

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

May 22, 2015

SPECIAL SESSION BOARD MEETING

1. Call to Order:

The Board of Directors of Denton County Fresh Water Supply District No. 1-E convened, with attorney Jonathan Cranz 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:

Doug Sumurdy, President
Seth Higgins, Vice President

Roshni Ramanujam, Secretary

Board Members Absent:

Randal Winkler, Asst. Secretary

Adam Oliver, Assistant Secretary

Staff & Advisors in Attendance:

J. Philip Brosseau, General Manager
Jonathan Cranz, Attorney, Kelly Hart & Hallman LLP

Kristina Clark, Assistant to G.M.

Others in Attendance:

Patrick Kelly, resident/1-B Director, 2511 Sir Turquin
Adam Parker, resident, 2520 King Arthur

Guy Harris, resident/1-B Director, 2605 Merlin
Drew Keith, resident/Dev Rep, 2624 Grail Maiden

2. Public Communications and Comments:

Mr. Cranz opened the meeting for public communication and comment. Mr. Keith introduced Adam Parker to the Board and asked the Board to consider entering Reimbursement Schedule and Agreement, similar to the agreement between the Developer and District 1-D, for the repayment of Advances owed to the Developer. Director Sumurdy asked what would happen if, for reasons beyond the Board's control, they were unable to make a scheduled payment. M. Keith replied that there would be an exception in the agreement to protect the Board from unforeseen shortfalls with regard to the repayment schedule. After further discussion, Mr. Keith asked the Board to consider appointing a sub-committee to negotiate a repayment schedule and agreement with the Developer. Director Sumurdy made a motion to close the public comments section of the meeting. Director Higgins seconded such motion. The votes were 3 Yes, with 0 No. Motion carried

3. Opening Remarks:

A. Staff Remarks:

None.

B. Presentations:

None.

CONSENT AGENDA

Mr. Cranz then moved on to the Consent Agenda. After full discussion and review and a note regarding a correction to the date of the Minutes, as the agenda has 03/20/2015 in error, Director Higgins made a motion to approve the Consent agenda. Director Sumurdy seconded such motion. The votes were 3 Yes, with 0 No. Motion

carried. Draft copies of which are included in the Board packet and collectively attached hereto as **EXHIBIT “A”**. The items considered were:

4. Adopt Minutes of the March 27, 2015 Board meeting.
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 Tax Collection Report, Monthly Unaudited Financial Reports, the progress regarding 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. Update on status of audit for fiscal year ending September 30, 2014.

Mr. Brosseau updated the Board regarding the fiscal year 2013/14 audit. No action was necessary.

8. Update with respect to police and fire protection services.

Mr. Brosseau updated the Board regarding the expanded police and fire protection services. No action was necessary.

9. Agenda item 10 was addressed at this time. Review existing residential homestead exemptions and, if necessary, adopt Amended Order Approving Residential Homestead Exemptions.

After full discussion and review, Director Higgins made a motion to leave all exemptions as they were. Director Sumurdy seconded such motion. The votes were 3 Yes, with 0 No. Motion carried.

10. Discuss the creation of a discretionary spending policy and take any action necessary with regard to such.

This item was tabled.

11. Update on closing of the sale of City of Lewisville, Texas Combination Contract Revenue, and Special Assessment Refunding Bonds, Series 2015 (Lewisville Castle Hills Public Improvement District No. 3 Project) (“Series 2015 Refunding Bonds”).

Mr. Cranz gave a brief update regarding the Series 2015 Refunding Bonds. No action was needed.

12. Review and consider items to add to the next Board agenda.
 - a) FY 2013/14 audit; and
 - b) Developer Reimbursement Schedule and Agreement.

13. Adjournment.

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

Approved and adopted this 5th day of August 2015.

Roshni Ramanujam, Secretary, Board of Directors
Denton County Fresh Water Supply District No. 1-E

(DISTRICT SEAL)