

**MINUTES OF THE MEETING  
OF THE BOARD OF SUPERVISORS**

THE STATE OF TEXAS §

COUNTY OF ELLIS §

ELLIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 3 §

The Board of Supervisors (the “Board” or the “Board of Supervisors”) of Ellis County Fresh Water Supply District No. 3 (also sometimes referred to herein as the “District”) met in special session, open to the public, at 2728 N. Harwood Street, Suite 500, Dallas, Texas 75201, outside the boundaries of the District, on August 3, 2022, and the roll was called of the members of the Board to-wit:

Dane Brock  
Jill Sulak  
Michelle Gross  
Matthew Hancock  
Ron Brown

All members of the Board were present at the commencement of the meeting, thus constituting a quorum. Also present were Ms. Kerry Tovery of Dye & Tovery, LLC; Mr. Ross Martin, attorney, and Ms. Amy Bieber, paralegal, each of Winstead PC, attorneys for the District; Mr. Bobby Samuel, a developer of lands within the District; Mr. Wayne Hamilton of San Jacinto Consulting Group; and Mr. Bryan Moody and Mr. Christopher Hernandez of Kimley-Horn (“Engineer”).

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

1. The Board called for public communications and comments. Hearing none, and upon motion by Supervisor Sulak, seconded by Supervisor Brock and unanimously carried, the Board adjourned the public comment segment of the meeting.

2. Consideration was next given to the review of an Order of the Ellis County Commissioners Court (“ECCC”) appointing Supervisors, a copy of which is attached hereto as Exhibit “A”. The Board recognized Mr. Ross Martin of Winstead PC. Mr. Martin stated that the District was created by the ECCC on March 5, 2007, and when the terms of the original Supervisors expired, the majority landowner requested that the ECCC appoint the current Supervisors to permanent terms. No formal action was taken by the Board.

3. The Board next recognized Mr. Samuel, who gave an overview of the plan for development within the District. No formal action was taken by the Board.

4. Consideration was next given to the administration of Statement of Officer Forms, and Oaths of Office to Supervisors. Mr. Martin confirmed that the Supervisors in attendance have executed their respective Statement of Officer and Oath of Office forms. No formal action was taken by the Board.

5. Consideration was next given to the election of officers. Following a discussion and motion by Supervisor Sulak, seconded by Supervisor Brock and unanimously carried, the following slate of officers was elected

Dane Brock	President
Jill Sulak	Vice President
Michelle Gross	Secretary
Matthew Hancock	Assistant Secretary
Ron Brown	Assistant Secretary

6. Consideration was next given to the review of Conflict of Interest Questionnaire form for Local Government Officials. Mr. Martin discussed the purpose of said questionnaire, noting instructions for completion of same, if applicable, to comply with Chapter 176 of the Texas Government Code. Next, consideration was given to government training requirements pursuant to Chapter 551 of the Texas Government Code. Mr. Martin stated that members of the Board are subject to the Open Meetings Act, and the Public Information Act, and will be required to participate in an educational training session provided through the Texas Attorney General's office. Finally, Mr. Martin stated that instructions for completion of same would be distributed to all members of the Board. No formal action was taken by the Board.

7. The Board next considered a proposal for insurance coverages for the District, a summary of the proposal for which is attached hereto as Exhibit "B". Following a discussion, Supervisor Gross moved that the Board approve the placement of insurance coverages for the District as presented. Supervisor Brock seconded said motion, which carried unanimously.

8. Consideration was next given to the approval of an engagement letter with Winstead PC to serve as the District's general counsel and bond counsel. At this time, Mr. Martin presented to and reviewed with the Board copies of a proposed engagement letter with Winstead PC. Mr. Martin reviewed the scope of services and fees related to same. The Board next reviewed a Resolution Approving Contingent Fee Contract related the engagement of Winstead PC, a copy of which is attached hereto as Exhibit "C". Following a discussion, Supervisor Sulak moved that the Board (i) approve the engagement letter with Winstead PC to serve as the District's general and bond counsel; (ii) adopt the Resolution as presented; and (iii) authorize Winstead PC to send a notice of termination of contract to Crawford & Jordan LLP . Supervisor Brock seconded said motion, which carried unanimously.

9. The Board next considered the engagement of Kimley-Horn to serve as the District's engineer and reviewed a proposed Professional Services Agreement, a copy of which is attached hereto as Exhibit "D". Following a discussion, Supervisor Sulak moved that the Board approve the

engagement of Kimley-Horn for engineering services as presented. Supervisor Brock seconded said motion, which carried unanimously.

10. The Board next recognized Ms. Tovery, who presented to and reviewed with the Board a proposed engagement of Dye & Tovery, LLC to serve as the District's bookkeeper, a copy of which is attached hereto as Exhibit "E". Following a discussion, Supervisor Sulak moved that the Board (i) approve the engagement letter for bookkeeping services from Dye & Tovery, LLC; and (ii) authorize the Board President to execute same. Supervisor Brock seconded said motion, which carried unanimously.

11. The Board continued to recognize Ms. Tovery, who presented to and reviewed with the Board a proposed engagement of Dye & Tovery, LLC, for preparation and filing of an annual financial report on behalf of the District, a copy of which is attached hereto as Exhibit "F". Following a discussion, Supervisor Sulak moved that the Board approve the engagement of Dye & Tovery, LLC, for preparation and filing of an annual financial report on behalf of the District. Supervisor Brock seconded said motion, which carried unanimously.

12. Consideration was next given to designating a depository bank and authorize opening of District operating accounts, and execution of required account documents, including signature cards and related bank resolutions, and the Board reviewed a Resolution Designating Depositories and Establishing District Investment Accounts for Deposit of District Funds, a copy of which is attached hereto as Exhibit "G". Following a discussion, Supervisor Sulak moved that the Board (i) authorize Dye & Tovery, LLC to designate PlainsCapital Bank as a depository bank for the District's operating account; (ii) secure all required signature cards and related banking institution resolutions as may be required; and (iii) approve the Resolution Designating Depositories and Establishing District Investment Accounts for Deposit of District Funds as presented. Supervisor Brock seconded said motion, which carried unanimously.

13. The Board next considered and reviewed a bookkeeping report dated August 3, 2022, prepared by Dye & Tovery, LLC, a copy of which is attached hereto as Exhibit "H". Following a discussion, Supervisor Sulak moved that the Board (i) approve the bookkeeping report as presented; (ii) authorize the payment of bills listed thereon; and (iii) authorize the ratification of out-of-pocket developer costs. Supervisor Brock seconded said motion, which carried unanimously.

14. Consideration was next given to the review and approval of an Agreement for the Construction of Improvements and Reimbursement of Advances by and between the District and GRBK Edgewood, LLC, a copy of which is attached hereto as Exhibit "I". Following a discussion, Supervisor Williams moved that the Board approve said Agreement as presented. Supervisor Wall seconded said motion, which carried unanimously.

15. Consideration was next given to the adoption of a District Seal. Mr. Martin discussed the matter with the Board, noting that it was necessary to adopt a District Seal, circular in shape with the name of the District around a five-point star. Following a discussion, Supervisor Sulak moved that the Board (i) adopt the seal of the District, an impression of which is reflected on Exhibit "J" attached hereto; and (ii) authorize the Board Secretary, Assistant Secretary or records manager to

affix said Seal to a District instrument as required. Supervisor Brock seconded said motion, which carried unanimously.

16. Consideration was next given to an Order Adopting an Investment Policy and Designating an Investment Officer, a copy of which is attached hereto as Exhibit "K". Mr. Martin discussed the matter with the Board and proposed that the Board appoint Ms. Kathi Dye and Ms. Kerry Tovery, bookkeepers for the District, to serve as the investment officers. Following a discussion, Supervisor Sulak moved that the Board (i) adopt the Order Adopting an Investment Policy and Designating an Investment Officer; (ii) appoint Ms. Kathi Dye and Ms. Kerry Tovery as investment officers for the District; and (iii) authorize the Board President to execute said Order and the Board Secretary to attest to same. Supervisor Brock seconded said motion, which carried unanimously.

17. The Board next considered an Order Designating Offices Outside the District, a copy of which is attached hereto as Exhibit "L". Mr. Martin noted that the District is required to designate office and meeting locations pursuant to Texas Water Code Section 49.062. Following a discussion, Supervisor Sulak moved that the Board (a) authorize office locations on behalf of the District as described in the Order; (ii) adopt Order subject to correction of the developer office location; and (c) authorize publication of said Notice, as required. Supervisor Brock seconded said motion, which carried unanimously.

18. Consideration was next given to a Resolution Designating Posting Location of Meeting Notices, noting that the District is required to specify such location within the boundaries of the District pursuant to Texas Water Code Section 49.063. A copy of said Resolution is attached hereto as Exhibit "M". Following a discussion, Supervisor Sulak moved that the Board adopt the Resolution as presented. Supervisor Brock seconded said motion, which carried unanimously.

19. Consideration was next given to an Order Adopting Code of Ethics, Travel Expense Policy, and Procedures for Selection and Review of Consultants, Policies Concerning the Use of Management Information Including the Formation of an Audit Committee, Selection of a Fiscal Year-End and Certain Other Matters, a copy of which is attached hereto as Exhibit "N". Mr. Martin reviewed said Order and related policies with the Board, and recommended that the Board adopt a fiscal year end at this time. Following a discussion, Supervisor Sulak moved that the Board (i) adopt the Order as presented; (ii) authorize the Board President to execute said Order and the Board Secretary to attest to same; and (iii) adopt September 30 as the District's fiscal year end. Supervisor Brock seconded said motion, which carried unanimously.

20. Consideration was next given to an Order Establishing a Records Management Program and Appointing Records Management Officer, a copy of which is attached hereto as Exhibit "O". Mr. Martin discussed the matter with the Board, noting that Winstead PC will be responsible for the storage and maintenance of all District records, and further proposed that the Board appoint Ms. Amy Bieber, Paralegal, to serve as the records management officer. Following a discussion, Supervisor Sulak moved that the Board (i) adopt the Order Establishing a Records Management Program and Appointing Ms. Amy Bieber as Records Management Officer; (ii) authorize the Board President to execute said Order and the Board Secretary to attest to same; and (iii) authorize the

filing of said Order with the Texas State Library and Archives Commission. Supervisor Brock seconded said motion, which carried unanimously.

21. Consideration was next given to the review and approval of a District Information Form, a copy of which is attached hereto as Exhibit "P". Mr. Martin discussed the matter with the Board, noting that pursuant to Texas Water Code Section 49.455, the District is required to prepare and submit same for filing with Ellis County, Texas, and the TCEQ. Following a discussion, Supervisor Sulak moved that the Board (i) adopt the District Information Form, subject to final review by District counsel; and (ii) authorize District counsel to file same with the property records of Ellis County, Texas, and the TCEQ. Supervisor Brock seconded said motion, which carried unanimously.

There being no further business to conduct, Supervisor Sulak moved that the meeting be adjourned at 12:32 p.m. Supervisor Brock seconded said motion, which carried unanimously. The Board adjourned until further call.

*[Signature Page Follows]*

APPROVED AND ADOPTED this 5<sup>th</sup> day of February, 2024.



---

Matthew Hancock, Assistant Secretary  
Board of Supervisors  
Ellis County Fresh Water Supply District No. 3

