourned at 12:10 p.m. until further call.

APPROVED AND ADOPTED this 12<sup>th</sup> day of October, 2023.



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Chuck Garretson, Secretary, Board of Directors  
North Fort Worth Water Control & Improvement  
District No. 1 of Denton and Wise Counties

