

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

August 19, 2014

REGULAR SESSION BOARD MEETING

1. Call to Order:

The Board of Directors of the Denton County Fresh Water Supply District No. 1-H (the "District") convened, with attorney Ross Martin presiding, at 14925 Landmark Boulevard, Dallas, Texas 75254, a meeting place of the District outside the boundaries of the District. 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:

Ralph Hunter, President

John Lessner, Assistant Secretary

Michael A. Clark, Treasurer/Assistant Secretary

Patti Brown, Vice President

Corwin Snow, Secretary

Board Members Absent:

None

Staff & Advisors in Attendance:

Phil Brosseau, General Manager

Ross Martin, Attorney, Kelly Hart & Hallman LLP

Kristina Clark, Admin.

Others in Attendance:

Drew Keith, Bright

2. Public Communications and Comments:

Mr. Martin opened the meeting for public communication and comment. However, no members of the public were requesting comment. Director Lessner motioned to close the Public Communications and Comments section of the meeting. Such motion was seconded by Director Clark. The votes were 5 Yes, with 0 No. Motion carried.

3. Opening Remarks:

A. Staff Remarks:

None.

B. Presentations:

None.

CONSENT AGENDA

Mr. Martin moved on to the Consent Agenda. After complete discussion and review, Director Snow made a motion to approve the Consent Agenda. Such motion was seconded by Director Brown. 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. Adopt Minutes of the May 18 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, the Monthly Water and Sewer Reports, the Monthly DCAD Tax Collection Report, the Monthly Unaudited Financial Reports, the progress regarding the 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 Districts'.

ITEMS FOR INDIVIDUAL CONSIDERATION

7. Authorize the advertisement for bids on the Excavation, Grading, and Retaining Walls, Utilities, Paving, Landscape/Hardscape improvements associated with the Discovery at the Realm project.

After review and discussion, Director Hunter motioned to authorize the advertisement for bids for the above mentioned project. Such motion was seconded by Director Brown. The votes were 5 Yes, with 0 No. Motion Carried.

8. 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.

Upon review and discussion Director Snow motioned to approve the final Facilities Operations and Maintenance Budget for the upcoming fiscal year 2014/15. Such motion was seconded by Director Hunter.

9. Consider and approve Joint Utility Contract by and between the District, DCFWSD 1-Am, and the City of Lewisville, Texas.

After review, Director Brown motioned to approve Joint Utility Contract by and between the District, DCFWSD 1-Am, and the City of Lewisville, Texas. Such motion was seconded by Director Clark. The votes were 5 Yes, with 0 No. Motion Carried.

10. 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. 6 Project); as required under the terms of the Joint Utility Contract and Joint Road Contract by and between the District and the City.

After review, Director Snow motioned to 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. 6 Project). Such motion was seconded by Director Brown. The votes were 5 Yes, with 0 No. Motion Carried.

11. Consider and approve Bond Ordinance, Trust Agreement and related documents for the issuance of the City of Lewisville Combination Contract Revenue and Special Assessment Road System Bonds, Series 2014 (Lewisville Castle Hills Public Improvement District No. 6 Project), as required under the terms of the Joint Utility Contract and Joint Road Contract by and between the District and the City.

After review, Director Hunter motioned to 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. 6 Project). Such motion was seconded by Director Clark. The votes were 5 Yes, with 0 No. Motion Carried.

12. Consider and approve a Developer Repayment Agreement for repayment of funds advanced to the Series 2014 Bonds Debt Service Reserve Fund.

This item was tabled pending Bonds are issuance.

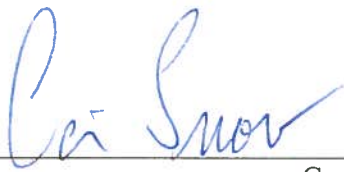
13. Review and consider items to add to the next Board agenda.

- A. Public hearing on tax rate;
- B. Contract award for Discovery at the Realm;
- C. Contract award for DATR;
- D. Developer Repayment agreement.

14. Adjournment.

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

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



Corwin Snow, Secretary
Board of Directors
Denton County Fresh Water Supply District No. 1-H

(DISTRICT SEAL)