

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF  
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE  
HELD ON THE 13TH DAY OF SEPTEMBER, 1976 AT 3:30 P.M.

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The call of the roll disclosed the presence or absence of  
Directors as follows:

PRESENT

Wayne E. Newton  
Clyde A. Penry  
J. Oliver Shannon  
C. Victor Thornton  
Murray Kyger

Also present were Messrs. Joe B. Hogsett, Honorary Chairman of the  
Board of Directors and Ben Hickey, General Manager of the District.

Director Newton acted in his capacity as President and  
Director Shannon acted in his capacity as Secretary, whereupon pro-  
ceedings were had and done as follows:

1.

On motion duly made and seconded, the minutes of the  
meeting held August 2, 1976 were read and approved by the Directors  
and it was accordingly ordered that such minutes be placed in the  
permanent files of the District.

2.

On motion of Director Thornton, seconded by Director Penry,  
voucher-checks #18137 thru #18402 inclusive, Maintenance Fund, in the  
amount of \$271,298.47; voucher-checks #5111 thru #5214 inclusive,  
Revenue Fund, in the amount of \$2,079,828.32; voucher-checks #3513  
thru #3521 inclusive, Construction Fund, in the amount of \$175,090.50;  
voucher-checks #538 thru #544 inclusive, Interest and Sinking Fund,

in the amount of \$120,343.65 and voucher-check #4241, Cedar Creek Construction Fund, in the amount of \$2,130.84 were approved and ordered paid. All Directors voted aye thereon.

3.

President Newton stated that under the covenants set forth in the Resolution and Trust Indenture for the Water Supply Bonds (Cedar Creek Project) the District shall, on or before the 15th day of July of each year, prepare a preliminary annual budget for the ensuing calendar year; and that on or before the first day of October of each year it will adopt the final annual budget for such fiscal year.

Each Director was given a copy of the proposed Cedar Creek Budget for 1977 as herein shown, to wit:

TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE  
CEDAR CREEK PROJECT  
BUDGET FOR THE YEAR, 1977

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CASH & INVESTMENTS - January 1, 1977		\$ 2,300,000.00
ADD: PROJECTED INCOME		
Water Sales	\$3,300,000.00	
Lease Rental	10,000.00	
Interest Income	<u>480,000.00</u>	<u>3,790,000.00</u>
		\$ 6,090,000.00
LESS: PROJECTED EXPENDITURES		
Capital Expenditures	\$ 25,000.00	
Maintenance Expense	350,000.00	
Pipeline Operations	600,000.00	
Debt Service	<u>3,617,133.00</u>	<u>4,592,133.00</u>
CASH & INVESTMENTS - December 31, 1977		<u>\$ 1,497,867.00</u>

During a lengthy discussion, developing from a review of the many factors involved in budget preparation, special attention was given to estimated revenues - for the foreseeable future - from existing, and future, contracts for the sale of raw water by the District, with

special recognition given to sales of raw water in Tarrant County, both within and outside of the boundaries of the District; also much careful consideration was given to maintaining a fair and equitable price for users of raw water purchased from the District in all of Tarrant County; also a detailed review of the Contract with the City of Fort Worth under which, at the request of the City, the contract was amended in 1968 to provide a one (1¢) cent premium for all raw water sold in Tarrant County outside of District boundaries and it was the unanimous opinion of the Directors that at this time and for so long as the requirements of the District in maintaining, operating and servicing its bond requirements are met no sales of raw water will be for less than nine (9¢) cents per each one thousand (1000) gallons (save and except the City of Fort Worth); also consideration was given to the question with respect to the equity of the One (1¢) cent premium per one thousand (1000) gallons for raw water paid by cities or municipalities outside of District boundaries in Tarrant County in relation to the price paid by those users inside District boundaries, with the unanimous determination that the existing one (1¢) cent differential for raw water now under contract and sold to cities or municipalities outside District boundaries in Tarrant County was equitable; however, the question regarding a policy for those raw water users not now under contract in Tarrant County was discussed in detail and it was the unanimous decision of the Directors, and their order, that effective this date the policy of the District in determining the equity factor premium for raw water sold to users outside of District boundaries as to that sold to users inside of

District boundaries shall be determined as follows:

- A = Raw Water used by Municipality from 3-1-60 to date of Execution of Contract.
- B = Raw water used by City of Fort Worth from 3-1-60 to date of Execution of Contract.
- C = Payment for Raw water by City of Fort Worth from 3-1-60 to date of Execution of Contract.
- D = Estimated use of water by Municipality during the term of the Contract.
- M = Thousand Gallons.
- Y = Premium per thousand gallons to be added to Raw Water price in effect on the date of Execution of Raw Water Contract.

$$\frac{A}{B} \times \frac{C}{D} \times M = Y$$

EXAMPLE:

$$\frac{2,635,825,000}{297,197,253,610} \times \frac{\$14,000.000}{5,648,196,400} \times 1000 = .022\text{¢ Premium per each 1000 Gallons}$$

Following a discussion of the formula to be used in arriving at an equitable ratio to be used for the pricing of raw water to be sold by the District in Tarrant County, outside of District boundaries, Director Thornton made a motion, seconded by Director Kyger and unanimously approved that the pricing policy of the District as herein above shown be now adopted and that the Cedar Creek Reservoir Budget for 1977 as herein above shown be accepted.

4.

Mr. Ben Hickey presented, and recommended, the proposed sale of the following tracts of land now surplus to requirements of the District, to wit:

9/13/76

#164

EAGLE MOUNTAIN LAKE:

<u>PURCHASER</u>	<u>DESCRIPTION</u>	<u>APPRAISED VALUE AND CONSIDERATION</u>
Charles S. Prater	Lot 4, Block 1 W.B.-R.H. Foster Subd.	\$ 12,000.00

CEDAR CREEK LAKE - WATER BOARD'S SUBDIVISION:

Don Bassham & Phillip Taylor	Lot 32, Block 1	\$ 6,500.00
Beasley Real Estate, Inc.	Lot 16, Block 1	3,000.00
George Bibus	Lot 63, Block 1	7,750.00
William A. Bray	Lot 17, Block 1	7,750.00
Mrs. John W. Geibel, Jr.	Lot 74, Block 1	8,000.00
Monore Gerlach	Lots 8, 9 & 10, Block 5	9,000.00
William S. Hoffman	Lot 140, Block 1	7,750.00
James R. Nichols	Lot 70, Block 1	13,105.00
Wallace E. Terrell	Lot 39, Block 1	8,000.00
Gary C. Williams	Lot 138, Block 1	7,500.00
George Bahn	Lot 45, Block 1	7,500.00

LAKE BRIDGEPORT - N. C. BUTLER SURVEY, A-50, WISE COUNTY:

Charles R. Baxter	1-53/100 Acres <u>+</u>	\$ 5,500.00
Richard H. Black	1-487/1000 Acres <u>+</u>	5,500.00
Ola Blair	1-288/1000 Acres <u>+</u>	5,500.00
James A. Crenshaw	North part of 1-177/1000 Acres <u>+</u>	4,125.00
James E. Forbis	1-293/1000 Acres <u>+</u>	5,500.00
Bryan Goodger	1-412/1000 Acres <u>+</u>	5,500.00
Hudson Butane Co., Inc.	1-286/1000 Acres <u>+</u>	5,500.00
Bob Jernigan	1-235/1000 Acres <u>+</u>	5,500.00

LAKE BRIDGEPORT - N. C. BUTLER SURVEY, A-50, WISE COUNTY (Continued):

<u>PURCHASER</u>	<u>DESCRIPTION</u>	<u>APPRAISED VALUE AND CONSIDERATION</u>
Jack Little	1-439/1000 Acres ±	\$ 5,500.00
Milton Gene Moore	1-073/1000 Acres ±	5,500.00
Bobby Platt	1-243/1000 Acres ±	5,500.00
Bobby R. Reed	1-18/100 Acres ±	5,500.00
Edwin D. Spurlin	1-295/1000 Acres ±	5,500.00
James A. Stevens	1-244/1000 Acres ±	5,500.00
Earl Wright et ux	1-162/1000 Acres ±	5,500.00
North Texas Conference of The Methodist Church	26-11/100 Acres ±	13,000.00

PROGRAM D-1, WEST FORK OF TRINITY RIVER:

Jack A. Deaver	0-59/100 Acres, more or less, being part of Tract 2-CK, Block 12, Rivercrest Addition to City of Fort Worth	\$ 3,125.00
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Following a discussion and upon recommendation of management of the District, Director Penry moved that the above described surplus lands be sold at the prices shown; whereon Director Shannon seconded the motion with all Directors voting aye.

5.

The Directors were presented the Monthly Financial Report regarding Receipts and Disbursements for Program "A", "B" and "D" and Cedar Creek Project, for the month of July, 1976 from the Auditor of the District, which was ordered accepted and placed in the permanent files of the District.

6.

There being no further business before the Board of Directors, the meeting adjourned.

Wayne E. Newber  
President

J. O. Shannon  
Secretary