

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF  
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE  
HELD ON THE 25TH DAY OF AUGUST, 1982 AT 9:30 A. M.

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

PRESENT

Wayne E. Newton  
C. Victor Thornton  
Robert D. Alexander  
Preston M. Geren  
Burford I. King

Also present was Messrs. Ben Hickey, General Manager; R. M.  
Doby, Manager of Fiscal Affairs; James Stawn, Manager of Planning  
and Development and George Chirstie, Attorney for the District.

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

1.

With assurance from Management that all requirements of  
law relating to the "open meeting" law had been met the minutes of  
August 2, 1982 were approved; in presenting the proposed minutes  
of July 28th it was the unanimous decision of the Directors that  
the following language be inserted, to wit:

"Director Geren and Director Thornton questioned the  
meaning of a letter dated June 25, 1982, to the General  
Manager from Freese and Nichols, Inc. After a full  
discussion and conferring with legal counsel for the  
District, it was unanimously agreed that the District should  
have an unambiguous assurance from Freese and Nichols, Inc.,  
that Freese and Nichols, Inc., is fully responsible for the  
design of Richland Creek Reservoir and for all professional  
design services rendered in connection therewith. Mr. Jim  
Nichols of Freese and Nichols, Inc. then assured the Board  
that Freese and Nichols, Inc., accepts such responsibility  
and a letter would be written clarifying the June 25, 1982  
letter."

Director King moved and the motion was seconded by Director Geren and unanimously approved that the following list of vouchers be approved and paid:

GENERAL FUND: Voucher-checks #1705 thru #1837 inclusive, in the amount of \$355,707.63.

REVENUE FUND: Voucher-checks #981 thru #1051 inclusive, in the amount of \$432,640.23.

RICHLAND-CHAMBERS PROJECT - CONSTRUCTION FUND: Voucher-checks #1186 thru #1276 inclusive, in the amount of \$5,507,966.47.

DEBT SERVICE: Voucher-checks #184 thru #188 inclusive, in the amount of \$145,808.01.

CAPITAL PROJECT: Voucher-check #109 in the amount of \$50,000.00.

3.

The General Manager of the District presented the following letter, to wit:

July 30, 1982

Mr. Ben F. Hickey, General Manager  
Tarrant County Water Control and  
Improvement District Number One  
P. O. Box 4508  
Fort Worth, Texas 76106

Re: Richland Creek Project

Dear Ben:

We wish to confirm our statement to the Board at its meeting on Wednesday, July 28th, that Freese and Nichols, Inc., is responsible for professional serviced rendered in connection with the engineering design of the Richland Creek Project. This responsibility is further evidenced by the name and signature of a principal affixed on each sheet of the plans as well as the firm name on the plans and specifications.

We have reviewed the work of the geotechnical consultant, Mason-Johnston & Associates, and have concurred with their recommendations which have been incorporated into the design of the dam and spillway. In addition, we have employed Mr. James L. Sherrard, P.E., an internationally recognized consultant on dams and spillways, who has reviewed and concurred with our design criteria. A copy of his reports have been furnished to the District.

We regret that some statements in our letter of June 25, 1982, caused concern regarding responsibility for design. The letter was not intended to modify or change our responsibilities as set forth in the "Agreement for Engineering Services - Richland-Chambers Creek Project," dated the 12th day of December, 1979. In order to remove any doubt or concern, we would request that the letter of June 25, 1982, be considered void and stricken from the files.

Yours very truly,

FREESE AND NICHOLS, INC.

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

Following a full discussion and conferring with legal counsel of the District, the Directors unanimously agreed that the above letter was accepted as stating Freese and Nichols's unequivocal assurance that it is responsible and liable for the design of the Richland Project and for all design services rendered in connection therewith.

4.

Management of the District stated that the Budget for the establishing the 1983 Tax Rate for the District had heretofore been furnished the Directors for their study, and following a full discussion, Director Thornton moved, seconded by Director Alexander and unanimously approved, that the Tax Rate, retaining the current exemptions, be now reduced, for 1983, from .06¢ to .02¢ per each \$100.00 Dollars valuation.

5.

Management of the District requested authority for the District to enter into Contract for the purchase of the following described tracts of land required for Program E - Richland Creek Project, on the following basis for payment to wit:

- I. 61.21 acres in fee @ \$700.00 per acre; 12.72 acres in easement @ \$467.00 per acre from Billy Emerson and wife Florence L. Emerson, Navarro County, Texas - Tract No. 157.
- II. 10.10 acres in fee @ \$675.00 per acre; 5.28 acres in easement @ \$450.00 per acre from the W. N. Kenner Estate, Navarro County, Texas - Tract No. 280.
- III. 8.99 acres in fee @ \$675.00 per acre; .69 of an acre in easement @ \$450.00 per acre from Vincent Newsome and wife Vera Newsome, Navarro County, Texas - Tract No. 276.
- IV. 9.13 acres in fee @ \$675.00 per acre; .83 of an acre in easement @ \$450.00 per acre from Vincent Newsome, Jr. and wife Helen Jean Newsome, Navarro County, Texas - Tract No. 275.
- V. 360.32 acres in fee @ \$675.00 per acre; 14.08 acres in easement @ \$450.00 per acre from the Homer Rendon Estate; \$5,000.00 in Damages for 2 barns and a severed portion of their property, Navarro County, Texas - Tract No. 222.

Following a detailed presentation of the tracts, and upon recommendation of management of the District, Director Thornton moved, seconded by Director King, that the District be now authorized to enter into contract for the purchase of the above described tracts and on the basis as shown. This meeting with the approval of all Directors it was so ordered.

6.

Management of the District requested authority to file the following legal action, to wit:

RESOLVED, that Tarrant County Water Control and Improvement District Number One file a cross action in Cause No. 49-82, styled Joe M. Daniel, Jr. et al vs. Tarrant County Water Control and Improvement District Number One pending in the 13th Judicial District Court of Navarro County, Texas; said cross action being for condemnation of a flowage easement on and over property owned by the following individuals in Navarro County, Texas, which land is described in the Plaintiff's first amended original petition:

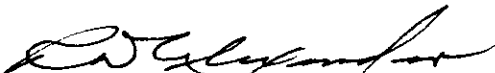
1. Joe M. Daniels, Jr.
2. Margaret Red
3. Lelia Owen Hamilton
4. Jere A. Daniel, Jr.
5. Theo S. Daniel III
6. And any and all other owners of undivided interest revealed by title search.

Said cross action further seeking injunctive relief to enable Tarrant County Water Control and Improvement District Number one employees or representatives to enter upon said land for surveying and other District business.

Following a detailed review by Counsel for the District, Director Geren moved, seconded by Director Thornton and unanimately approved, that the District be now authorized to take such legal action as hereinabove stated.

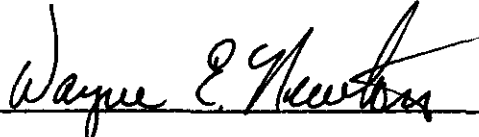
7.

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



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Secretary



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President