

**Minutes of Meeting
Board of Directors
Denton County Fresh Water Supply District No. 10**

February 7, 2017

The Board of Directors (“Board”) of Denton County Fresh Water Supply District No. 10 (“District”), met in special session, open to the public, on Thursday, February 7, 2017, at 6:00 p.m., at the Savannah Clubhouse, 701 Savannah Boulevard, Savannah, Texas, inside the District, 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:

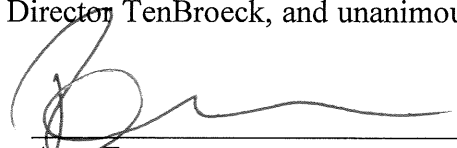
Rob Adams	President
Jon TenBroeck	Vice President
Robert Tague	Secretary
Amy Foster	Asst. Secretary
John Gillum	Director

All members of the Board were present, with the exception of Director Tague. Also attending the meeting were the following: Mr. Jim Koehler, P.E. of Graham Associates, Inc. (“GAI”); Chief Greg Wilkerson of Advantage Leadership Resources; Ms. Kathi Dye of Kathi Dye & Associates, LLC; and other members of the public.

1. After determining that a quorum was present, the President called the meeting to order at 6:03 p.m.
2. Consideration was first given to public comments. The President opened the meeting to public comment. After noting that there were no members of the public present and desiring to speak before the Board, upon motion duly made by Director Foster, seconded by Director Gillum and unanimously carried, the President closed the public comment session of the meeting.
3. Consideration was next given to review and discussion of amended operating budget for the fiscal year ending July 31, 2017, including engineer and special items. The Board discussed items exceeding the budgeted amount, including engineering fees. Ms. Dye presented a draft amended budget and the Board discussed revision of same. The President determined that no action was required at this time.
4. Consideration was next given to review and discussion of amended debt service budget for the fiscal year ending July 31, 2017. After discussion on the matter, the President determined that no action was required at this time.
5. Consideration was next given to award of contracts for construction of improvement projects and issuance of notice to proceed for Savannah-Artesia Pavement Repairs. Mr. Koehler reviewed the previously presented correspondence dated January 17, 2017, with bid tabulation, attached to January 19, 2017, engineer’s report, relative to

bidding for Savannah – Artesia Pavement Repairs. He noted that two (2) bids were received, with the low bidder being Wopac Construction, Inc. in the amount of \$231,166.84. After discussion on the matter, Director TenBroeck moved that the Board award the contract for Savannah – Artesia Pavement Repairs to the low bidder Wopac Construction, Inc. in the amount of \$231,166.84. Director Foster seconded said motion, which carried unanimously.

6. Consideration was next given to approval of construction pay applications and change orders to construction contracts, including Wopac Construction, Savannah Traffic Circle repair in the amount of \$9,241.00 and Wopac Construction, Savannah Traffic Circle Change Order in the amount of \$1,434.45. After discussion, Director Gillum moved that the Board approve the pay application from Wopac Construction, Savannah Traffic Circle repair in the amount of \$9,241.00 and Wopac Construction, Savannah Traffic Circle Change Order in the amount of \$1,434.45. Director Adams seconded said motion, which carried unanimously.
7. Consideration was next given to status of construction contract with Kart Construction & Equipment Co., Inc. and the taking of any action in connection therewith. A copy of the proposed settlement agreement between Kart, Lennar, the District, and Suretec was presented to the Board. After discussion of information provided and review of the settlement agreement, Director Gillum moved that the Board approve the Confidential Settlement Agreement and Release and authorize execution of same. Director TenBroeck seconded said motion, which carried unanimously.
8. Consideration was next given to annual review of District's professional services and consulting contracts and any action in connection therewith. After a brief discussion on the matter, Director Adams moved that the Board table the matter until a future meeting. Director Gillum seconded said motion, which carried unanimously.
9. The Board next deferred consideration of Executive Session pursuant to Sections 551.071, 551.072, and 551.076, Texas Government Code, as amended, to consult with District Counsel on real estate, litigation, and settlement matters.
10. After noting that no further business was to come before the Board, upon motion duly made by Director Foster, seconded by Director TenBroeck, and unanimously carried, the meeting was adjourned.



Amy Foster
Asst. Secretary