

**Minutes of Meeting
Board of Directors
Denton County Fresh Water Supply District No. 10
February 27, 2013**

The Board of Directors ("Board") of Denton County Fresh Water Supply District No. 10 ("District"), met in special session, open to the public, on Wednesday, February 27, 2013, at 7:00 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
Robert Tague	Vice President
Jon TenBroeck	Secretary
Kurt W. Moore	Asst. Secretary
Kris Russell	Director

All members of the Board were present. Also attending the meeting were the following: Mr. Barry Jameson of Huffines Communities; Mr. James E. Koehler, P.E. of Graham Associates, Inc. ("GAI"); and Mr. Latham Jones of Latham Jones, Inc., a Verizon Wireless consultant.

1. The President called the meeting to order at 7:00 p.m., after determining that a quorum was present.
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 come before the Board, upon motion by Director Russell, seconded by Director TenBroeck, the Board voted unanimously to close the public comment session of the meeting.
3. Consideration was next given to approval of plans and specifications and authorizing advertising for bids for contracts for construction of: (i) grading, water, sanitary sewer, drainage, and paving facilities for Savannah Phase 9A and 10B; and (ii) storm sewer facilities and grading project for Dollar General site. The President recognized Mr. Koehler, who reported that he had received and reviewed the plans for Savannah, Phase 9A, and confirmed that they were in substantial compliance with District standards. He recommended that the Board approve the plans and specifications, and authorize advertising for bids. Mr. Koehler then reported that he had received and reviewed the water and sanitary sewer plans for Savannah, Phase 10B, and confirmed that they were in substantial compliance with District standards. He noted that he had not yet received grading and paving plans, although they were expected to be received by the end of the week. After discussion on the matter, upon motion duly made by Director Tague, seconded by Director TenBroeck, the Board voted unanimously to (i) approve the plans and specifications for Savannah Phase 9A and

authorize advertising for bids; and (ii) approve the plans and specifications for Savannah, Phase 10B and authorize advertising for bids, subject to the District Engineer's receipt and review of grading and paving plans, and his recommendation with confirmation that such plans are in substantial compliance with District standards to be approved by Director Tague to complete approval of the Board.

The Board then considered approval of plans and specifications and authorizing advertising for bids for contracts for construction of storm sewer facilities and grading project for Dollar General site. The President recognized Mr. Koehler, who presented a District boundary map showing that the proposed Dollar General site, west of Magnolia Boulevard and north of Highway 380, confirming that such project is in the boundaries of the District. He indicated that additional discussions would be held with Little Elm prior to presenting any further information regarding such proposed project. The President determined that no action was required at this time.

4. Consideration was next given to award of construction contract(s) for grading project for Artesia Phase 4C. The President recognized Mr. Koehler, who reported that a meeting had been held with the apparent low bidder DCI Contracting, with a low bid price of \$362,775.00 and that DCI Contracting was not able to provide evidence of three (3) similar projects of prior experience and had indicated that the project would take 128 days for them to complete, although they had initially reported a 60-day completion period. He noted that based on DCI Contracting failing to meet specifications outlined in the bidding documents, GAI recommended awarding the grading contract to the second lowest bidder, Kart Construction in the amount of \$397,992.00. After discussion, upon motion by Director Moore, seconded by Director Tague, the Board voted unanimously to award the grading contract for Artesia Phase 4C to the second lowest bidder, Kart Construction in the amount of \$397,992.00.
5. The President next noted there was no need for Executive Session pursuant to Sections 551.071(A) and (B) and 551.072, Texas Government Code, as amended, to consult with District Counsel and consider real estate acquisition matters.
6. After noting that no further business was to come before the Board, upon motion duly made by Director Tague, seconded by Director Russell and unanimously carried, the meeting was adjourned at 7:10 p.m.

Jon TenBroeck
Secretary