

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF  
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE  
HELD ON THE 5TH DAY OF NOVEMBER, 1979 AT 10:00 A. M.

-----

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

<u>PRESENT</u>	<u>ABSENT</u>
Wayne E. Newton	C. Victor Thornton
J. Oliver Shannon	Robert D. Alexander
Preston M. Geren	

Also present were Messrs. John M. Scott, General Counsel for the  
District and Ben Hickey, General Manager of the District.

President Newton acted in his capacity as President and  
Director Geren acted as Secretary, whereupon proceedings were had  
and as follows:

1.

On motion duly made and seconded, and with assurance from  
management that all requirements of law relating to the "open meeting"  
law had been met, the minutes of the meeting held October 8, 1979 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.

Director Geren moved and the motion was seconded by  
Director Shannon and unanimously approved that the following list  
of vouchers be approved and paid: Voucher-checks #23192 thru #23310  
inclusive, Maintenance Fund, in the amount of \$129,434.72; voucher-  
checks #7380 thru #7413 inclusive, Revenue Fund, in the amount of  
\$494,265.77; voucher-checks #4425 thru \$3351 inclusive, Cedar Creek

Project - Construction Fund, in the amount of \$762,888.72; voucher-checks #651 thru #653 inclusive, Interest and Sinking Fund, in the amount of \$267.93 and voucher-check #3583, Construction Fund in the amount of \$2,789.00.

3.

President Newton presented proposed agreements between the District and the following listed consultants, copies heretofore furnished the Directors for their study, required for the planning and construction of the Richland-Chambers Reservoir Project, to wit:

- (a) Mason-Johnson & Associates - Teotechnical Consultants;
- (b) Freese & Nichols, Inc. - Engineering Services;
- (c) Arthur Young & Company - Computer Consultants;
- (d) McCall, Parkhurst & Horton - Bond Consultants.

Each agreement, copies attached to these minutes and made a part hereof, was discussed in detail; with Mr. John M. Scott General Counsel for the District outlining the legal work required of McCall, Parkhurst and Horton, Bond Counsel.

With recommendation of management of the District Director Geren moved, seconded by Director Shannon and unanimously approved, that the above listed agreements as presented be accepted and entered into by the District with the provision that the Mason-Johnson Contract not exceed \$500,000.00 Dollars without approval of the Directors.

4.

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 1979 as herein shown, to wit:

TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE  
CEDAR CREEK PROJECT  
BUDGET FOR TYE YEAR, 1980

---

CASH & INVESTMENTS as of January 1, 1980		\$ 3,200,000.00
ADD: Projected Income		
Water Sales	\$5,000,000.00	
Interest on Investments	300,000.00	
Installments on Notes Receivable	75,000.00	
Other Income	<u>50,000.00</u>	<u>5,425,000.00</u>
		\$ 8,635,000.00
LESS: Projected Expenditures		
Capital Expenditures	\$ 50,000.00	
Maintenance Expense	350,000.00	
Pipeline Operations	1,500,000.00	
Debt Service	<u>4,420,815.00</u>	<u>6,320,815.00</u>
		<u>\$ 2,304,185.00</u>
CASH & INVESTMENTS as of December 30, 1980		<u>\$ 2,304,185.00</u>

Following a review, Director Shannon moved and the motion was seconded by Director Geren and unanimously carried that the budget be now adopted.

5.

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

LESSEE	DESCRIPTION	APPRAISED VALUE AND CONSIDERATION
<u>EAGLE MOUNTAIN LAKE - TARRANT COUNTY</u>		
Michael Roland Anderson & Deborah Starr Anderson	Lot 1, Block 3, W.B.-Gantt- Stuart-Foster Subdivision	\$ 9,500.00
J. P. Eagleton	Lot 9, W.B.-O.L. Marshall Subdivision	100,000.00



as Tracts 1, 2, 3, 4 and 5 are available for purchase and, if this be the case, it is our recommendation that the District take immediate steps to acquire this property.

Yours very truly,

FREESE & NICHOLS, INC.

/s/ James R. Nichols, P.E.

Following a general discussion and detailed review by management of the District, appraisals prepared by a reputable MAI appraiser of the following tracts were presented, to wit:

<u>TRACT</u>	<u>ACREAGE</u>	<u>OWNER</u>	<u>PRICE</u>
1	0.82	Nona L. Greene	\$ 25,000.00
2	3.12	Carol G. Rhodes	75,000.00
3	1.67	A. L. Miner	45,000.00
4	59.12	Carol G. Rhodes	350,000.00
5	59.12	Nona L. Greene	350,000.00

Management of the District exhibited an aerial picture of the area, with the above listed tracts outlined in detail, and following more discussion, Director Geren moved, seconded by Director Shannon and unanimously approved, that upon the recommendation of management and consulting engineers of the District, that the District be now authorized to purchase the above listed tracts of land for the consideration as shown and as appraised.

6.

President Newton called upon Mr. John M. Scott, General Counsel for the District to review a law as passed by the Legislature relating to investments of public funds in custody of political subdivisions; whereon Mr. Scott explained that at this time the Directors should pass a resolution designating one or more officers or employees of the District to be responsible for the investment of funds, explaining that Bond Resolutions and other laws pertaining to the District

described specifically the investment procedures authorized to be followed by the District; also explained was the fact that the General Manager and Manager of Fiscal Affairs (Robert Doby) had for years followed these guidelines, reporting each month a Financial Statement outlining the type of investments made, costs, maturity, yield and other information.

Following more discussion, Director Geren moved, seconded by Director Shannon and unanimously approved, that Mr. Ben Hickey, General Manager and Robert Doby, Assistant Manager be now designated, with the counsel of Director Alexander, as representatives of the District relating to the investment of District funds according to the law governing such matters.

7.

Management of the District requested that a resolution be adopted authorizing legal action to acquire certain land needed by the District; whereon the Board of Directors then considered the necessity of acquiring an easement for pipeline purposes over and across a .55 acre tract of land.

After discussion, a resolution and motion was made, seconded and unanimously carried that the Board of Directors finds and determines that it is necessary for Tarrant County Water Control and Improvement District Number One to acquire an easement for pipeline purposes over and across a .55 acre tract of land and to acquire all improvements located thereon, said tract of land being described on Exhibit A attached hereto.

It was further moved, seconded and unanimously carried that the general manager be authorized to make a written offer to


purchase the easement over and across the .55 acre tract of land from the owners thereof for the sum of \$67,000.00.

In connection with the acquisition of said easement, it was further moved, seconded and unanimously carried that the attorneys for Tarrant County Water Control and Improvement District Number One take all necessary legal action to acquire the easement over and across said .55 acre tract of land, including all improvements located thereon, by condemnation proceedings in the District Court of Tarrant County, Texas in the event the owners of said tracts should refuse to sell the same in accordance with the terms of the written offer.

8.

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

  
\_\_\_\_\_  
Acting Secretary

  
\_\_\_\_\_  
President