

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

August 5, 2026

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 Wednesday, August 5, 2026 at 12:00 noon, 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
Kellye Teal	Vice President
Alice D. Bittner	Secretary
Richard Humphrey	Assistant Secretary
Jenny Berry-Woods	Assistant Secretary

All Directors were present at the commencement of the meeting with the exception of Director Bittner. Director Bynum arrived later, as noted. The following individuals were also present: Mr. Steven Cook and Mr. John Kirk of Pillar Income Asset Management; Ms. Ariel Britt and Ms. Lisa Soward of Inframark; Ms. Kristen Taylor of Dye & Toverly, Mr. Edgar Saucedo, P.E. of LJA Engineering, Inc. ("LJA"); Ms. Darsey Norton, attorney, and Ms. Genny Lutzell, paralegal each with Winstead PC. Mr. Joseph Ellis of McCall Gibson Swedlund Barfoot Ellis, PLLC ("McCall Gibson") participated by audio conference during agenda item no. 4.

1. The meeting was called to order at 12:09 p.m.
2. Consideration was next given to public comment and communication. The Board opened the meeting to public comments. Hearing none, Director Teal moved that the Board close the public comment session of the meeting. Director Berry-Woods seconded said motion, which carried unanimously.
3. Consideration was next given to the review and approval of Minutes of July 8, 2026, Board of Directors Meeting. Following a discussion, Director Teal moved that the Board approve the meeting minutes as transcribed. Director Berry-Woods seconded said motion, which carried unanimously.
4. Consideration was next given to the review of an annual financial report for fiscal year ended March 31, 2026. The Board recognized Mr. Ellis who summarized the draft audit report with the Board. Following a discussion, Director Teal moved that the Board (i) approve the Audit Report for fiscal year ended March 31, 2026, subject to final review by District counsel; (ii) authorize McCall Gibson to file same with the Texas Commission on Environmental Quality; and (iii) authorize District counsel to file the Report with the Texas State Comptroller. Director Berry seconded said motion, which carried unanimously.

5. Consideration was next given to the engineer's report. Mr. Saucedo reviewed the Engineer's Report prepared by LJA, a copy of which is attached hereto as Exhibit "A". He then provided an update of the wastewater treatment plant condition assessment, noting coordination of high priority items. The Board heard an update regarding the insurance claim for failure of digesters event that occurred on March 5, 2026, noting that the insurance company has denied the claim.

The Board next received updates regarding a will-serve letter for Walden Pond East, subject to installation of a Hydropneumatic tank. Finally, LJA reported on the water treatment plant condition assessment status, noting that additional assessments are underway by BGE, Inc., engineer consultants for Kaufman County Fresh Water Supply District No. 1-C and 1-D. LJA also reported communications with Inframark to address high priority items set forth in the assessment report.

LJA next reviewed with the Board a supplemental letter to the Comprehensive Evaluation of the District's water treatment plant. The update provides clarifications to the original evaluation and proposed improvements. An updated timeline and related budget were included in the supplement.

Director Bynum entered the meeting at this time.

Following a discussion, Director Teal moved that the Board approve the Engineer's Report and authorized all requests therein. Director Bynum seconded said motion, which carried unanimously.

6. Consideration was next given to the developer's report. No formal report was heard from the developer.
7. Consideration was next given to the operator's report. Ms. Britt presented to and reviewed with the Board copies of an Operator's Report, a copy of which is attached hereto as Exhibit "B". Items for Board consideration include the status of Notices of Violation from the Texas Commission on Environmental Quality; and an update from the insurance claim under general liability/pollution and property. Following a discussion, Director Teal, moved that the Board approve the Operator's report and all requests listed therein. Director Bynum seconded said motion, which carried unanimously.
8. Consideration was next given to the status of an insurance claim for the loss of digesters located at the wastewater treatment plant. Ms. Norton reviewed the claim status with the Board. There was no formal action taken by the Board.
9. Consideration was next given to the bookkeeper's report and budget. Ms. Taylor reviewed with the Board copies of (i) an Operating Expense Cash Report; and (ii) Joint Utility Facilities and Operations Report, collectively attached hereto as Exhibit "C". Following a discussion, Director Teal moved that the Board approve said bookkeeper reports; and (ii) authorize disbursement of funds as set forth within said reports. Director Bynum seconded said motion, which carried unanimously.

After noting that there was no further business to come before the Board, the meeting adjourned at 12:35 p.m.

Aliu D Butler
Secretary

(DISTRICT SEAL)

