

MINUTES
DENTON COUNTY FRESH WATER SUPPLY DISTRICT NO. 1-D
BOARD OF DIRECTORS MEETING

August 19, 2014

REGULAR SESSION BOARD MEETING

1. Call to Order.

The Board of Directors of Denton County Fresh Water Supply District No. 1-D convened, with attorney Ross Martin presiding, at 2540 King Arthur Blvd., Suite 220, Lewisville, Texas 75056. Evidence was presented that public notice of such meeting had been given, as required by law, and the attendance of the Board of Directors was taken. A quorum was present for the meeting.

Board Members in Attendance:

John A. Ehinger, Jr., President
Bruce Johnson, Treasurer

Dave Hessie, Secretary

Board Members Absent:

Mark Channels, Vice President

Kim Ortiz, Assistant Secretary

Staff & Advisors in Attendance:

Phil Brosseau, General Manager
Ross Martin, Attorney, Kelly Hart & Hallman LLP

Kristina Clark, Admin.

Others in Attendance:

William Lux, CH Resident
Lisa Bloomfield, Bookkeeper, District 1-B

Robbie Wallace, CH Resident

2. Public Communications and Comments.

Mr. Martin opened the meeting for public communication and comment. Director Johnson stated that a pump failed at the Reserve and nothing had been done to replace it. Robbie Wallace inquired as to the pump repairs stating that it had been many weeks since the failure. Mr. Brosseau gave the timeline of the process as well as the repair schedule for the pump in question. Director Johnson stated that several residents had complained about not being notified of sidewalk repairs. He then asked if DCFWSD 1-A was part of the "Next Door" website that was used for crime watch. Mr. Brosseau replied that he had never heard of the website. Director Ehinger noted that "Next Door" was not a crime watch website, but more like "Facebook" for neighbors. After no further comments, Director Ehinger motioned to close the Public Communications and Comments section of the meeting. Such motion was seconded by Director Johnson. The votes were 3 Yes, with 0 No. Motion carried.

3. Opening Remarks:

A. General Manager Remarks:

None.

B. Presentations:

None.

CONSENT AGENDA

Mr. Martin moved on to the Consent Agenda. After complete discussion and review, Director Johnson made a motion to approve the Consent Agenda. Such motion was seconded by Director Ehinger. The votes were 3 Yes, with 0 No. Motion carried. Draft copies of which are collectively included in the Board packet and attached hereto as **EXHIBIT "A"**. The items considered were:

4. Approval of the Minutes of the June 17 and July 15, 2014 Board meetings.
5. Approval of the entire General Manager's report including, but not limited to, the Monthly Construction Activity Reports, Monthly Water and Sewer Reports, Monthly DCAD Tax Collection Report, Monthly Unaudited Financial Reports; agenda topic list; and if applicable, the Quarterly Investment Report.
6. Approval of construction pay applications, payment requisitions, change orders, and if applicable, award recommendations, bid solicitations, and/or proposals of the District.

ITEMS FOR INDIVIDUAL CONSIDERATION

7. Receive an update from Director Ehinger with regard to a Financial Management Policy and consider approval of such.

This item was tabled.

8. Consider and review hiring a third party bookkeeper.

Director Johnson introduced Lisa Bloomfield, with Dye & Bloomfield, to the Board and suggested hiring a third party bookkeeper to do the bookkeeping for District 1-D. Director Ehinger stated that he was not in favor of that, but may consider for special projects. He asked Ms. Bloomfield to submit a list of fees and services offered. Director Johnson motioned to bring this item back at the next meeting. Such motion was seconded by Director Ehinger. The votes were 3 Yes, with 0 No. Motion Carried.

9. Accept receipt of and review proposed final Facilities Operations and Maintenance Budget for the upcoming fiscal year 2014/15, discuss any proposed Service Rate Order amendment(s), and review of upcoming fiscal year debt service requirements as relates to budgeting, and take any and all action necessary.

Mr. Brosseau presented the proposed final budget, dated 08/01/14 to the Board and the public. After discussion and review, Director Ehinger motioned to accept the final Facilities Operations and Maintenance Budget for the upcoming fiscal year 2014/15. Such motion was seconded by Director Johnson. The votes were 3 Yes, with 0 No. Motion Carried.

10. Review tax rate recommendations and approve Water District Notice of Public Hearing on Tax Rate and authorize publication of said notice and confirm attendance of said Public Hearing.

After discussion and review, Director Johnson motioned to approve Water District Notice of Public Hearing on Tax Rate and authorize publication of said notice for \$0.86. Such motion was seconded by Director Ehinger. The votes were 3 Yes, with 0 No. Motion Carried.

11. Review Interlocal Agreement for property tax collection.

This item was previously approved. No action was needed.

12. Review and consider prior Developer Reimbursement Agreements and repayment options with regard to such.

This item was only necessary for 2013 and no further action was required.

13. Consider and discuss a traffic study.

No action was taken.

14. Discuss water conservation measures.

Director Johnson will bring back further information for discussion.

15. Update regarding NCTCOG grant availability.

Director Johnson will bring back further information for discussion.

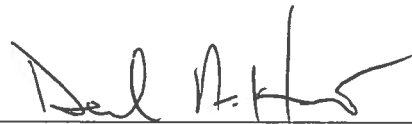
16. Review and consider items to add to the next Board agenda:

- a. Hire outside bookkeeping services;
- b. Replacement Director;
- c. Financial Management Policy;
- d. Water conservation;
- e. NCTCOG grants;
- f. Public hearing on tax rate; and
- g. Review Developer debt.

17. Adjournment.

Director Johnson motioned to adjourn the meeting. Such motion was seconded by Director Ehinger. The votes were 3 Yes, with 0 No. Motion Carried. The meeting was adjourned.

Approved and adopted this 18th day of November, 2014.



Dave Hesse, Secretary, Board of Directors
Denton County Fresh Water Supply District No. 1-D



(DISTRICT SEAL)