

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 AUGUST, 1977 AT 3:30 P. M.

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

<u>PRESENT</u>	<u>ABSENT</u>
Clyde A. Penry	Wayne E. Newton
J. Oliver Shannon	C. Victor Thornton
Murray Kyger	

Also present were Messrs. Joe B. Hogsett, Honorary Chairman of the Board of Directors; Ben Hickey, General Manager of the District and Mr. Davis, Representative of Cities Service Oil Company.

Director Penry acted as President and Director Shannon acted in his capacity as Secretary, whereupon proceeding were had and done as follows:

1.

On motion duly made and seconded, the minutes of the meeting held August 1, 1977 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 Shannon, seconded by Director Kyger, voucher-checks #19744 thru #19877 inclusive, Maintenance Fund, in the amount of \$270,946.76; voucher-checks #5767 thru #5837 inclusive, Revenue Fund, in the amount of \$514,904.59; voucher-checks #578 thru #582 inclusive, Interest and Sinking Fund, in the amount of \$281.97; voucher-checks #3552 and #3553, Construction Fund, in the amount of

\$3,876.00 and voucher-checks #4246 thru #4248 inclusive, Cedar Creek Construction Fund, in the amount of \$20,959.90 were approved and ordered paid. All Directors present voted aye thereon.

3.

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

PROGRAM B:

<u>GRANTEE</u>	<u>DESCRIPTION</u>	<u>CONSIDERATION</u>
Frank O. Wood	8,136 square feet being a portion of Lots 14 and 15, Block 19 of the Evans-Pearson-Westwood Addition	\$ 6,000.00

Following a discussion and upon recommendation of management of the District, Director Shannon moved and the motion was seconded by Director Kyger and unanimously carried that the above described surplus land be sold at the price shown.

4.

The following bid proposals were presented to lease the oil, gas and other gaseous and fluid minerals on, in and under the District's 1/8 undivided interest in that certain tract of land as described by a Deed of Record in Vol. 125, Page 339 of the Deed Records of Wise County, Texas:

	<u>CASH BONUS</u>	<u>ROYALTY</u>	<u>DELAY RENTAL</u>
Cities Service Oil	\$7,556.35	1/8	2.00 per acre
Eagle Oil and Gas	3,234.90	3/16	2.00 per acre
Barbara Lee Blocker	3,000.00	1/8	5.00 per acre

Following a review and discussion of the bid proposals and with recommendation of management; and assurance from Mr. A. Davis

Representative of Cities Service Oil Company that if Cities Service bid was accepted, drilling would begin at a very early date, Director Kyger moved and the motion was seconded by Director Shannon and unanimously carried, that the bid proposal as submitted by Cities Service Oil Company be accepted.

5.

Mr. Ben Hickey, General Manager, reported to the Directors and presented a tabulation reflecting the amount of water owned by the District, the amount of water usage of the District's Water Supply System covering the past ten (10) years; also future proposed sources, especially that of the Richland Creek site as described in Permit No. 3216 issued by the Texas Water Rights Commission.

6.

Copies of the following letter were given each Director for their consideration, to wit:

Mr. Ben Hickey, General Manager  
Tarrant County Water Control and  
Improvement District Number One  
P. O. Box 4508  
Fort Worth, Texas

RE: Proposed Raw Water Rates

Dear Ben:

For some time the District has been considering the development of a revised rate of charges for the sale of raw water to new and old customers and the establishment of guidelines for the areas to be served by these customers. The proposed rate of charges, effective July 1, 1977, is summarized below:

1. All New Customers - Contracts entered into after July 1, 1977. Rate shall include the following:
  - (a) Base Price of 9¢ per M/Gallons.

(b)\* Formula established by District to recover cost for water used since March 1, 1960.

(c) Cost per M/Gallons for delivering water from Cedar Creek. This cost to be calculated each January 1.

(d) Pro Rata Cost of any new facilities acquired to deliver water.

\*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:

$$\frac{2,635,825,000}{297,197,253,610} \times \frac{\$14,000,000}{5,648,196,400} \times 100 = .022\text{¢ Premium per each 1000 Gallons}$$

2. All Old Customers served by City of Fort Worth under Contract as of July 1, 1977 excluding City of Fort Worth and City of Arlington shall include the following:

(a) Base Price of 9¢ per M/Gallons.

(b) Cost per M/Gallons for delivering water from Cedar Creek.

(c) Pro Rata Cost of any new facilities acquired to deliver water.

3. No Raw Water Contract will be entered into with a Customer that will serve an area outside of Tarrant County.

We have reviewed the proposed rate policy and are of the opinion that the amounts to be charged for the sale of raw water to both old and new customers are reasonable and equitable and we recommend that the

proposed rate policy, as outlined above, be adopted by the District.

Yours very truly,

FREESE AND NICHOLS, INC.

/s/ James R. Nichols

James R. Nichols, P.E.

JRN:mg

Following a lengthly detailed discussion of the ever increasing costs, especially that of electrical cost for pumping, and with the recommendation of management of the District, Director Kyger moved and the motion was seconded by Director Shannon and unanimously approved that the recommendation of the Consulting Engineers for the District, as set forth in the letter dated July 21, 1977, be now adopted by the District.

7.

A review was given relating to Permit No. 2673 issued to the District for four (4) dams constructed by the District in cooperation with, and at the request of the Streams and Valleys Committee on the Trinity River in the City of Fort Worth; following the review management stated that a representative of the Water Rights Commission had visited in the District Office and recommended that an Amendment to Permit No. 2673 be requested that would include five (5) small "low water" dams heretofore constructed by the District on the Trinity River more particularly described by metes and bounds in the application for amendment; whereon Director Shannon moved and the motion was seconded by Director Kyger and unanimously approved that management be authorized to make application for Amendment to Permit 2673 as hereinabove outlined.

8.

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 July, 1977, from the Auditor of the District, which was ordered accepted and placed in the permanent files of the District.

9.

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

J. P. Shannon.  
Secretary

Alyce Arney  
Vice President