

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
HELD ON THE 1ST DAY OF OCTOBER, 1984 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	Burford I. King
Robert D. Alexander	
Preston M. Geren, Jr.	
Wayne E. Newton	

Also present were Messrs. Ben Hickey, General Manager of the District; Woody Frossard, Manager of Real Estate Division and Jim Oliver, Administrative Coordinator of the District.

Director Thornton acted in his capacity as President and Director Geren acted in his capacity 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 meetings held August 27, 1984 and September 24, 1984 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 Alexander moved and the motion was seconded by Director Geren and unanimously approved that the following list of vouchers be approved:

GENERAL FUND: -- Voucher-checks #5667 thru #6038 inclusive, in the amount of \$7,453,200.74.

REVENUE FUND: -- Voucher-checks #2910 thru #3080 inclusive, in the amount of \$5,638,218.13.

RICHLAND CHAMBERS PROJECT - CONSTRUCTION FUND:

Voucher-checks #3537 thru #3763 inclusive, in the amount of \$19,448,173.99.

CEDAR CREEK PROJECT - CONSTRUCTION FUND: Voucher-checks

#258 thru #268 inclusive, in the amount of \$2,384,947.77.

DEBT SERVICE: Voucher-checks #299 thru #308 inclusive,

in the amount of \$3,033,391.71.

CAPITAL PROJECT: Voucher-check #132 thru #138

inclusive, in the amount of \$7,565,658.50.

3.

The following resolution was unanimously adopted and executed by the named Directors and General Manager:

WHEREAS, Tarrant County Water Control and Improvement District Number One is constructing the Richland-Chambers Creek Reservoir in Freestone and Navarro Counties, Texas, and the reservoir when completed will inundate several oil fields and many oil and gas wells will have to be plugged before September 1, 1986, when the Reservoir is projected to be completed; and

WHEREAS, Tarrant County Water Control and Improvement District Number One ("the District") prefers to plug the wells after it has acquired the oil and gas leases upon which such wells are located, rather than requesting the Texas Railroad Commission to force the current operators to plug such wells because the District plans more extensive work in connection with plugging such wells than could reasonably be expected to be performed by the operators of such leases;

NOW, THEREFORE, IT IS HEREBY RESOLVED:

1. When the Kilgore District office of the Texas Railroad Commission notifies an operator in the Richland-Chambers Creek Reservoir basin of a violation of Rule 14(b) (2) of the Texas Railroad Commission Rules, the Kilgore office will also notify the operator that the wells to be plugged are in the Richland-Chambers Creek Reservoir basin and that the operator must immediately contact the District regarding coordination between the operator and the District to bring the well or wells in compliance with Rule 14(b)(2).
2. The General Manager of the District is hereby authorized to enter into the necessary negotiations and agreements between the District and the operators

to bring such wells into compliance with Rule 14(b) (2); it being provided, however, that such agreement between the operator and the District must meet or exceed all of the requirements of Texas Railroad Commission Rule 14.

3. The General Manager of the District is hereby directed to notify the Texas Railroad Commission in writing when negotiations have commenced between any operator and the District and of the result of those negotiations. Such written notification, which shall include the proposed plugging schedule, shall be attached to the operator's request for a Rule 14(b)(2) exception.
4. If the operator of a well or wells which are in violation of Rule 14(b)(2) cannot be located, bids for plugging such well or wells shall be solicited by the Railroad Commission and notification of such shall be immediately given to the District. When notified by the Railroad Commission of the successful bidder, the District shall have the option of choosing such successful bidder or of choosing any other contractor who is qualified to perform the plugging operations required by Texas Railroad Commission Rule 14, as well as the ability to perform any additional requirements imposed by the District. Payments by the Texas Railroad Commission for the expenses of any such plugging operation shall not exceed the amount of the successful bid accepted by it. Any additional funds required to meet the more extensive plugging requirements of the District shall be paid solely by the District.
5. No performance bond or letter of credit shall be required in connection with the plugging procedures herein specified.

4.

Management of the District requested authority for the District to enter into eminent domain proceedings to acquire the following tracts required by the Richland Creek Project:

- I. Tract No. 119 - 385.444 acres in fee; 20.64 acres in easement; from H. R. Lively Estate, Navarro County, Texas.
- II. Tract No. 257 - 10.44 acres in fee; 1.98 acres in easement from Roy Glenn Estate, Navarro County, Texas.

- III. Tract No. 258 - 13.72 acres in fee; .84 of an acre in easement from Allie Glenn Estate, Navarro County, Texas.
- IV. Tracts 312 & 312A - 96.69 acres in fee; .38 of an acre in easement from Robert Blair and wife, Bertie Blair, Navarro County, Texas.
- V. Tract No. 312 - 35.00 acres in fee from Robert Blair, et al, Navarro County, Texas.
- VI. Tract No. 312A - 47.43 acres in fee from Willie Blair and Aggie A. Walker, Navarro County, Texas.
- VII. 1.065 acres in fee from Jim Steward Estate, Navarro County, Texas.
- VIII. Tract No. 267 - 370.30 acres in fee; 55.34 acres in easement from Lillie Mae Farmer and E. E. Farmer Estate, Navarro County, Texas.
- IX. Tract No. 126 - 560.60 acres in fee from Charles E. Reese, et al, Navarro County, Texas.

Following a detailed presentation of the tracts, and upon recommendation of manager of the District, Director Geren moved, seconded by Director Newton, that the District be now authorized to enter into eminent domain proceedings for the acquisition of the above described tracts and on the basis as shown. This meeting with the approval of all Directors, it was so ordered.

5.

Management of the District requested authority to sell the following tract of land now surplus to the requirements of the District to wit:

<u>ABUTTING LAND OWNER</u>	<u>DESCRIPTION</u>	<u>APPRAISED VALUE AND CONSIDERATION</u>
Allen D. Shelton et ux	Portions of Lot 3, Block 2, Water Board- Gantt-Stuart-Foster Subdivision, 3 Acres, more or less.	\$18,770.00

Following a discussison and upon the recommendation of management and its assurance that the land had been properly advertised and that the price listed above had been appraised by a reputable appraiser; Director Alexander moved, seconded by Director Geren and unanimously approved, that as recommended by management, the District now be authorized to sell in fee, the above listed tract at not less than the appraised price as shown and upon terms and conditions theretofore adopted by the District.

6.

The General Manager presented for consideration the results of bids taken for the purchase of the following vehicles for the Operations Division, to wit:

TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
INTER-OFFICE CORRESPONDENCE

DATE: September 20, 1984

TO: Ben Hickey

FROM: Mike Meza

SUBJECT: Results of Bid Opening Held September 14, 1984

Bids were submitted and opened at 10:00 A.M., September 14, 1984 for Six One-half Ton Short Wheel Base Pickup Trucks, One One-half Ton Long Wheel Base Pickup Truck and One One-half Ton Short Wheel Base Four Wheel Drive Pickup Truck. The results are as listed below:

SIX ONE-HALF TON SHORT WHEEL BASE PICKUP TRUCKS:

Hudiburg Chevrolet Chevrolet Model CC10703	\$ 55,074.00 or \$9,179 each
Jack Williams Chevrolet Chevrolet model CC10703	\$ 55,440.00 or \$9,240 each
Bruce Lowrie Chevrolet Chevrolet Model CC10703	\$ 55,890.00 or \$9,315 each

The Operations Division has reviewed the bid and equipment listed and submits that the low bid from Hudiburg Chevrolet be accepted.

ONE ONE-HALF TON LONG WHEEL BASE PICKUP TRUCK:

Hudiburg Chevrolet Chevrolet Model CC10903	\$ 9,345.00 -
Jack Williams Chevrolet Chevrolet Model CC10903	\$ 9,389.00
Bruce Lowrie Chevrolet Chevrolet Model CC10903	\$ 9,453.00

The Operations Division has reviewed the bid and equipment listed and submits that the low bid from Hudiburg Cheverlot be accepted.

ONE ONE-HALF TON SHORT WHEEL BASE FOUR WHEEL DIRVE PICKUP TRUCK:

Bruce Lowrie Chevrolet Chevrolet Model CK10703	\$ 10,212.00
Hudiburg Chevrolet Chevrolet Model CK10703	\$ 10,389.00
Jack Williams Chevrolet Chevrolet Model CK10703	\$ 10,800.00

The Operations Division has reviewed the bid and equipment listed and submits that the low bid from Bruce Lowrie Chevrolet be accepted.

Following discussion and with the recommendation of the General Manager, Director Geren moved and Director Newton seconded the motion to accept the low bids as submitted by the Operations Division. This meeting with the approval of all Directors it was so ordered.

7.

The General Manager presented the following proposal for the sale of sand and gravel at the Richland Creek Project:

TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
INTER-OFFICE CORRESPONDENCE

DATE: September 12, 1984
TO: Ben Hickey
FROM: Bill Hilliard
SUBJECT: Sale of Sand & Gravel at Richland Creek Project.

The H. B. Zachry Company proposed a purchase from the District of certain select sands and gravel for resale to the R. E. Hable Company, U. S. 287 contractor. Harold Johnson negotiated a sale on the following terms:

One-half inch gravel	- \$1.00 per cubic yard
Pea Gravel	- \$0.80 per cubic yard
Pit run sand	- \$0.50 per cubic yard

The pit run sand will be produced from the Walker Lake site and the other materials from the Carpenter pits. The District's interest in the Carpenter pits is 1/2 and 100% in the Walker Lake pit.

Counsel has advised that a private sale is legal with two weeks notice of the District's intent to sell.

I recommend we secure Board authority to sell on the basis presented contingent upon required publication.

Following a discussion and upon the recommendation of management, Director Geren moved, seconded by Director Alexander that authorization to advertise for intent to sell be given.

8.

President Thornton presented correspondence from Freese & Nichols, Inc., Consulting Engineers for the Richland-Chambers Project, recommending the termination of Mason-Johnston and Associates' geotechnical consulting contract for the Richland Creek Project. Freese & Nichols, Inc. further recommended that Rone Engineers' contract be expanded to include geotechnical responsibilities.

Copies of the correspondence concerning this matter will be placed in the permanent files of the District.

9.


Director Geren moved that the District management be authorized to seek legislation that would allow the District the option to use either Article 51.146 or Article 6252, and in the

absence of that possibility then to ask that a law be passed exempting us from Article 51.146 and being obligated only to follow 62.52. Director Newton seconded and all Directors present voted aye.

10.

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


Secretary


President