

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF  
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE  
HELD ON THE 24TH DAY OF JANUARY, 1977 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  
Murray Kyger

PRESENT

C. Victor Thornton

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 November 22, 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 Penry, seconded by Director Kyger,  
voucher-checks #18671 thru #18925 inclusive, Maintenance Fund, in  
the amount of \$774,886.57; voucher-checks #5323 thru #5439 inclusive,  
Revenue Fund in the amount of \$547,082.03; voucher-checks #3532 thru  
#3535 inclusive, Construction Fund, in the amount of \$103,971.00;  
voucher-checks #548 thru #559 inclusive, Interest and Sinking Fund,  
in the amount of \$1,457,816.80 and voucher-check #4244, Cedar Creek

Construction Fund, in the amount of \$5,000.00 were approved and ordered paid. All Directors present voted aye thereon.

3.

There was laid before the Directors the official returns of the election for two (2) Directors held in the District on January 15, 1977, to determine who should be chosen to serve as Directors to succeed the expiring terms of J. Oliver Shannon and Murray Kyger. Thereupon the Directors, as a Committee of the Whole, publicly opened, examined and did canvas the returns thereof. From the tabulation the Directors did find and declare that the following named candidates at such election received total votes as follows:

OUT OF THE 1455 VOTES IN SAID ELECTION:

Murray Kyger	Received	1075 Votes
J. Oliver Shannon, Sr.	Received	982 Votes
Julius Truelson	Received	709 Votes
Randolph Clark	Received	1 Vote
Robert L. Carpenter	Received	1 Vote
Robert Rogers Hopkins	Received	2 Votes
Jesse Coomer	Received	1 Vote
Frank A. Escalante	Received	3 Votes
C. W. Thelen	Received	1 Vote

Therefore, it was declared by the Board of Directors of Tarrant County Water Control and Improvement District Number One, that Messrs. Kyger and Shannon were duly elected at said election as Directors to serve the District for the period of two (2) years from the date of their qualification and until their successors may be duly elected and qualified.

4.

Immediately upon the canvassing of the election returns and the declaration by the Board of the results of said election,

there were presented to the Board the Statutory Oaths of Office and Bonds of Murray Kyger and J. Oliver Shannon, Sr.

Upon examination of said instruments, and having advice of Counsel, that they were in legal form, it was the unanimous opinion of the Board of Directors, and their order, that the bonds of each of the said Director (Kyger and Shannon) be received and approved as good and sufficient and that Murray Kyger and J. Oliver Shannon, having been elected and chosen by the voters aforesaid, be and they were recognized, constituted and established to serve as Directors for the term hereinbefore designated; further, that the bonds be recorded in the official bond records of Tarrant County, and that thereafter they be preserved as records of this District in a manner conforming to the law. Further, that the said election returns be filed as required by the law governing such matters.

5.

President Newton stated that it was now in order to select officers for the District to serve for the ensuing year; whereupon Director Kyger moved, seconded by Director Penry, that the officers to serve the District for the ensuing year be as follows: For President, Wayne E. Newton; for Vice-President, Clyde A. Penry; for Secretary, J. Oliver Shannon and for Secretary Pro-Tem, Murray Kyger; and that Mr. Wayne E. Newton and/or Mr. Clyde A. Penry should act for the District, as Custodians of Collateral Securities delivered to the District by the District's Depository, as pledge in lieu of other Bonds to secure deposits of this District, as set out in the executed "Depository Bond and Contract for Pledge of Collateral Security,"

between the Depository and the District. Upon a vote being taken all Directors voted for the motion and it was so ordered; whereon Director Penry stated that he would offer another motion, that in recognition of the dedication, long faithful service and respect for Mr. Joe B. Hogsett, that he (Mr. Hogsett) be re-recognized as Honorary Chairman of the Board of Directors. This motion was seconded by Director Shannon and enthusiastically voted aye by all present.

6.

Mr. Ben Hickey presented to the Directors, an itemized account of the cash received from the Check No. 18951, dated January 11, 1977, issued by the District, in the amount of \$2,500.00 for the estimated payment of expenses, for election of Two (2) Directors held on January 15, 1977. Mr. Hickey explained that \$1,970.72 was used in payment of Judges, Clerks, Helpers, etc., holding the election. It was the unanimous decision of the Directors that the cash balance of \$529.28 be deposited to the account of the Maintenance Fund, and it was so ordered.

7.

President Newton stated that on January 17th, he and Director Penry had met with the General Manager of the District, as the Committee on Personnel, to review the salary schedule of District employees; and following a lengthy detailed review of all employees' classification and salary schedule, as compared with comparable schedules of Governmental Agencies such as the Trinity River Authority and the City of Fort Worth, it was the recommendation of the Personnel

Committee to the Board of Directors that the following adjustments for employees of the District be made effective January 1, 1977, to wit: (1) Manager of Operational Affairs (Mr. Eugene Fruhwirth) @ \$38,000.00 per year; (2) Manager of Fiscal Affairs (Mr. Robert Doby) @ \$35,000.00 per year; (3) Manager of Support Services (Mr. Charles Whaylen) @ \$31,500.00 per year; (4) Assistant Auditor & Fiscal Affairs (Mr. Robert Thomas) @ \$18,500.00 per year and (5) All other employees of the District be given an Eight (8%) percent increase.

Following a general discussion, Director Kyger made a motion, seconded by Director Penry and unanimously approved, that the above listed salary adjustments for District employees be approved.

8.

Management of the District requested authority to advertise for bid proposals for the leasing of approximately 197 acres ± of District owned land in Wise County, Texas, for oil and gas lease underneath said 197 acre tract. Following a review by management, Director Penry made a motion, seconded by Director Kyger and unanimously approved, that District now be authorized to advertise for such proposals to be submitted to the Directors for their consideration.

9.

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

10.

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

J. C. Shannon  
Secretary

Wayne E. Newton  
President