

**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 special 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 July 31, 2024, 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, thus constituting a quorum. Also present were: Mr. Edgar Saucedo of LJA Engineering, Inc. (“LJA” or “Engineer”); Ms. Kathi Dye and Ms. Jennifer Watts of Dye & Toverly, LLC (“Bookkeeper”); Mr. Jake Hockett, attorney, and Ms. Amy Bieber, paralegal, each of Winstead PC; Ms. Leslie Boone of Schlachter Oil; Mr. Cameron Robinson and Ms. Tiffany Moore of Inframark, LLC (“Operator”); Mr. Andre Ayala of Hilltop Securities, Inc. (“Financial Advisor”); and Mr. James Mabrey, a developer of lands within the District.

The meeting was called to order at 12:04 p.m.

1. The Board called for public communications and comments. Hearing none, Director King 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 June 18, 2024, Board of Directors meeting. Following a discussion Director Wesp moved that the Board approve the Minutes as presented. Director Harris seconded said motion, which carried unanimously.

3. The Board next recognized Mr. Ayala, who presented to and reviewed with the Board a 2024 Water District Voter-Approval Tax Rate Worksheet, a copy of which is attached hereto as Exhibit “A”, and a 2024 tax rate recommendation memorandum prepared by the Financial Advisor, a copy of which is attached hereto as Exhibit “B”. The total tax rate recommendation is \$1.00 per \$100 of net taxable value with \$0.26 designated for maintenance and

operations and \$0.74 designated for road bonds debt service. Following a discussion, Director Wesp moved that the Board (i) approve the proposed tax rate; (ii) call a public hearing on the proposed tax rate for August 28, 2024, at 12:00 p.m. at the offices of Winstead PC; and (iii) authorize publication of a notice of the same. Director King seconded said motion, which carried unanimously.

4. The Board next considered an Amendment to the Municipal Advisory Agreement by and between the District and Hilltop Securities, Inc., a copy of which is attached hereto as Exhibit “C”. The Board discussed the matter, noting that the amendment adds services for annual Truth In Taxation calculations on behalf of the District. Following a discussion, Director Arington moved that the Board approve the amendment as presented. Director Wesp seconded said motion, which carried unanimously.

5. The Board next recognized Mr. Mabrey, who updated the Board with regard to development within the District, reporting that LGI has homes on the ground and is ready to open the next phase. Mr. Mabrey also noted that D.R. Horton is purchasing roughly 250 acres to develop in the near future, necessitating several financing-related agreements to be considered by the Board. No formal action was taken by the Board.

6. The Board next recognized Ms. Moore, who presented to and reviewed with the Board an operations report dated June 2024, a copy of which is attached hereto as Exhibit “D”. Ms. Moore reported that an additional unauthorized discharge of untreated wastewater occurred accidentally due to an improperly installed plug and a required report has been to TCEQ on behalf of the District. Following a discussion, Director Arington moved that the Board approve the Operator’s report as presented. Director Harris seconded said motion, which carried unanimously.

7. The Board deferred action with regard to a Cost Sharing Agreement.

8. The Board next considered a Phase 1 Wastewater Facilities Construction and Escrow Agreement by and between the District; JLM 717 Kaufman, LP; Dassons Forney 208, LP; JLM 100 Kaufman, LP; LGI Homes-Texas, LLC; D.R. Horton – Texas, Ltd.; Kaufman county Fresh Water Supply District No. 3; and Kingsborough Services, LLC, a copy of which is attached hereto as Exhibit “E”. Following a discussion, Director King moved that the Board approve the agreement as presented. Director Arington seconded said motion, which carried unanimously.

9. The Board deferred action with regard to a Reimbursement Priority Agreement.

10. The Board deferred action with regard to a Developed Financing Agreement.

11. The Board next considered a Wholesale Agreement for Wastewater Services by and between the District and Kingsborough Services, LLC, a copy of which is attached hereto as Exhibit “F”. Following a discussion, Director King moved that the Board approve the agreement as presented. Director Arington seconded said motion, which carried unanimously.

12. The Board next recognized Mr. Saucedo, who presented to and reviewed with the Board an engineering report dated July 31, 2024, a copy of which is attached hereto as Exhibit “G”, and updated the Board with regard to engineering matters within the District. Next, Mr. Saucedo recommended that the Board approve the following pay applications:

- Pay Application No. 6 in the amount of \$33,768.00 from Circle H Contractors, LP, under the water, wastewater, and storm drainage improvements contract for Kingsborough Phase 1B.
- Pay Application No. 3 in the amount of \$41,092.92 from RPM xConstruction, LLC, under the paving improvements contract for Kingsborough Phase 1B.

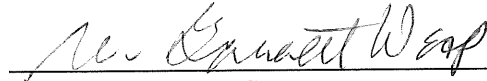
Following a discussion, Director Arington moved that the Board (i) approve the pay applications as recommended by the District’s Engineer; and (ii) approve the Engineer’s report as presented. Director Harris seconded said motion, which carried unanimously.

13. The Board next recognized Ms. Dye, who presented to and reviewed with the Board a bookkeeping report dated July 31, 2024, a copy of which is attached hereto as Exhibit “H”. Following a discussion, Director Wesp moved that the Board (i) approve the bookkeeping report as presented; (ii) authorize the payment of bills listed thereon; and (iii) approve the investment of funds as recommended by the District’s Bookkeeper. Director King seconded said motion, which carried unanimously.

There being no further business to conduct and upon motion by Director Arington, seconded by Director Wesp, and unanimously carried, the Board adjourned at 12:34 p.m. until further call.

[Signature page follows]

APPROVED AND ADOPTED this 14th day of August, 2024.



W. Garrett Wesp, Secretary
Board of Directors
Kaufman County Fresh Water Supply District
No. 7-A

