

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 FEBRUARY, 1985 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	Robert D. Alexander
Wayne E. Newton	Burford I. King
George W. Shannon	

Also present were Messrs. Ben Hickey, General Manager of the District; Bill Hilliard, Assistant General Manager; Robert A. Thomas, Assistant Manager of Fiscal Affairs; R. M. Doby, Manager of Fiscal Affairs; Frank Medanich, Harold McInroe, of First Southwest Company; Paul Horton, Bond Counsel for the District and Jay Holt, of Hawkins Delafield & Wood, NYC Counsel for Merrill Lynch Capital Markets and other persons representing Merrill Lynch and Texas American Bank/Fort Worth, N.A.

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

1.

Mr. Frank Medanich of First Southwest Company submitted to the Board a Resolution authorizing the issuance of "Tarrant County Water Control and Improvement District Number One Water Revenue Refunding Bonds, Series 1985". Mr. Paul Horton, bond counsel for the District, reviewed the resolution and separate Escrow Agreement and recommended adoption of both.

The 1985 issue of \$28,060,000 will refund \$37,515,000 of Series 1977 combination water revenue and unlimited tax refunding bonds. The new bonds are secured by a first lien on pledged revenues of the system on a parity with the Series 1979-A and Series 1983 Bonds. In addition to an approximate savings of \$3,535,763 over the term of the bonds the unlimited tax pledge provision is removed. The Standard and Poor's rating for the issue is AA- and Moody's is A.

The negotiated bid by Merrill Lynch Capital Markets with an effective interest rate of 8.562333174% was submitted to the Board and recommended for acceptance by management and by First Southwest Company.

With recommendation for approval by management and following discussion, Director Newton moved adoption of the Resolution authorizing the issuance, sale and delivery of Tarrant County Water Control and Improvement District Number One Water Revenue Refunding Bonds, Series 1985, and approving and authorizing instruments and procedures relating thereto. Director Shannon seconded the motion and with three (3) ayes and no nays the resolution was unanimously approved and adopted.

2.

Mr. Horton submitted the required Escrow Agreement with Texas American Bank/Fort Worth, N.A. for approval. The agreement was recommended for approval by management. Following discussion Director Shannon moved to adopt a Resolution authorizing the execution of an Escrow Agreement with Texas American Bank/Fort Worth, N.A. relating to the refunding of Tarrant County Water

Control and Improvement District Number One Water Revenue and Unlimited Tax Refunding Bonds, Series 1977. Director Newton seconded the motion and the resolution was unanimously approved and adopted.

Original executed documents will be placed in the permanent files of the District.

Bonds will be dated February 1, 1985 and issued February 28, 1985.

3.

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

George W. Shannon
Secretary

P. Victor Thomas
President