

**Minutes of Meeting
Board of Directors
Denton County Fresh Water Supply District No. 7
December 15, 2020**

The Board of Directors ("Board") of Denton County Fresh Water Supply District No. 7 ("District") met in regular session, open to the public, on Tuesday, December 15, 2020, at 4:00 p.m., via video/audio conferencing, for which notice was given pursuant to Chapter 551, Texas Government Code, Chapters 49 and 51, Texas Water Code, and action taken by the Governor of the State of Texas under Section 418.016, Texas Government Code.

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

William Randall Fogle	President
David J. Ware	Vice President
Diane Wetherbee	Secretary
Lynne Thompson	Assistant Secretary
Todd Beggs	Treasurer

All members of the Board were present for the meeting either via video or audio conference, except Director Thompson, thus constituting a quorum. Also attending the meeting via either video or audio conference were the following: Mr. Richard Harned, District Controller; Mr. Kevin Mercer, General Manager; Mr. Kevin Carlson, P.E. of Huitt-Zollars, Inc.; Ms. Amanda Beasley of Triton Consulting Group; Mr. Mark Norton of the Lantana Community Association; Mr. Bryan Rarick, a District resident; and Mr. Jonathan H. Finke of Crawford & Jordan LLP.

1. The President called the meeting to Order at 4:02 p.m.
2. Consideration was next given to public comments. In that regard, the President recognized Mr. Bryan Rarick, who thanked the Board for the recently installed stop signs on Trinidad, Terrell and Maya, but advised that traffic volume and reckless driving are still a safety issue. After noting that there were no other members of the public participating in the meeting desiring to speak, and upon motion made by Director Wetherbee, seconded by Director Ware and carried unanimously, the President closed the public comment session of the meeting.
3. Consideration was next given to the approval of the minutes of the November 17, 2020, and December 2, 2020, Board of Directors Meetings. After discussion on the matter, Director Fogle moved that the minutes of the November 17, 2020, and December 2, 2020, Board of Directors Meetings be approved, as written. Director Beggs seconded the motion, which carried unanimously.

Mr. Carlson joined in participation of the meeting at this time.

4. Consideration was next given to the review and approval of the General Manager's Report, as presented by Mr. Mercer. In that regard, Mr. Mercer reported to the Board concerning general management items, and responded to various questions posed by the Board. Director Fogle made a suggestion that the Board of Denton County Fresh Water District No. 6 ("DCFWS District No. 6") make a demand that the golf course repair the tunnels that continue to be an issue. Director Beggs queried Mr. Mercer about the erosion on Azalea. Mr. Mercer reported to the Board concerning general management items and the need for drainage work on the trail. After discussion on the matter, Director Beggs moved that the General Manager's Report be

approved, as presented. Prior to a second, Director Beggs amended his motion to state that the General Manager's Report be approved, as presented, and further moved that Mr. Mercer solicit proposals for the drainage work needed on the trail. Director Ware seconded said amended motion, which carried unanimously.

5. Consideration was next given to the status of appointment of directors to the Board of Denton County Development District No 4 ("DCDD No. 4"). In that regard, Messrs. Finke and Mercer reported to the Board that the vacancy on the DCDD No. 4 Board of Directors had just been filled the day before by the Denton County Commissioner's Court, noting that Ms. Lori Traylor had been appointed to serve a four-year term. Mr. Mercer reported that John Rausch would soon be resigning from the DCDD No. 4 Board and suggested that the Board look for a District resident to fill the vacancy Mr. Rausch's resignation would create. Director Wetherbee queried the Board as to the specific details of DCDD No. 4 and how it serves the community, so that she can pass the information along to residents. After discussion, the Board President noted that no formal Board action was required at this time.
6. Consideration was next given to the review and acceptance of Lantana Community Association ("LCA") Report. In that regard, Mr. Norton reported to the Board that the request for gym waivers were the biggest ongoing issue. He further reported that the North facility was now complete, and provided an update on continued efforts to keep the residents as safe as possible from COVID-19. After discussion, Director Wetherbee moved that the Board accept Mr. Norton's report, as presented. Director Fogle seconded said motion, which carried unanimously.
7. Consideration was next given to review and acceptance of Engineering Report. In that regard, Mr. Carlson that there was nothing in his report requiring formal Board action. There was next a discussion regarding the possible installation of further trail facilities, noting that he would be presenting a Task Order in connection with same at the Board's January meeting. After discussion, the President noted that no formal Board action was necessary at this time.
8. Consideration was next given to the Controller's Report presented by Mr. Harned. In that regard, Mr. Harned presented and reviewed his report with the Board. After discussion on the matter, and thorough review of the report(s) and questions in connection therewith, Director Fogle moved that the Board approve said Controller's Report, as presented. Director Beggs seconded said motion, which carried unanimously.
9. Consideration was next given to the review and acceptance of the tax assessor-collector's report. In that regard, Mr. Harned presented said report to the Board. He reported that as of November 30, 2020, the collection rate of the District's 2020 tax levy was at 8.75%. After discussion on the matter, Director Beggs moved that the Board approve the tax assessor-collector's report as presented. Director Fogle seconded said motion, which carried unanimously.
10. Consideration was next given to the approval conference room and media upgrades. In that regard, Mr. Harned reported to the Board that a meeting was to take place to confirm the needs for the District office and HOA center. After discussion on the matter, the President noted that no formal Board action was required at this time.
11. Consideration was next given to consideration of review and approval of proposal for network and computer maintenance, and the taking of any action necessary or appropriate in connection

therewith. In that regard, Mr. Harned provided update on the plan for future use software. After discussion, the President noted that no formal Board action was required at this time.

12. Consideration was next given to review and approval of proposals for medical insurance for District Staff, and the taking of any action necessary or appropriate in connection therewith. In that regard, Mr. Harned reviewed with the Board the proposals for same and answered questions posed by the Board, including cost sharing of this expense with the other districts, and HSA accounts. Director Ware suggested that the term of the medical insurance be changed to a 6-month term instead of an annual term. After discussion on the matter, Director Ware moved that the Board approve renewal of the medical insurance for District Staff with BCBS for a 7.9% increase in premium over that of the previous year. Director Beggs seconded said motion, which carried unanimously.
13. Consideration was next given to discussion regarding solid waste contract renewal. In that regard, Mr. Mercer reported to the Board that the contract would be up in March, 2021, and provided the District with the terms of the rate increase for a 5-year renewal. Director Wetherbee noted that she would like Republic Services to include education for residents, specifically more education on recycling. In that regard, Director Fogle then requested that a recycling video be provided for the Lantana residents. After discussion on the matter, Director Fogle moved that the Board proceed with giving formal notice to Republic Services of the Board's intent to renew such solid waste contract for a 5-year term. Director Beggs seconded said motion, which carried unanimously.
14. Consideration was next given to authorizing filing of correspondence with the State Comptroller prior to February 1, 2021, relative to status and exercise of eminent domain powers. Mr. Finke discussed with the Board regulatory requirements regarding online filing of information relating to District authority for and use of eminent domain powers. After discussion, Director Ware moved that the Board hereby authorize filing of correspondence with the State Comptroller prior to February 1, 2021, relative to status and exercise of eminent domain powers and approve the action of electronically reporting the required eminent domain information on behalf of the District to the State Comptroller prior to February 1, 2021. Director Wetherbee seconded said motion, which carried unanimously.
15. Consideration was next given to discussion regarding preparations for Lantana Earth Day 2021, and the taking of any action necessary or appropriate in connection therewith. In that regard, Mr. Mercer reported that Earth Day 2021 was scheduled to be held on April 22, 2021, noting that he was hopeful that COVID would allow Earth Day 2021 to proceed. He advised that he would begin to hold discussions and work with the LCA to get vendors in place for same. After discussion, the President noted that no formal Board action was required at this time.
16. Consideration was next given to establishment and composition of public safety committee. In that regard, the President reported that Directors Thompson and Wetherbee both were interested in participating. He further reported that previously there was a Lantana wide safety committee that used to include people from the LCA, and noted that he would like to rejoin and comprise the committee with all Lantana residents. Director Fogle then moved that the District join the DCFWSD No. 6 Safety Committee, and the nominated Directors Ware and Wetherbee for positions on said committee. Director Beggs seconded said motion, which carried unanimously.

17. Consideration was next given to review and discuss 2021 District Board of Directors' goals and benchmarks, and implementation efforts for such goals and benchmarks. In that regard, Mr. Mercer reviewed a list of goals and benchmarks for 2021. Director Fogle queried Mr. Mercer as to what the goals were of Mr. Kurt Sewell. Mr. Mercer reported that he was looking to train Mr. Sewell as his successor. Director Beggs then queried Mr. Mercer as to whether a successor was in place to replace Mr. Harned. After discussion on the matter, the President noted that no formal Board action was required at this time.
18. The Board next deferred consideration of entering closed session, as may be necessary or appropriate, pursuant to Chapter 551, Subchapter D, Texas Government Code, in particular Sections 551.071, 551.072, 551.074, and/or 551.076 Texas Government Code, regarding any of the matters described in the notice, including consultation with District legal counsel as may be applicable.
19. Consideration was next given to establishing future agenda items. In that regard, it was noted that Barrington traffic and status of website traffic be placed on the agenda for the next meeting.
20. There being no further business to come before the Board, upon motion duly made by Director Beggs and seconded by Director Wetherbee, the meeting was adjourned at 5:23 p.m.

Secretary/Assistant Secretary