

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

July 22, 2015

REGULAR SESSION BOARD MEETING

1. Call to Order:

The Board of Directors of Denton County Fresh Water Supply District No. 1-F convened, with attorney Ross Martin presiding, at 14925 Landmark Boulevard, Dallas, Texas 75254. 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:

Matthew Taylor, President

Julie Koustoubardis, Secretary

Jose Antonio Munoz, Assistant Secretary

Board Members Absent:

C. S. Kelso, Vice President

Cheryl Mabery, Assistant Secretary/Treasurer

Staff & Advisors in Attendance:

Phil Brosseau, Interim General Manager

Kristina Clark, Assistant to G.M.

Ross Martin, Attorney, Kelly, Hart & Hallman LLP

Joseph Ellis, Auditor, McCall Gibson Swedlund & Barfoot PLLC

Others in Attendance:

None

2. Public Communications and Comments:

Mr. Martin opened the meeting for public communication and comment. Director Taylor motioned to close the Public Communications and Comments section of the meeting, as no public was present. Director Munoz seconded such motion. The votes were 3 Yes, with 0 No. Motion carried.

3. Opening Remarks:

A. General Manager Remarks:

None.

B. Presentations:

None.

4. Agenda item 7. Hear presentation by McCall Gibson Swedlund & Barfoot PLLC, the District's auditor, and after such presentation and review thereof, approve the District's audited financial statements of the fiscal year ending September 30, 2014, related management report and authorized filing of such audit with the Texas Commission on Environmental Quality and the City of Lewisville for filing with EMMA was addressed at this time.

Mr. Joseph Ellis, auditor with McCall Gibson, presented the Board with the audited financial statements for the fiscal year ending September 30, 2014. Mr. Ellis reviewed the highlights of the audit with the Board and provided answers to questions on the audit. After complete review and discussion, Director Koustoubardis motioned to

approve the District's audited financial statements for fiscal year 2013-14 and authorized all necessary filings. Director Munoz seconded such motion. The votes were 3 Yes, with 0 No. Motion carried.

CONSENT AGENDA

Mr. Martin moved to the Consent Agenda. After complete discussion of agenda items 4-6, Director Koustoubardis made a motion to approve the Consent Agenda. Director Taylor seconded such motion. The votes were 3 Yes, with 0 No. Motion carried. Draft copies are collectively included in the Board packet and attached hereto as **EXHIBIT "A"**. The items considered were:

5. Adopt Minutes of the May 20, 2015 Board meeting.
6. Approval of the entire General Manager's report including, but not limited to, the Monthly Construction Activity Reports, Monthly Water and Sewer Reports, Monthly Tax Collection Report, Monthly Unaudited Financial Reports, the progress regarding the agenda topic list; and if applicable, the Quarterly Investment Report.
7. Approval of Construction Award Recommendations, Construction Pay Applications, Project Payment Requisitions, and Change Orders, if applicable.

ITEMS FOR INDIVIDUAL CONSIDERATION

8. Accept receipt of preliminary Facilities Operations and Maintenance Budget for the upcoming fiscal year of October 1, 2015 to September 30, 2016.

Mr. Brosseau presented both the Board with the preliminary Facilities Operations and Maintenance Budget ("FOMB") for the upcoming fiscal year 2015-16 and after complete review and discussion, Director Koustoubardis motioned to accept receipt of the preliminary FOMB for FY 2015-16. Director Munoz seconded such motion. The votes were 3 Yes, with 0 No. Motion Carried.

9. Authorize the formal closing of existing bank accounts and approve Chase Bank as new Depository and Securities Bank and authorize the execution of any resolutions or signature cards as may be needed in connection therewith.

After discussion and review regarding bank fees, Director Koustoubardis motioned to approve Chase Bank as the District's new Depository and Securities Bank and authorize the execution of any resolutions or signature cards as may be needed in connection therewith. Director Munoz seconded such motion. The votes were 3 Yes, with 0 No. Motion Carried.

10. Review and approve the Interlocal Agreement for Property Tax Collections with Denton County for collection of the 2015 taxes and authorize such to be executed by the General Manager.

Mr. Martin explained that the contract for property tax collection hadn't changed and noted that it was more cost effective to utilize the County tax assessor-collector than a private tax collector, with the added benefit that the District taxes will appear on the single County tax bill. Director Koustoubardis motioned to approve the Interlocal Agreement for Property Tax Collections with Denton County, Texas and authorize such to be executed by the General Manager. Director Munoz seconded such motion. The votes were 3 Yes, with 0 No. Motion Carried.

11. Consider and approve discretionary spending with regard to park and or public area improvements.

After discussion and review, Director Munoz motioned to approve spending \$2,660 for an awning to be erected over a large piece of park playground equipment, subject to ARC approval including assigning all maintenance and repairs to District 1-F. Director Koustoubardis seconded such motion. The votes were 3 Yes, with 0 No. Motion Carried

12. Discuss and confirm August and September proposed meeting dates.
The dates were confirmed by the Directors to be August 19 and September 23, 2015.

13. Review and consider items to add to the next Board agenda.

- A. Possible "Wrong Way" signage installed at Josey and Windhaven; and
- B. Publication of tax notice.

14. Adjournment.

Director Koustoubardis motioned to adjourn the meeting. Director Munoz seconded such motion. The votes were 3 Yes, with 0 No. The meeting was adjourned.

Approved and adopted this 27th day of August 2015.

(DISTRICT SEAL)


Julie Koustoubardis, Secretary
Board of Directors
Denton County Fresh Water Supply District No. 1-F