

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

March 19, 2014

REGULAR SESSION BOARD MEETING

1. Call to Order:

The Board of Directors of Denton County Fresh Water Supply District No. 1-G convened, with Mr. Brosseau 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:

Mark Charles Crouch, President

Melissa Brand-Vokey, Secretary

Carol E. Upchurch, Treasurer/Asst. Secretary

Michael Raquet, Vice President

Marcus O'Con, Assistant Secretary

Board Members Absent:

None.

Staff & Advisors in Attendance:

Phil Brosseau, Interim General Manager

Ross Martin, Attorney, Kelly Hart & Hallman LLP

Kristina Clark, Admin.

Heather Standerfer, Admin.

Others in Attendance:

Brian Toldan, CPA, McCall Gibson Swedlund Barfoot PLLC ("McCall")

2. Public Communications and Comments:

Mr. Martin opened the meeting for public communication and comment. However, since no members of the public were present, Director Crouch motioned to close the Public Communications and Comments section of the meeting. Such motion was seconded by Director Brand-Vokey and passed by a vote of 5 Yes, with 0 No. Motion carried.

3. Opening Remarks:

A. Staff Remarks:

None.

B. Presentations:

None.

CONSENT AGENDA

Mr. Martin then moved on to the Consent Agenda. After complete discussion and review, Director Upchurch made a motion to approve the Consent Agenda. Such motion was seconded by Director Raquet and passed with

a vote of 5 Yes, with 0 No. Motion carried. Draft copies are collectively included in the Board packet and attached hereto as **EXHIBIT "A"**. It was noted that the date of the Minutes should be February 19, 2014 not February 22, 2014 as stated on the agenda. The items considered were:

4. Adopt Minutes of the February 19, 2014 Board meeting, not the February 22, 2014 Minutes. Mr. Martin entered the meeting at this time.
5. Approval of the entire Staff 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 agenda topic list, and if applicable, the Quarterly Investment Report.
6. Approval of Construction Award Recommendations, Construction Pay Applications, Project Payment Requisitions, and Change Orders, if applicable.

ITEMS FOR INDIVIDUAL CONSIDERATION

7. Review and approve audit for fiscal year 2012/13 and authorize all necessary filings, if applicable.

Mr. Brian Toldan, Auditor with McCall, presented the Board with the audited financial statements for the fiscal year ending September 30, 2013. Mr. Toldan then went on to go over the highlights of the audit and provided answers to questions with regard to such. After complete review and discussion, Director Brand-Vokey motioned to approve the final audited financial statement. Such motion was seconded by Director Crouch. The votes were 5 Yes, with 0 No. Motion Carried.

8. Consider and approve an Order Declaring Unopposed Candidates Elected and Canceling Election.

After Discussion and review, Director Raquet made a motion to adopt an Order Declaring Unopposed Candidates Elected and Canceling Election. Such motion was seconded by Director Brand-Vokey. The votes were 5 Yes, with 0 No. Motion Carried.

9. Consider and approve Bond Ordinance, Trust Agreement and related documents for the issuance of the City of Lewisville, Texas Combination Contract Revenue and Special Assessment Utility System Bonds, Series 2014 (Lewisville Castle Hills Public Improvement District No. 5 Project) and City of Lewisville Combination Contract Revenue and Special Assessment Road System Bonds, Series 2014 (Lewisville Castle Hills Public Improvement District No. 5 Project, as required under the terms of the Joint Utility Contract and Joint Road Contract by and between the District and the City.

Mr. Martin updated the Board as to the status of the Bond Ordinance, Trust Agreement and related documents for the issuance of the City of Lewisville, Texas Combination Contract Revenue and Special Assessment Utility System Bonds, Series 2014 (Lewisville Castle Hills Public Improvement District No. 5 Project) and City of Lewisville Combination Contract Revenue and Special Assessment Road System Bonds, Series 2014 (Lewisville Castle Hills Public Improvement District No. 5 Project. No action was needed.

10. Review and approval of bid tabulation and recommendation of the Grading, Utilities, Paving, and Screening Walls associated with the proposed Castle Hills - Phase 8, Section A, development.

After review and discussion, Director Brand-Vokey motioned to approve the District Engineer's recommendation of contract award to Infinity Lawn and Landscape LLC. in the amount of \$1,210,026.50 for Phase 8, Section A - Screening Walls and the District Engineer's recommendation of contract award to RKM

Utilities Services, Inc. in the amount of \$5,095,605.40 for Phase 8, Section A - Residential Utilities and Paving. Such motion was seconded by Director Raquet. The votes were 5 Yes, with 0 No. Motion Carried.

11. Authorize the General Manager to award the contract for the Grading, Utilities, Paving, and Screening Walls associated with the proposed Castle Hills - Phase 8, Section A, development to the District Engineer's recommended low bidder.

After review and discussion, Director Brand-Vokey motioned to approve giving the General Manager authority to enter into contract with RKM Utilities Services, Inc. Such motion was seconded by Director Raquet. The votes were 5 Yes, with 0 No. Motion Carried.

12. Review and approval of bid tabulation and recommendation of the Grading, Utilities, Paving, and Screening Walls associated with the proposed Castle Hills - Phase 8, Section B, development.

After review and discussion, Director Brand-Vokey motioned to approve the District Engineer's recommendation of contract award to L. H. Lacy Company, Ltd. in the amount of \$1,119,860.00 for Phase 8, Section B - Commercial Utilities and Paving. Such motion was seconded by Director Crouch. The votes were 5 Yes, with 0 No. Motion Carried.

13. Authorize the General Manager to award the contract for the Grading, Utilities, Paving, and Screening Walls associated with the proposed Castle Hills - Phase 8, Section B, development to the District Engineer's recommended low bidder.

After review and discussion, Director Brand-Vokey motioned to authorize the General Manager to execute a contract with L. H. Lacy Company, Ltd. on behalf of the District. Such motion was seconded by Director Crouch. The votes were 5 Yes, with 0 No. Motion Carried.

After review and discussion, Director Brand-Vokey motioned to approve the District Engineer's recommendation of contract award for Phase 8, Section A Grading, Utilities, Paving, and Screening Walls. Such motion was seconded by Director Raquet. The votes were 5 Yes, with 0 No. Motion Carried.

14. Review and adopt an Amended Order Establishing District Facility Charges, Water and Wastewater Service Rates, Tap Fees, Solid Waste and Recycling Fees, and Adopting Certain General Policies with Respect to the District's Water, Wastewater, and Drainage Systems, which includes, but is not limited to the addition of certain fees for the issuance of Certificates of Occupancy ("CO") and Temporary Certificates of Occupancy, and adoption of the following codes, which may be amended from time to time so as to mirror the City of Lewisville's adopted codes, as standardized building codes for the Districts:

- A. 2006 International Building Code
- B. 2006 International Residential Code
- C. 2006 International Fire Code
- D. 2006 International Plumbing Code
- E. 2009 International Energy Code
- F. 2005 National Electric Code
- G. Current State Required Conservation Code

Mr. Brosseau spoke of the need to update the current building codes to be more in line with the City of Lewisville's codes and that he would bring the recommended changes back to the Board for approval. No Board action was needed.

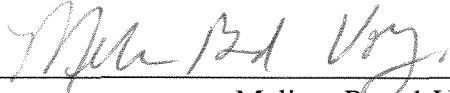
15. Review and consider items to add to the next Board agenda.

1) Review and approve documents for Lewisville Castle Hills PID No. 7 issuance; and

16. Adjournment.

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

Approved and adopted this 21st day of May, 2014.



Melissa Brand-Vokey, Secretary
Board of Directors
Denton County Fresh Water Supply District No. 1-G

(DISTRICT SEAL)