

**Minutes of Meeting
Board of Directors
Denton County Fresh Water Supply District No. 6
June 14, 2012**

The Board of Directors (“Board”) of Denton County Fresh Water Supply District No. 6 (the “District”), met in regular session, open to the public, on June 14, 2012, at 6:00 p.m. at 2650 FM 407E, Suite 125, Bartonville, Texas, for which notice was given as required by Chapter 551, Government Code, as amended, and Chapter 49, Texas Water Code, as amended.

The roll was called of the duly appointed members of the Board, to wit:

Jim VanVickle	President
Donna Robichaux	Vice President
Bob Baird	Secretary
Max Miller	Assistant Secretary
Kurt Sewell	Treasurer

All members of the Board were present, thus constituting a quorum. Also attending the meeting were the following: Mr. Mark Wagner, Mr. Jake Wagner and Ms. Nicole Hale of Republic Property Group, Ltd; Mr. Kevin Carlson, P.E. of Huitt-Zollars, Inc.; Mr. Kevin Mercer, General Manager; Mr. Richard Harned, Controller; Mr. Bruce Crawford of the Lantana Homeowners Association; numerous members of the public; and Mr. Clay E. Crawford of Crawford & Jordan LLP.

1. The President called the workshop session to Order at 6:08 p.m. The General Manager briefed the Board on several agenda items. The President noted that there were no questions, therefore, the President closed the workshop session at 6:09 p.m. The President then called the regular session to Order at 6:09 p.m.
2. The President led the meeting in saying the Pledge of Allegiance.
3. Consideration was first given to public comments. The President opened the meeting to public comments. In that regard, Ms. Pam Patman addressed the need for resident security and patrols. Mr. Tom Watts requested that the Board establish a method for contacting Board members to deal with problems, stating that there had been traffic issues due to construction on Copper Canyon Road. After noting that there were no other members of the public in attendance at the meeting and desiring to speak, and upon motion duly made and seconded, the Board voted to close the public comment session.
4. Consideration was next given to the review and approval of the General Manager’s Report, as presented by Mr. Mercer, a copy of which is attached hereto as Exhibit "A". Mr. Mercer reported to the Board regarding the District’s pending projects and answered questions in connection with same. Mr. Mercer discussed with the Board the District’s water accountability, noting that there was a 2 million gallon difference between what had been purchased and what had actually been billed, further noting that such amount was within

the acceptable loss bracket. Mr. Mercer then presented and reviewed with the Board a proposal from Cummins South Plains, LLC for full service maintenance on generator pump mount for a cost of \$2,046 annually, a copy of which is attached hereto as Exhibit "B". After discussion on the matter, Director Robichaux moved that the Board approve the General Manager's Report and approve such pump maintenance repair for the generator as specified above for an annual cost of \$2,046.00. Director Sewell seconded said motion, which carried unanimously.

5. Consideration was next given to a plan for additional irrigation of road right-of-way landscaping at entries to Lantana, and the taking of any actions necessary or appropriate in connection therewith. In that regard, Mr. Mercer presented a proposed plan for information only and advised that the Staff would continue to develop and test at two sites. He further reported that the seasonal color had been replaced at no cost with drought tolerant plantings and rocks. After a brief question and answer session, the President determined that no action was required at this time.
6. Consideration was next given to acceptance of the developer's report on lot and homes sales and move-ins and Homeowners Association ("HOA") activities, a copy of which is attached hereto as Exhibit "C". In that regard, Ms. Hale reviewed the District's home sales and marketing data with the Board. Mr. Bruce Crawford then reviewed with the Board the various upcoming HOA activities. Mr. Jake Wagner then reviewed with the Board the phases of development that were currently under design. After discussion on the matter, Director Miller moved that the Developer's Report be approved as presented. Director Baird seconded said motion, which carried unanimously.
7. Consideration was next given to the Engineer's Report, a copy of which is attached hereto as Exhibit "D". In that regard, Mr. Carlson presented and reviewed said report with the Board. He reported that Carlisle Addition, Phase C is on schedule; that the wet utility construction was in progress and new completion; that the Auxiliary Lane Project adjacent to Carlisle Addition, Phase C was in progress; and that the traffic barriers were in place and the removal of existing concrete curb and gutter was in progress.

The Board next considered approving construction plans and specifications for the construction of Carlisle Addition, Phase C (Parcel 2A) Public Hardscape and Landscape Improvements, as specified in Section C of the Engineering Report attached hereto. After discussion on the matter, Director Miller moved that the Board approve the construction of Carlisle Addition, Phase C (Parcel 2A) Public Hardscape and Landscape Improvements, as specified in Section C of the Engineering Report attached hereto. Director Robichaux seconded said motion, which carried unanimously.

The Board next considered approval/ratification for advertisement of bids for the construction of Carlisle Addition, Phase C (Parcel 2A) Public Hardscape and Landscape Improvements, as specified in Section D of the Engineering Report attached hereto. After discussion on the matter, Director Miller moved that the Board approve advertisement of bids for the construction of Carlisle Addition, Phase C (Parcel 2A) Public Hardscape and

Landscape Improvements, as specified in Section D of the Engineering Report attached hereto. Director Robichaux seconded said motion, which carried unanimously.

Consideration was next given to approval/ratification of change order(s) to construction contracts. In that regard, Mr. Carlson presented Change Order No. 1 for a decrease of \$840.00 for the Landscape Public Bid Package for Gaillardia Addition (Parcel 3), as specified in Section F of the Engineering Report attached hereto. Mr. Carlson noted that the contract amount is being revised from \$68,228.60 to \$67,388.90. After discussion on the Changer Order No. 1, as presented, Director Robichaux moved that the Board approve said engineering Change Order No. 1. Director Miller seconded said motion, which carried unanimously.

Consideration was next give to a plan for the extension of the hike & bike trail from Stacee Lane to Lantana Trail. In that regard, Mr. Carlson reported to the Board that a draft plan had been presented to the Developer and was currently under review. He noted that after such review, the draft plan would then be presented to the Board. After a brief discussion, the President determined that no action was required at this time.

8. Consideration was next given to the tax assessor-collector's report, a copy of which is attached hereto as Exhibit "E". In that regard, Mr. Harned reported that the District's taxes for 2011 were 99.07% collected through May 31, 2012. After a brief discussion, the President determined that no action was required at this time.
9. Consideration was next given to the review and approval of the Controller's Report as presented by Mr. Harned, a copy of which is attached hereto as Exhibit "F". After review of the Controller's Report, and thorough discussion on such matters, Director Robichaux moved that the Board approve said Controller's Report, as presented by Mr. Harned, and authorize payment of checks, as specified in said Report. Director Miller seconded said motion, which carried unanimously.
10. Consideration was next given to developer advances for the month of June, 2012. In that regard, Mr. Harned reported that Mr. Harned noted that four (4) developer advances had been submitted for reimbursement. Copies of the reports relative to the eligible expenses is attached hereto as Exhibits "G", "H", "I" and "J". After discussion of the developer advances, Director Miller moved that the Board approve such advance from Gaillardia/Lantana, L.P. in the amount of \$18,301.25, as presented in said report; such advance from Gaillardia/Lantana, L.P. in the amount of \$7,352.13, as presented in said report; such advance from Gaillardia/Lantana, L.P. in the amount of \$22,815.66, as presented in said report; and such advance from Carlisle/Lantana III, L.P. in the amount of \$44,349.64, as presented in said report . Director Baird seconded said motion, which carried unanimously.
11. Consideration was next given to the approval of the Minutes of the Board of Directors Meetings of May 10, 2012 and May 23, 2012. After discussion on the matter, Director Miller moved that the Board approve the Minutes of the Board of Directors Meeting of May 10, 2012 (Regular Meeting), as amended and approve the Minutes of May 10, 2012

(Special Meeting) and May 23, 2012 (Special Meeting), as written, and that the Secretary be authorized to execute same on behalf of the Board and District. Director Baird seconded said motion, which carried unanimously.

12. Consideration was next given to establishing committees, including committee assignments and recommendations in connection therewith; and authorize plan for implementation. In that regard, Director Baird discussed his view with the Board. He advised that he felt there was a need for an expanded public safety committee to address more than law enforcement. After discussion on the matter, upon motion made and seconded, the Board determined that this matter should be considered at the Joint Meeting to be held next month.
13. Consideration was next given to a discussion regarding the status of school zone and other signage on Stacey Lane, and authorize necessary action in connection therewith. In that regard, the General Manager reported that there was nothing new to report. After a brief discussion on the matter, upon motion made and seconded, the Board determined that this matter should be considered again at the Joint Meeting to be held next month.
14. Consideration was next given to the status of Denton County enforcement of traffic rules to District roads. In that regard, the General Manager reported that beginning June 1st tickets were being issued for violations. After a brief discussion on the matter, the President determined that no action was required at this time.
15. Consideration was next given to authorizing the preparation of an Unclaimed Property Report as of June 30, 2012. Mr. Harned discussed the purpose and content of such report, noting that 2 District checks were outstanding; one being \$3.17 and the other one being \$10.73. After discussion on the matter, Director VanVickle moved that the Board authorize the preparation and filing of such report as of June 30, 2012. Director Miller seconded said motion, which carried unanimously.
16. Consideration was next given to the review and approval of an Interlocal Cooperation Agreement – Tax Collection for collection of the District’s 2012 tax levy with Steve Mossman, Denton County Tax Assessor Collector. In that regard, Mr. Crawford presented and reviewed said Agreement with the Board. Mr. Crawford described the scope of services and basis of compensation set out in the Agreement. After discussion on the matter, Director Robichaux moved that the Board approve the Interlocal Cooperation Agreement as presented. Director Baird seconded said motion, which carried unanimously.
17. Consideration was next given to the review and approval of Third Amendment to Joint Utility Contract between Denton County Fresh Water Supply District No. 6 and Denton County Fresh Water Supply District No. 7. In that regard, Mr. Crawford presented and reviewed with the Board such amendment. He reported that there was a need for such amendment to accommodate Denton County Fresh Water Supply District No. 7’s increased usage in wastewater capacity, noting that same would now be 430,020 GPD of committed capacity. After discussion on the matter, Director Robichaux moved that the Board approve such Third Amendment to Joint Utility Contract between Denton County Fresh

Water Supply District No. 6 and Denton County Fresh Water Supply District No. 7, as presented. Director VanVickle seconded said motion, which carried unanimously.

18. The Board next considered Announcements. In that regard, the President noted that there were none.
19. The Board next deferred consideration of Executive Session pursuant to Chapter 551, Subchapter D, Texas Government Code, after the President noted that no Executive Session was required.
20. The Board next considered Citizen Input. In that regard, the Ms. Patman noted that she was concerned about crime issues. Mr. Watts noted that he was concerned about incidents in Lionsgate and kids were breaking into a new house at 1509 Connor in Kendall Addition. The President then noted that there was no one else present and desiring to speak.
21. The Board next considered future special agenda items. In that regard, it was requested that a discussion concerning holding regular joint meetings be added to the next agenda. There was next a discussion regarding the meeting times for the meetings next month, noting that they would be as follows:

Denton County FWSD No. 7 at 4:00 p.m.

Joint Meeting at 6:00 p.m.

Denton County FWSD No. 6 at 7:30 p.m.

22. There being no further business to come before the Board, the meeting was adjourned.

Bob Baird, Secretary