

**Minutes of Meeting
Board of Directors
Denton County Fresh Water Supply District No. 7
June 16, 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, June 16, 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
Stephen D. Spence	Secretary
Todd Beggs	Treasurer
Lynne Thompson	Assistant Secretary

All members of the Board were present for the meeting either via video or audio conference, with the exception of Thompson, thus constituting a quorum. Director Thompson joined the meeting later as noted below. 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. Diane Wetherbee, Mr. Mark Norton of Lantana Community Association ("LCA"); Ms. Megan Bradley of Triton Consulting Group; and Mr. Jonathan H. Finke of Crawford & Jordan LLP.

1. The President called the meeting to Order at 4:01 p.m.
2. Consideration was next given to public comments. In that regard, Ms. Wetherbee, a District resident, noted that Republic Service made an effort to educate the residents of Flower Mound, Texas, and queried as to whether Republic could do the same for Lantana. Director Fogle provided an update on the June 5th protests, and thanked the law enforcement for such great support. After noting that there were no other members of the public participating in the meeting desiring to speak, and upon motion made by Director Spence, seconded by Director Beggs and carried unanimously, the President closed the public comment session of the meeting.
3. Consideration was next given to discussion regarding various traffic control matters, including, but not limited to, Trinidad Way traffic, and the taking of any action necessary or appropriate in connection therewith. In that regard, Mr. Mercer provided the Board with an update on the traffic statistics, noting that it was still hard to gauge the impact due to the COVID-19 pandemic, but advised that trends seemed to be continuing as resident traffic was starting to pick up again. Mr. Mercer reported that he would continue monitoring the data. After discussion, the President noted that no formal Board action was necessary at this time.

Mr. Carlson joined the meeting at this time.

4. Consideration was next given to the approval of the minutes of the Meeting of May 19, 2020, Board of Directors Meeting. In that regard, it was noted that the draft Minutes of May 19,

2020, needed to be amended to reflect that the meeting started at 4:00 p.m. and not 4:30 p.m. After discussion on the matter, Director Spence moved that the minutes of the Board of Directors Meeting of May 19, 2020, be approved, as amended. Director Beggs seconded the motion, which carried unanimously.

5. 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. There was also an update given on the condition of a drainage swale located behind the Madison residents, noting that said swale was still clear and working well. Mr. Mercer then provided an update on the Crosstimbers elevated storage tank and installation of same. After discussion on the matter, Director Ware moved that the General Manager's Report be approved, as presented. Director Beggs seconded said motion, which carried unanimously.
6. Consideration was next given to the review and acceptance of Lantana Community Association ("LCA") Report. In that regard, Mr. Norton stated that he too was pleased with law enforcements handling of the June 5th protests. He then reported that as of June 29, 2020, the Lantana pools would be open to the public, and that on Saturday, June 27th there would be a stationary parade consisting of floats for the cars to drive by to celebrate the 4th of July. After discussion on the matter, Director Beggs moved that the Board accept the LCA Report, as presented. Director Spence seconded said motion, which carried unanimously.
7. The Board next considered review and acceptance of Engineer's Report, and the taking of any action necessary or appropriate in connection therewith. In that regard, Mr. Carlson presented and reviewed with the Board the Engineering Report, a copy of which is attached hereto as Exhibit "B". He then presented and reviewed with the Board Change Order No. 1 in the amount of \$11,954.06 from Alderink Enterprises, Inc. dba CI Pavement ("Alderink") for additional street repair at the intersection of Bailey and Clearfork. After discussion on the matter, Director Ware moved that the District approve said Change Order as presented, and authorize payment to Alderink. Director Spence seconded said motion, which carried unanimously
8. 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 thought progress was being made, noting that the tank designer will be providing shop drawings for the tank for the Board to review and approve. After discussion on the matter, the President noted that no formal Board action was required at this time.
9. 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. Mr. Harned noted that the Budget Meeting for the Finance Committee would be held on July 7th at 7:00 a.m. After discussion on the matter, and thorough review of the report(s) and questions in connection therewith, Director Thompson 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.
10. 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 May 31, 2020, the collection rate of the District's 2019 tax levy was at 99.39%. After discussion on the matter, Director Ware moved that the Board approve the tax assessor-collector's report as presented. Director Beggs seconded said motion, which carried unanimously.

11. Consideration was next given to review of Interlocal Cooperation Agreement for Tax Collection between Denton County, Texas and the District. In that regard, Mr. Finke reviewed correspondence from the Denton County Tax Office regarding the per parcel rate for the 2020 Property Tax Year. After discussion on the matter, Director Fogle moved that the Board accept the per parcel rate for the 2020 Property Tax Year. Director Spence seconded said motion, which carried unanimously.
12. Consideration was given to authorizing the Delinquent Tax Collections Attorney, Elsey & Elsey, to pursue the collection of delinquent taxes for 2019 and prior years. After discussion on the matter, Director Thompson moved that the Board authorized Elsey & Elsey to proceed with delinquent tax collections for 2019 and prior years. Director Beggs seconded said motion, which carried unanimously.
13. Consideration was next given to adoption of Order Establishing Meeting Places Inside the Boundaries of the District. In that regard, Mr. Finke reported to the Board that the District would be designating the Lantana Community Center at 1301 Haverford Lane, Lantana, Texas 76226, as an additional meeting place for the District meetings, in addition to all of the other locations previously dedicated. After discussion on the matter, Director Fogle moved that the Board adopt said Order as presented to include the Lantana Community Center as a meeting place for the District. Director Thompson seconded said motion, which carried unanimously.
14. Consideration was next given to procurement of improvements along Hike and Bike Trail, and the approval of award of construction and installation contract in connection therewith. In that regard, Mr. Mercer reported that Director Beggs, along with Messrs. Ferguson, Carlson, and himself had walked the path and marked 5 locations for installation of the new improvements. Mr. Mercer suggested that the remainder of the Board members should walk the path to review the locations prior to the next meeting. He reported that the quote for such equipment was just under \$25,000, noting that the District and No. 6 would be sharing in the \$10,000 installation cost, but that the Board may want to go back to Denton County Development District No. 4 ("No. 4") request further grant funds. Mr. Mercer noted that the date of the next No. 4 meeting was July 27th at Noon. After discussion on the matter, the President noted that no formal Board action was necessary at this time.
15. 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, Director Fogle reported to the Board that he as well as Mr. Gilbert of No. 6 and Mr. Mercer met with County Commissioner Edmondson to discuss the concerns with the current vacancy on the Board, as well as the positions with expired terms. It was noted that Mr. Beggs had been recommended for appointment to such vacancy. After discussion, the President noted that no formal Board action was necessary at this time.
16. Consideration was next given to authorizing electronic completion and filing with the Secretary of State of Annual Voting Systems Report relative to the District election. In that regard, Mr. Finke reported to the Board as to the need for such filing. After discussion on the

matter, Director Fogle moved that the Board approve authorizing electronic completion and filing with the Secretary of State of Annual Voting Systems Report relative to the District elections. Director Spence seconded said motion, which carried unanimously.

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. Consideration was next given to of establishing future agenda items. In that regard, it was requested that recognition of Andrew Kloser be put on the joint meeting agenda, as well as updates on website, graffiti on benches, and warning signs on the Hike and Bike Trail equipment.
19. There being no further business to come before the Board, upon motion duly made by Director Fogle and seconded by Director Thompson, the meeting was adjourned at 5:11 p.m.

Secretary/Assistant Secretary