

**SPECIAL SESSION**  
**DENTON COUNTY FRESH WATER SUPPLY DISTRICT NO. 1-C**  
**BOARD MEETING MINUTES**  
**January 21, 2020**

1. Call to Order.

The Board of Directors of Denton County Fresh Water Supply District No. 1-C convened, with attorney Ross Martin presiding, at 2540 King Arthur Boulevard, 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:

David Moore, President

Toby Hermesmeier, Treasurer/Asst. Secretary

Preston D. Freeman, Vice President

Albert Hodges, Assistant Secretary

Debra D. Caskey, Secretary

Board Members Absent:

Staff & Advisors in Attendance:

John Philip Brosseau, General Manager

Kristina Clark, Director of Administration

Ross Martin, Attorney, Winstead PC

Robert Flint, Chief Financial Officer

Joseph Ellis, McCall & Gibson

Others in Attendance:

2. Public communications and comments.

Mr. Martin opened the meeting for public communications and comments, however no one was present to make any comments, so a motion was made to close the public comment section of the meeting.

Motion: Debra D. Caskey, Secretary

Second: Preston D. Freeman, Vice President

The votes were: 5 Yes, with 0 No, and 0 Abstained. The Motion passed.

3. Opening Remarks. A. Staff - None B. Presentations - None.

**CONSENT AGENDA**

Mr. Martin moved on to the Consent Agenda. The Board was presented with the General Manager's Report and associated documents. After all questions were answered and all remarks heard and with no further discussion a motion was made to approve the consent agenda, including all BIDS subject to attorney approval.

Motion: Debra D. Caskey, Secretary

Second: Albert Hodges, Assistant Secretary

The votes were: 5 Yes, with 0 No, and 0 Abstained. The Motion passed.

4. Adopt Minutes of the November 19 and December 17, 2019 Board meetings.

5. Approval of the General Manager's report with regard, but not limited to: Monthly Unaudited Financial Reports and if applicable, the Quarterly Investment Report; Monthly Tax Collection Report; Monthly Water and Sewer Report; Monthly Construction Activity Reports; and Ongoing Task List Items, and Security Report.

6. Review and ratify approval of construction pay applications, payment requisitions, change orders, and if applicable, bid tabulation and recommendation of contract award; bid solicitations, and/or proposals, if applicable, for any projects within the District.

**ITEMS FOR INDIVIDUAL CONSIDERATION**

7. Acknowledge receipt of and review and approve audit for fiscal year ended 09/30/19 and authorize all necessary filings.

Mr. Ellis reviewed the audit for fiscal year ended 09/30/2019 and after all comments and no further discussion Mr. Martin asked for a motion to approve the audit, pending any minor changes, and to authorize all necessary

Motion: David Moore, President

Second: Debra D. Caskey, Secretary

The votes were: 5 Yes, with 0 No, and 0 Abstained. The Motion passed.

8. Consideration and approval of Order Adopting an Amended Investment Policy and Appointment of Investment Officer to change title of investment officer to CFO.

Mr. Martin noted that the policy had to be reviewed annually and the only change was to the title of the investment officer from Finance Manager to Chief Financial Officer. After no further comments Mr. Martin asked for a motion to approve the Amended Investment Policy and Appointment of Investment Officer to change the title to CFO.

Motion: Albert Hodges, Assistant Secretary

Second: Toby Hermesmeyer, Treasurer/Asst. Secretary

The votes were: 5 Yes, with 0 No, and 0 Abstained. The Motion passed.

9. Consider and adopt Order Designating Offices Outside the District and authorize notice thereof.

Mr. Martin informed the Board of the need to change the regular meeting location and asked for a motion to approve the Order Designating Offices Outside the District and authorize notice thereof. After no further discussion a motion was made to approve the item.

Motion: David Moore, President

Second: Preston D. Freeman, Vice President

The votes were: 5 Yes, with 0 No, and 0 Abstained. The Motion passed.

10. Consider an action on reset of Regular Meeting dates as to time, day and location.

Mr. Martin asked the Board to consider a reset of their Regular Meeting dates as to time, day and location and requested that they change the location to the Hilton Express at their regular day and time. After no further discussion a motion was made to approve the item.

Motion: Toby Hermesmeyer, Treasurer/Asst. Secretary

Second: David Moore, President

The votes were: 5 Yes, with 0 No, and 0 Abstained. The Motion passed.

11. Consider and approve form of Joint Elections Agreement and Contract for Election Services for the May 2, 2020 uniform election between the Denton County Elections Administrator and Participating Political Subdivisions and authorize execution.

Mr. Martin explained the need for the Joint Election Agreement and Contract for Election Services for the May 2, 2020 election and after no further discussion a motion was made to approve the item.

Motion: Debra D. Caskey, Secretary

Second: Toby Hermesmeyer, Treasurer/Asst. Secretary

The votes were: 5 Yes, with 0 No, and 0 Abstained. The Motion passed.

12. Consider and adopt Order Calling Directors Election.

Mr. Martin reviewed the order and asked for a motion to adopt the Order Calling Directors Election. After no further comments, a motion was made to approve the item.

Motion: Preston D. Freeman, Vice President

Second: Albert Hodges, Assistant Secretary

The votes were: 5 Yes, with 0 No, and 0 Abstained. The Motion passed.

13. Review and consider approval of repayment for Excess Capacity in the Lift Station.

Mr. Brosseau reviewed the methodology in the allocations for the excess capacity in the Lift Station and asked the Board to approve repayment for their Districts share of capacity. After no further discussion a motion was made to approve the item.

Motion: David Moore, President

Second: Debra D. Caskey, Secretary

The votes were: 5 Yes, with 0 No, and 0 Abstained. The Motion passed.

14. Review and approve Agreement(s) for the Construction of Improvements and Reimbursement of Advances, Amendments or Assignments to any existing or additional reimbursement agreements as may be needed.

Mr. Martin reviewed the Agreement(s) for the Construction of Improvements and Reimbursement of Advances, Amendments or Assignments to any existing or additional reimbursement agreements as may be needed. However, after further review, this item was tabled.

Motion:

Second:

The votes were: 0 Yes, with 0 No, and 0 Abstained. The item was tabled.

15. Review and approve the Preliminary Official Statement (“POS”) and Notice of Sale (“NOS”) for the District’s Series 2020 - \$4,550,000 Unlimited Tax Road Bonds (“Series 2020 Road Bonds”), set the official sale date and authorize consultants to finalize POS/NOS and handle required notices of sale.

Mr. Martin reviewed and discussions were had pertaining to the District’s proposed issuance of \$4,550,000 Series 2020 Unlimited Tax Road Bonds (the “Series 2020 Road Bonds”), the Board discussed the timing of the Series 2020 Road Bond sale. The items were approved and the vote was unanimously carried, the Board formally authorized final revisions to and approved and authorized the publication of the Official Notice of Sale and the Preliminary Official Statement in connection with the sale of the District’s Series 2020 Road Bonds, such sale date being set for February 18, 2020 as set forth therein.

Motion: Toby Hermesmeier, Treasurer/Asst. Secretary

Second: David Moore, President

The votes were: 5 Yes, with 0 No, and 0 Abstained. The Motion passed.

16. Review and approve engagement letter with McCall Gibson Swedlund & Barfoot as relates to the preparation of an agreed upon procedures report for the Series 2020 Road Bonds.

Mr. Martin reviewed and asked the Board to approve the engagement letter with McCall Gibson Swedlund & Barfoot as relates to the preparation of an agreed upon procedures report for the Series 2020 Road Bonds. After no further discussion a motion was made to approve the item.

Motion: Preston D. Freeman, Vice President

Second: David Moore, President

The votes were: 5 Yes, with 0 No, and 0 Abstained. The Motion passed.

17. Authorize new bank accounts and execute any required resolutions and signature cards in connection with the Series 2020 Road Bonds.

Mr. Martin asked for a motion to approve the opening of additional bank accounts and execute any required resolutions and signature cards in connection with the Series 2020 Road Bonds. After no further discussion a motion was made to approve the item.

Motion: Toby Hermesmeier, Treasurer/Asst. Secretary

Second: Albert Hodges, Assistant Secretary

The votes were: 5 Yes, with 0 No, and 0 Abstained. The Motion passed.

18. Review Capital Improvements and take any and all action needed.

No action needed.

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

Reimbursement Agreement for BRECO.

20. Adjournment.

After all business was conducted, and there was no further comments, a motion was made to adjourn the meeting.

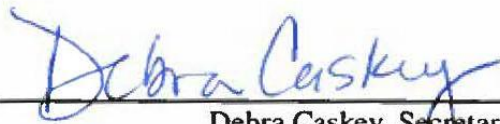
Motion: Preston D. Freeman, Vice President

Second: Albert Hodges, Assistant Secretary

The votes were: 4 Yes, with 0 No, and 0 Abstained. The Motion passed.

Approved and adopted Tuesday, February 18, 2020



  
Debra Caskey, Secretary, Board of Directors  
Denton County Fresh Water Supply District No. 1-C