

**Minutes of Meeting  
Board of Directors  
Denton County Fresh Water Supply District No. 7  
March 17, 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, March 17, 2020, at 4:00 p.m., via telephonic 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 Texas governor under Section 418.016, Texas Government Code.

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 for the telephonic meeting, thus constituting a quorum. Also attending the meeting were the following: Mr. Richard Harned, District Controller; Mr. Kevin Mercer, General Manager; Ms. Lynne Humphries of Allen Boone Humphries Robinson, LLP; Ms. Lynne Thompson, Ms. Diane Wetherbee, Mr. Tim Dant, and Mr. Brian Rarick, residents of the District; and Mr. Jonathan H. Finke of Crawford & Jordan LLP.

1. The President called the meeting to Order at 4:00 p.m.
2. Due to the telephonic nature of the meeting, the Pledge of Allegiance to the flags of the United States of America and State of Texas, respectively, were deferred.
3. Consideration was next given to public comments. In that regard, Ms. Thompson and Ms. Wetherbee inquired as to whether or not the election would still be held. Director Kloser reported to the Board regarding an issue with wildlife within the District. After noting that there were no other members of the public participating in the meeting desiring to speak, and upon motion made by Director Fogle, seconded by Director Spence and carried unanimously, the President closed the public comment session of the meeting.
4. 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, Mr. Mercer reported that there was a reduction in traffic since the stop signs had been installed. He noted that there had been a lower number of cars exceeding the speed limit, as well as a reduction in the average speed. There was next a discussion on the effect that COVID-19 may have had on the results. Director Kloser noted that he had heard from a resident that there had been a reduction in traffic, however, he had been told that people were running the stop signs. After discussion, the President noted that no formal Board action was necessary at this time, but asked that the situation continued to be monitored.

5. Consideration was next given to the status of 2020 Directors Election. In that regard, Messrs. Finke and Mercer provided the Board with an update on polling locations, drawing of positions, and early voting. After discussion, the President noted that no formal Board action was necessary at this time.
6. Consideration was next given to the approval of the minutes of the Meeting of February 18, 2020, Board of Directors Meeting. After discussion on the matter, Director Fogle moved that the minutes of the Board of Directors Meeting of February 18, 2020, be approved as written. Director Spence seconded the motion, which carried unanimously.
7. 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 "A". In that regard, Mr. Mercer reported to the Board concerning the status of the District's pending projects and answered various questions, including a question posed by Directors Spence and Beggs regarding the low water accountability rate. After discussion on the matter, Director Spence moved that the General Manager's Report be approved, as presented. Director Fogle seconded said motion, which carried unanimously.
3. Upon motion by Director Beggs and seconded by Director Kloser, the Board reopened public comments for Brian Rarick, a District resident, who joined the conference call late. He discussed with the Board the Trinidad Way traffic issue, and thanked the Board for their attention to same on behalf of the District residents. After noting that there were no other members of the public participating in the meeting desiring to speak, and upon motion made by Director Fogle, seconded by Director Spence and carried unanimously, the President closed the public comment session of the meeting.
8. Consideration was next given to consideration of the review and acceptance of Lantana Community Association ("LCA") Report. In that regard, it was noted that Mr. Norton was not in attendance, but there was a brief discussion concerning the new Amenity Center, and Mr. Mercer commended the LCA on a fantastic job in connection with same. Director Kloser noted that he had received a notification from the LCA advising that all facilities were closed due to COVID-19. After discussion, the President noted that no formal Board action was required at this time.
9. The Board next considered review and acceptance of Engineering Report. In Mr. Carlson's absence, Mr. Mercer presented and reviewed with the Board the Engineering, a copy of which is attached hereto as Exhibit "B". Mr. Mercer reported that Mr. Carlson requested that the Board approve advertising for bids for the necessary street and sidewalk repairs package for various subdivisions within Lantana. After discussion on the matter, Director Spence moved that the Board approve advertising for bids for the necessary street and sidewalk repairs package for various subdivisions within Lantana. Director Fogle seconded said motion, which carried with Directors Fogle, Kloser, Beggs and Spence voting "aye", and Director Ware voting "no", and reiterating his opposition to paying for sidewalk repair.
10. Consideration was next given to review of notice of termination of lease and removal of equipment received from Rise Broadband, and the taking of any action in connection therewith. In that regard, Messrs. Finke and Mercer discussed same with the Board. Director Kloser queried as to how many customers would be affected by such termination. Director Beggs inquired as to whether or not Rise Broadband would be notifying their customers of such

termination. After discussion on the matter, Director Beggs moved that the Board accept such notice of termination of lease received from Rise Broadband. Director F\ogle seconded said motion, which carried unanimously.

11. Consideration was next given to status of a 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 had not received anything new upon which to report, and reiterated that he had requested a description of the type of equipment to be used and the location for same. Director Spence noted that he was still concerned about potential problems with access. After discussion on the matter, the President noted that no formal Board action was required at this time.
12. Consideration was next given to the Controller's Report presented by Mr. Harned, a copy of which is attached hereto as Exhibit "C". In that regard, Mr. Harned reviewed said report with the Board. Director Spence inquired as to what impact reduced values due to the COVID-19 crisis might have to the District. Director Ware queried what projections would be on a final buildout number due to the COVID-19 crisis. 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, and authorize payment of checks, as specified in said Report. Director Beggs seconded said motion, which carried unanimously.
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 "D". In that regard, Mr. Harned presented said report to the Board. He reported that as of February 29, 2020, the collection rate of the District's 2019 tax levy was at 98.29%. 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 granting exemptions from District taxation for 2020, and the adoption of a Resolution in connection therewith. Mr. Finke presented and reviewed with the Board such Resolution, and discussed the possible exemptions that the District could choose to grant. After discussion on the matter, Director Beggs moved that the Board approve said Resolution, as presented granting no exemptions, due to the current environment. Director Fogle seconded said motion, which carried with Directors Fogle, Kloser, Beggs and Ware voting "aye" and Director Spence voting "no".
15. Consideration was next given to review and adoption of Resolution authorizing additional 20% penalty on delinquent taxes. Mr. Finke presented and reviewed with the Board such Resolution, a copy of which is attached hereto as Exhibit "E". After discussion, Director Beggs moved that the Board adopt the Resolution authorizing additional 20% penalty on delinquent taxes. Director Spence seconded said motion, which carried unanimously.
16. 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 Denton County Fresh Water Supply District No. 6 for improvements along the Hike and Bike Trail, and the taking of any action necessary or appropriate in connection therewith. In that regard, Mr. Finke reported that currently no meeting was scheduled for the No. 4 Board. After discussion on the matter, the President noted that no formal Board action was necessary at this time.

17. Consideration was next given to status of correspondence submitted to County Commissioner Edmondson, Precinct No. 4 regarding status of appointment of directors the Board of Denton County Development District No. 4. In that regard, Mr. Finke reported to the Board that there had been a meeting scheduled for the same day as the Board meeting at 2:00 p.m., but advised that said meeting had been cancelled due to the COVID-19 crisis. In that regard, Director Fogle indicated his intent to reschedule the meeting. After discussion, the President noted that no formal Board action was necessary at this time.
18. Consideration was next given to status of memorial facilities installed in Barrington Addition at the trail head on Haverford Lane, to recognize Lauren Slaughtery Jones and David P. Spence. In that regard, Mr. Mercer reported to Board that the memorial facilities were now complete. After discussion on the matter, the President noted that no formal Board action was required at this time.
19. Consideration was next given to exploratory discussions regarding a dedicated sheriff's deputy for Lantana. In that regard, Mr. Mercer reported to the Board that it would be necessary to hold conversations with Copper Canyon and Denton County to determine the feasibility of same, and requested approval to set up such conversations. After discussion on the matter, Director Spence moved that the Board authorize holding such conversations with Copper Canyon and Denton County. Director Beggs seconded said motion, which carried unanimously.
20. Consideration was next given to a discussion regarding certain recent state legislation, including training requirements and website posting by the District and Central Appraisal District, and the taking of any related action. Mr. Finke reviewed such state legislation and the requirements placed on the District. No action was taken by the Board.
21. 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.
22. The Board next deferred consideration of establishing future agenda items, as there were none.
23. There being no further business to come before the Board, upon motion duly made by Director Beggs and seconded by Director Ware, the meeting was adjourned at 5:59 p.m.

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Secretary/Assistant Secretary