

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, 1983 AT 9:30 A. M.

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

<u>PRESENT</u>	<u>ABSENT</u>
C. Victor Thornton	Wayne E. Newton
Robert D. Alexander	
Preston M. Geren, Jr.	
Burford I. King	

Also present were Messrs. Ben Hickey, General Manager; and Bill Hilliard, Assistant General Manager, Alan Thomas, Assistant Fiscal Officer and Jim Oliver, Administrative Coordinator.

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

1.

On motion 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 August 1, 1983 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 King and unanimously approved that the following list of vouchers be approved and paid:

GENERAL FUND: Voucher-checks #3612 thru #3785 inclusive, in the amount of \$291,567.16.

DEBT SERVICE: Voucher-checks #247 and #248 inclusive, in the amount of \$90,987.50.

REVENUE FUND: Voucher-checks #1923 thru #2013 inclusive, in the amount of \$570,854.24.

RICHLAND CHAMBERS PROJECT - CONSTRUCTION FUND: Voucher-checks #2353 thru #2437 inclusive, in the amount of \$4,324,401.50.

CEDAR CREEK PROJECT - CONSTRUCTION FUND: Voucher-checks #147 thru #150 inclusive, in the amount of \$379,519.33.

CAPITAL PROJECTS - CAPITAL PROJECTS: Voucher-check #124 in the amount of \$199,290.42.

3.

Messrs. Alan Thomas and James Oliver reviewed the proposed Revenue, Debt Service and General Fund budgets for fiscal year 1984, copies attached and made a part of these minutes. Directors were assured that quarterly reports comparing budget versus actual operating cost will be furnished. Director King moved to approve and adopt the FY1984 budgets as submitted. Director Geren seconded the motion, and following discussion all Directors present voted aye and it was so ordered.

4.

Mr. Ben Hickey recommended that the Directors set the District maintenance tax rate at two cents (2¢) per \$100 value. This is the same rate as the current year. Director Geren made a motion to set the District maintenance tax rate, retaining the current exemptions, for 1984 at two cents (2¢) per \$100 value as recommended. Director King seconded the motion and with the approval of all Directors present it was so ordered.

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. Tract No. 305-A - 4.97 acres in fee @ \$650.00 per acre from John Milton Prine, Navarro County, Texas.
- II. Tract No. 71 - 20.78 acres in fee @ \$300.00 per acre (1/2 undivided interest); 1.73 acres in easement @ \$150.00 per acre from Georgia Mae Smith and Alonzo Smith, Navarro County, Texas.
- III. Tract No. 242 - 29.61 acres in fee @ \$700.00 per acre; 2.69 acres in easement @ \$466.67 per acre from Johnny B. Smith and Gladys P. Smith, Navarro County, Texas.

Following a detailed presentation of the tracts, and upon recommendation of management of the District, Director King moved, seconded by Director Geren, 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.

Mr. Alan Thomas reviewed the audit proposal letter of Arthur Young and Company for the 1983 audit. It was agreed that in addition to the District audit Freese and Nichols, Inc., Mason-Johnston and Associates, Inc. and Rone Engineers should be audited as proposed. With recommendation for acceptance from the General Manager, Director Geren made a motion to accept and retain Arthur Young and Company to conduct the 1983 audits as proposed subject to the inclusion of two (2) items, to wit: The proposal

letter will state that the audit will determine whether compliance with Federal law and State law pertaining to Water Control and Improvement Districts have been met. Arthur Young is also directed to comment on District policies and procedures relating to financial matters. Director Alexander seconded the motion and all Directors present voted aye.

7.

Mr. Ben Hickey presented for consideration and action Change Order Number 3 - Richland Creek Project. The change in contract amount is \$44,079.86 based on actual surveyed quantities and described herewith.

Drainage along the downstream side of the dam is collected in toe ditches and released downstream through existing natural watercourses. Because of the large flat area that must be drained, the toe ditch grade at Station 74+00 had to be lower than the natural drainage. The plans did not show the existing drainage ditch to be lowered from Station 74+00 to Richland Creek. Zachry is directed to lower the existing drainage ditch, including protection of the West Texas Gulf pipeline, as shown on the attached drawing.

Change Order Number 3 has been approved and recommended by Mr. Harold E. Johnson, District resident representative at the Richland Project. Director Alexander moved to approve Change Order Number 3 as submitted. Director King seconded the motion

and following discussion all Directors present voted aye and it was so ordered.

8.

Vice-President Thornton stated that copies of the Financial Reptot for the month of July, 1983 have previously been furnished the Directors.

9.

The Directors instructed the General Manager to prepare a resolution of appreciation for the family of Eugene Fruhwirth, District Manager-Operations Division who passed away August 21, 1983. Gene served as Manager-Operations Division for more than 30 years.

10.

Director Alexander asked for clarification of paragraph three (3) page two (2), letter of August 8, 1983 from George F. Christie to Ben F. Hickey concerning Overton Woods problems. It was not clear to the Directors which "encroachments permitted by the qualified consent of the District" was being described.


11.


Director King brought to the attention of the Board the prospect of problems associated with oil and gas conflicts at the Richland Creek Project. Numerous apparent violations of state and federal laws and regulations have been documented by District staff. Mr. Bill Hilliard also related various encounters with Texas Railroad Commission officials who he said expressed both indifference and

and reluctance to correct the existing problems. The Directors all agreed that the R.R.C. is to be put on notice that these conditions will be corrected by Commission personnel or the District will seek relief from the Commission itself in Austin. Also, Director King stated that it is now time to start compiling a list of competent engineering firms needed to resolve the oil and gas conflicts at Richland.

12.

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


Secretary


Vice-President