

**Minutes of Meeting
Board of Directors
Kaufman County Fresh Water Supply District No. 1-A**

January 4, 2024

The Board of Directors ("the "Board") of Kaufman County Fresh Water Supply District No. 1-A (the "District") met in regular session open to the public, on Thursday, January 4, 2024 at 1:00 p.m., at 2728 N. Harwood Street, Suite 500, Dallas, Texas 75201, an official meeting place outside the boundaries of the District. The roll was called of the members of the Board, to wit:

Doug Bynum	President
Michael Regan	Vice President
Ronald Sorenson	Secretary
Jordan Peterson	Assistant Secretary

All Directors were present at the commencement of the meeting. The following individuals were also present: Mr. John Kirk and Mr. RL Lemke of Pillar Income Asset Management, developer representatives; Mr. Bryant Caswell, P.E. of BGE, Inc., the District's Engineers; Ms. Kerry Tovery of Dye & Tovery, LLC, the District's Bookkeepers; Mr. Cameron Robinson and Ms. Katie May of Inframark, LLC ("Inframark"), the District's Operator; Mr. John Kissling, Board member of Kaufman County Fresh Water Supply District No. 1-B ("KC1B"); Mr. Matthew Scharmen, Board member of Kaufman County Fresh Water Supply District No. 1-C ("KC1C"); Mr. Ross S. Martin, attorney and Ms. Genny Lutzell, paralegal, of Winstead PC.

1. The meeting was called to order at 1:06 p.m.
2. Public Comment and Communications. The Board opened the meeting to public comment. Hearing none, Director Bynum moved that the Board close the public comment session of the meeting. Director Peterson seconded said motion, which carried unanimously.
3. Minutes of December 7, 2023 Board meeting. Following a discussion, Director Regan moved that the Board approve the minutes as transcribed. Director Peterson seconded said motion, which carried unanimously.
4. Engineer's Report. Mr. Caswell presented to and reviewed with the Board copies of an Engineer's Report, a copy of which is attached hereto as Exhibit "A". Mr. Caswell reported on the status of construction projects within the District.

Mr. Caswell then reported that the City of Forney (the "City") has provided cost estimates to BGE for the Phase 3 Pump Station and 5 MG Ground Storage Tank expansion project. BGE is currently reviewing cost estimates and will provide recommendation to the Board at the next meeting.

Next, Mr. Caswell reviewed with the Board the following Pay Estimates and Change Order from Belt Construction of Texas, LLC: (i) Windmill Farms Regional Sewer Project Mustang Creek Lift Station to CR 212 (Package 2 – Gravity Main): Change Order No. 4

in the amount of \$124,554.00; (ii) Windmill Farms Regional Sewer Project CR 212 to Windmill Farms Regional Lift Station (Package 1 – Force Mains and Gravity Main): Pay Estimate No. 12 (final) in the amount of \$105,113.60; and (iii) Windmill Farms Regional Sewer Project Mustang Creek Lift Station to CR 212 (Package 2 – Gravity Main): Pay Estimate No. 17 (final) in the amount of \$230,79.63.

Finally, the Board reviewed certificates of completion for the Regional Lift Station, Windmill Farms Regional Sewer Project CR 212 to Windmill Farms Regional Lift Station, and Windmill Farms Regional Sewer Project Mustang Creek Lift Station to CR 212.

Following a discussion, Director Peterson moved that the Board (i) approve the Engineer’s Report; (ii) authorize BGE to proceed with analysis of cost participation in the City of Forney’s Phase 3 Pump Station 2 and 5 MG Ground Storage Tank expansion project; (iii) approve all pay estimates and change orders as recommended by BGE; and (iv) authorize final acceptance of facilities as set forth in the report, subject to review of maintenance bonds. Director Bynum seconded said motion, which carried unanimously.

5. Consideration was next given a discussion regarding the wastewater plant lease by and between the District and AUC Group, LLC.

Executive Session. Upon motion by Director Regan, seconded by Director Sorenson, the Board voted unanimously to convene into Executive Session pursuant to Section 551.071(1)(A), Texas Government Code, to consult with the District’s attorney regarding pending or contemplated litigation. Director Bynum announced Executive Session to be held pursuant to said Government Code provisions and closed the meeting to the public at 1:12 p.m. The President reconvened the meeting in open session at 1:30 p.m. Following a discussion, Director Bynum moved that the Board approve the memorandum of understanding relative to wastewater treatment plant agreements and assets. Director Sorenson seconded said motion, which carried unanimously.

6. Developer's Report. Mr. Lemke reported that Windmill Farms Phase 6B lots are currently under construction. No formal action was taken by the Board.

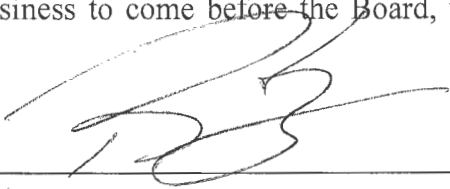
7. Operator's Report. Mr. Robinson reviewed with the Board copies of an Operator's Report as of November, 2023, a copy of which is attached hereto as Exhibit “B”. Next, Mr. Robinson requested Board authorization to request quotes to replace the effluent flow meter at the water plant, and services to clean the regional lift station. Mr. Robinson stated that no excursions were reported for the month of November. Following a discussion, Director Peterson moved that the Board accept the Operator's Report and authorize Inframark to solicit quotes for the replacement of a meter at the water plan in an amount not to exceed \$21,000 and cleaning of the regional lift station in an amount not to exceed \$3,000. Director Sorenson seconded said motion, which carried unanimously.

8. Bookkeeper's Report. Ms. Toverly presented to and reviewed with the Board copies of the Bookkeeper's and Joint Utilities Facilities and Operations Reports, copies of which are attached hereto as Exhibit “C”. Next, Ms. Toverly provided the Board with an update regarding amounts due from KC1B. Following a discussion, Director Bynum moved that

the Board approve the Bookkeeper's Reports and authorize disbursement of funds. Director Sorenson seconded said motion, which carried unanimously.

9. Order Calling Directors Election. Mr. Martin presented to and reviewed with the Board an Order Calling Directors Election for May 4, 2024, a copy of which is attached hereto as Exhibit "D". Following a discussion, Director Regan moved that the Board (i) adopt the Order Calling Directors Election for May 4, 2024; (ii) authorize formal notice of said Election; and (iii) authorize an election service agreement with Kaufman County, Texas. Director Sorenson seconded said motion, which carried unanimously.
10. Tentative Date for Next Meeting. Upon motion duly made, seconded and unanimously carried, the Board scheduled the next meeting of the Board for Thursday, February 1, 2024 at 1:00 pm, or until further call.

After noting that there was no further business to come before the Board, the meeting adjourned at 1:36 pm.



Secretary

(DISTRICT SEAL)

