

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

October 21, 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
Dave Hessie, Secretary
Bruce Johnson, Treasurer

William "Bill" Lux, Vice President
Kim Ortiz, Assistant Secretary

Board Members Absent:

None

Staff & Advisors in Attendance:

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

Kristina Clark, Assistant to G.M.

Others in Attendance:

Patrick Kelly, District 1-B Director

Francis Schmaeling, CH Resident

2. Public communications and comments.

Mr. Martin opened the meeting for public communication and comment. Mr. Kelly suggested holding a joint meeting to discuss the issue of security within Castle Hills. Director Johnson noted that he'd like a joint meeting regarding a park plan, to which Director Ortiz asked if there was the possibility to include a dog park. After no further comments, Director Johnson motioned to close the Public communications and comments section of the meeting. Such motion was seconded by Director Hessie. The votes were 5 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 Lux made a motion to approve the Consent Agenda, excluding the August 19 and September 26, 2014 Minutes. Such motion was seconded by Director Johnson. The votes were 5 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 August 19 and September 16, 2014 Board meetings. Excluded.
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. Agenda item # 10. Discuss and review options for additional police patrol with public or private entities.

Mr. Brosseau updated the Board with the status of the proposal from the City of Lewisville. No action was needed.

8. Agenda item #7. Discuss and approve an Amended District Information Form.

After discussion and review, Director Johnson made a motion to approve the Amended District Information Form. Such motion was seconded by Director Lux. The votes were 5 Yes, with 0 No. Motion carried.

9. Agenda item #8. Discuss and approve an Amendment to the Order Establishing District Facility Charges, Water and Wastewater Service Rates, Tap Fees, Solid Waste and Recycling Fees and take any and all actions necessary relating to such.

This item was tabled.

10. Agenda item # 9. Consider and review hiring a third party bookkeeper for special District specific projects.

This item was removed and will be brought back if needed for special projects.

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

Director Ehinger presented a redline version of the Financial Management Policy and asked the Board to review. No further action was needed at this time as this item will be brought back to the next meeting.

12. Discuss and review street light replacement.

This item was tabled for six months.

13. Receive an update from Director Johnson with regard to qualifying for and possible submittal of grant applications to North Central Texas Council of Governments ("NCTCOG") and consider approval of such.

Director Johnson spoke of opportunities available for hike and bike trails and possibly having them under the power lines in District 1-C and 1-D. Director Ehinger asked Mr. Brosseau if the Developer would allow access through the rights-of-way for such grant opportunities.

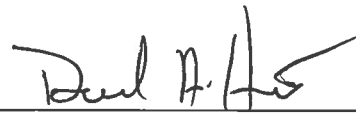
14. Review and consider items to add to the next Board agenda:

- a. Lewisville PD – False Alarms / IronGuard Security;
- b. Financial Management Policy;
- c. NCTCOG grants;
- d. Rate Order.

15. Adjournment.

Director Lux motioned to adjourn the meeting. Such motion was seconded by Director Johnson. The votes were 5 Yes, with 0 No. Motion Carried. The meeting was adjourned.

Approved and adopted this 16th day of December, 2014.



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

(DISTRICT SEAL)