

**Minutes of Meeting  
Board of Directors  
Denton County Fresh Water Supply District No. 10  
August 21, 2013**

The Board of Directors (“Board”) of Denton County Fresh Water Supply District No. 10 (“District”), met in regular session, open to the public, on Wednesday, August 21, 2013, 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
Robert Tague	Vice President
Jon TenBroeck	Secretary
Kurt W. Moore	Asst. Secretary
Kris Russell	Director

All members of the Board were present, with the exception of Director Tague, who entered later as noted below. Also attending the meeting were the following: Mr. Barry Jameson of Huffines Communities; Mr. Jim Koehler, P.E. of Graham Associates, Inc. (“GAI”); Mr. Clay E. Crawford of Crawford & Jordan LLP; and numerous members of the public.

1. The President called the meeting to order, after determining that a quorum was present at 6:07 p.m.
2. Consideration was first given to review of bids and approval of award of construction contract(s) for improvement projects, including Artesia Phase 1 Road Repairs. Mr. Koehler presented correspondence dated August 21, 2013, from GAI noting that three (3) bids were received for the project. He noted that the low bid in the amount \$744,619.00, was provided by 2L Construction, LLC. As indicated in paragraph no. 5 below, the Board convened into executive session to consult with its attorney regarding possible litigation and negotiations, and subsequently reconvened into regular session. After discussion on the matter, Director Adams moved that the Board approve award of construction contract for Artesia Phase 1 Road Repairs to 2L Construction, LLC in the amount of \$744,619.00, subject to reaching acceptable funding arrangements with Corona Artesia LLC. Director Russell seconded said motion, which carried unanimously.
3. Consideration was next given to conducting public comment session regarding proposed revised Drought Contingency Plan. The President opened the meeting to public comment, and recognized Mr. Crawford, who provided a historical background on the practical and legal requirement for the Drought Contingency Plan. The President recognized many members of the public, who presented questions. The Board and consultants responded to numerous questions about the plan and about

notification to residents. After considerable discussion, and noting that there were no additional members of the public present and desiring to come before the Board, the President closed the public comment session of the meeting.

4. Consideration was next given to adoption of Order Adopting the Denton County Fresh Water Supply District No. 10 Drought Contingency Plan; Providing a Penalty Clause and Providing a Severability Clause; and the taking of actions necessary for implementing a Drought Contingency Plan. After a brief discussion, upon motion duly made and seconded, the Board voted unanimously to table the matter until its next meeting.
5. Consideration was next given to Executive Session pursuant to Sections 551.071(1)(A) and (B), 551.072, and 551.076, Texas Government Code, as amended, to consult with District Counsel, consider litigation, real estate matters, and deliberate regarding security. Upon motion by Director Adams, seconded by Director TenBroeck, the Board voted unanimously to convene into Executive Session at 6:09 p.m. pursuant to Sections 551.071 and 551.072, Texas Government Code, to consult with District Counsel regarding litigation and real estate matters.

Upon motion by Director Russell, seconded by Director Moore, the Board voted unanimously to reconvene the meeting in open session at 6:20 p.m.

6. After noting that no further business was to come before the Board, upon motion duly made by Director Tague, seconded by Director Moore and unanimously carried, the meeting was adjourned at 9:04 p.m.

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Jon TenBroeck  
Secretary