

**Minutes of Meeting
Board of Directors
Denton County Fresh Water Supply District No. 7
November 19, 2019**

The Board of Directors (“Board”) of Denton County Fresh Water Supply District No. 7 (the “District”), met in regular session, open to the public, on November 19, 2019, at 4:00 p.m., at 2650 FM 407E, Suite 125, Bartonville, Texas 76226, for which notice was given as required by Chapter 551, Government Code, as amended, and Chapter 49, Texas Water Code, as amended.

The roll was called of the members of the Board, to wit:

William Randall Fogle	President
Andrew Kloser	Vice President
Stephen D. Spence	Secretary
Todd Beggs	Treasurer
David J. Ware	Assistant Secretary

All members of the Board were present, except for Director Beggs, thus constituting a quorum. Also attending the meeting were the following: Mr. Richard Harned, District Controller; Mr. Kevin Mercer, General Manager; Mr. Kevin Carlson, P.E. of Huitt-Zollars, Inc.; and Mr. Jonathan H. Finke of Crawford & Jordan LLP.

1. The President called the meeting to Order at 4:00 p.m.
2. The President conducted the Pledge of Allegiance to the flags of the United States of America and State of Texas, respectively.
3. Consideration was next given to public comments. In that regard, the President recognized Mr. Robert Dillon, a District resident, who was in attendance to discuss the heavy traffic on Trinidad Way. The President next recognized Mr. George Cattat, a District resident, who was also in attendance to discuss heaving traffic on Trinidad Way. After noting that there were no other members of the public in attendance at the meeting desiring to speak, and upon motion made by Director Spence, seconded by Director Kloser and carried unanimously, the President closed the public comment session of the meeting.
15. Consideration was next given to discussion regarding various traffic control matters, including, but not limited to, Trinidad Way traffic and automated technology for school signs, and traffic study, and the taking of any action necessary or appropriate in connection therewith. In that regard, Messrs. Carlson and Mercer presented and reviewed with the Board a Memorandum regarding a traffic study performed in the Barrington Development of Lantana, a copy of which is attached hereto as Exhibit “A”. Mr. Mercer discussed reports from the County regarding traffic citations along Trinidad Way and potential solutions to the traffic issue. After discussion, the Board requested that the General Manager and Engineer to perform a more thorough review of the traffic study and present solution at the next meeting.

4. Consideration was next given to status of closing of District's Unlimited Tax Utility System Refunding Bonds, Series 2019, and the taking of related action. In that regard, Mr. Finke reported to the Board that the Attorney General had issued preliminary approval of the Bonds, and the closing was set for December 4, 2019. Mr. Harned next discussed with the Board an analysis in connection with the financing and the monetary savings to the District. After discussion on the matter, the President noted that no formal Board action was required at this time.
5. Consideration was next given to the approval of the minutes of the Joint Meeting of September 17, 2019, and the October 15, 2019, Board of Directors Meeting. After discussion on the matter, Director Kloser moved that the minutes of the Joint Meeting of September 17, 2019, be approved as written. Director Ware seconded the motion, which carried unanimously. Director Ware then moved that the minutes of the October 15, 2019, Board of Directors Meeting be approved as written. Director Spence seconded said motion, which carried unanimously.
6. Consideration was next given to the review and approval of the General Manager's Report, as presented by Mr. Mercer, a copy of which is attached hereto as Exhibit "B". In that regard, Mr. Mercer reported to the Board concerning the status of the District's pending projects and answered various questions. Mr. Mercer then presented and reviewed with the Board a proposal from DHS Automation, Inc. for an automatic transfer switch to be replaced at the Lantana Lift Station #1, a copy of which is attached hereto as Exhibit "C". Mr. Mercer advised that it was his recommendation that the Board approve such proposal in the amount of \$7,846.00, noting that this would be an equally shared expense with Denton County Fresh Water Supply District No. 6 ("No. 6"). After discussion on the matter, Director Spence moved that the Board accept said General Manager's Report as presented, and further moved that the Board approve said proposal for the replacement of an automatic transfer switch at the Lantana Lift Station #1 in the amount of \$7,846.00 to be shared equally with No. 6. Director Kloser seconded said motion, which carried unanimously.
7. The Board next deferred consideration of the review and acceptance of Lantana Community Association ("LCA") Report, as no one from LCA was in attendance at the meeting.
8. The Board next deferred review and acceptance of Engineering Report, as there were no additional engineering items to be discussed at this time.
9. Consideration was next given to update on DenCo Construction contract matter, and the taking of any action necessary or appropriate in connection therewith. In that regard, Mr. Finke provided the Board with an update on such contract matter, noting that he was awaiting a response from the Surety before taking any further action. After discussion on the matter, the President noted that no formal Board action was required at this time.
10. Consideration was next given to discussion regarding new cellular antenna lease for elevated storage tank, and the taking of any action necessary or appropriate in connection therewith. In that regard, Mr. Mercer reported to the Board that he was working on negotiations with AT&T,

and requested the Board's permission to move forward with AT&T. After discussion, the Board advised that Mr. Mercer should proceed accordingly.

11. Consideration was next given to the Controller's Report presented by Mr. Harned, a copy of which is attached hereto as Exhibit "D". In that regard, Mr. Harned reviewed said report with the Board. After discussion on the matter, and thorough review of the report(s) and questions in connection therewith, Director Spence moved that the Board approve said Controller's Report, as presented, and authorize payment of checks, as specified in said Report. Director Kloser seconded said motion, which carried unanimously.
12. The Board next tabled consideration of review and approval of new lease for Copier/Scanner, as bids had not yet been received. After discussion on the matter, the President noted that no formal Board action was required at this time.
13. Consideration was next given to the review and acceptance of the tax assessor-collector's report, a copy of which is attached hereto as Exhibit "E". In that regard, Mr. Harned presented said report to the Board. He reported that as of October 31, 2019, the collection rate of the District's 2019 tax levy was at 1.37%. After discussion on the matter, Director Kloser moved that the Board approve the tax assessor-collector's report as presented. Director Ware seconded said motion, which carried unanimously.
14. Consideration was next given to status of correspondence submitted to Denton County Development District No. 4 ("No. 4") regarding proposed grant application from the District and No. 7 for improvements along the Hike and Bike Trail, and the taking of any action necessary or appropriate in connection therewith. In that regard, there was an update as to the status of such grant application to be submitted for No. 4's review. After discussion on the matter, the President noted that no formal Board action was required at this time.
16. Consideration was next given to review and approval of resident request to add park bench and/or tree in Barrington Addition at the trail head on Haverford Lane, and allow the placement of a memorial plaque on the bench to recognize Lauren Slaughtery Jones, a Barrington resident who recently passed away. In that regard, Mr. Mercer reported to Board that a location for the tree, bench and trash can had been determined; the engraved plaque had come in; and the tree, park bench and trash can had been ordered. After discussion on the matter, the President noted that no formal Board action was required at this time.
17. The Board next deferred consideration of Executive Session pursuant to Sections 551.071, 551.072, 551.074, and 551.076, Texas Government Code, to consult with attorney; deliberate regarding real property; review personnel matters; and consider security devices.
18. The Board next consider establishing future agenda items. In that regard, it was noted that hike and bike trail waste containers, signage repairs, and bids for medical insurance for District Staff should all be items for consideration on the next Joint Meeting agenda.
19. There being no further business to come before the Board, upon motion duly made by Director Kloser and seconded by Director Ware, the meeting was adjourned at 5:28 p.m.

Secretary/Assistant Secretary