

DENTON COUNTY RECLAMATION & ROAD DISTRICT

Minutes of Meeting

April 13, 2010

All Directors were present except DeLay and Jones; also present were Phy and McClanahan. Wheeler served as Assistant Secretary of the Meeting in the absence of Secretary Delay.

The Minutes of the Board Meetings on March 9 and March 30, 2010, were approved. Motion by McCord, seconded by Morris.

Phy reported on the status of the dispute with TXU/ONCOR on billings for electric power. They have acknowledged that a substantial error of almost \$30,000 occurred and it is being further checked. ONCOR has still not tested their meter or reviewed their records. TXU asked the District to make a "payment on account" of \$16,000 (about half of the expected bill) and the Board authorized the payment. Motion by Morris, seconded by McCord.

The Board also reviewed and approved bills submitted for payment or confirmation including deleting Directors Fees to Jones. Motion by Morris, seconded by Wheeler. The Board also authorized payments to Ray Jones of \$150.00 and \$50.00 to Janet Brandon for Election Services rendered. Motion by Morris, seconded by McCord.

Board reviewed a Summary of Delinquent Taxes for 2009, 2008 and prior years. McClanahan will send follow up Delinquent Statements for these Accounts.

Phy reported that no person except the existing Directors had filed as a candidate for District Director and that under Election legal provisions the 2010 Election of Directors need not be held. The Board adopted its Order cancelling the 2010 Directors Election and Declared that the 2010 Directors Election shall not be held. Motion by Morris, seconded by McCord.

The Board adopted its Order Calling \$200,000 in principal amount plus accrued interest on the District's Outstanding Bonds on June 1, 2010, and directed Phy to File Notice thereof with the Paying Agent. Motion by McCord, seconded by Wheeler. ADJOURNED.

Minutes approved on May 11, 2010

ATTEST

Secretary, Board of Directors
(Seal)

President, Board of Directors