

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
HELD ON THE 3RD DAY OF APRIL, 1990 AT 9:30 A.M.

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

Present

George W. Shannon
Victor W. Henderson
Charles B. Campbell, Jr.
Hal S. Sparks III
Charles L. Geren

Also present were James M. Oliver, General Manager; Alan Thomas, Assistant General Manager; Michael J. Meza, Technical Services Manager; Brian Gordon, Finance Manager; Woody Frossard, Environmental Manager; Steve Christian, Real Property Manager; Madeline Robson, Management Services Manager; and Wayne Owen, Administrative Coordinator.

Also in attendance were George Sumner, Viola Ohr and George Christie.

With the assurance from management that all requirements to the "open meetings" law had been met, Director Shannon convened the meeting.

1.

Consideration of the minutes of the meeting held March 13, 1990 was postponed.

2.

Mike Meza presented Texas Utilities' proposed rate increases to the Board. The proposed rate increases are currently pending

before the Texas Public Utility Commission. The Board instructed staff to examine further the rate increase requests where the District is directly impacted. Further, that staff update the Board periodically as matters concerning the rate increases evolve.

3.

The President and presiding officer next called an executive session under Section 2(e) of the Texas Open Meetings Act to consider pending litigation.

4.

Upon completion of the executive session, the President reopened the meeting.

5.

With the recommendation of management, Director Campbell moved to authorize the acceptance of the low bid submitted by Westinghouse Electrical Supply Company in the amount of \$15,141.28 for equipment necessary to modify the electrical system at the Eagle Mountain Spillway. Director Geren seconded the motion and the vote in favor was unanimous.

6.

With the recommendation of management, Director Henderson moved to authorize staff to purchase the concrete necessary for the construction of the low water dam at Bryant Irvin Road following the solicitation of bids by phone and contacting Directors by telephone concerning the low bidder. Director Geren seconded the motion and the vote in favor was unanimous.

7.

With the recommendation of management, Director Sparks moved to approve change order number one to the contract between the District and J. E. Haynes Construction, Inc. for the riprap repair at Eagle Mountain dam. The change order extends the time for completion of the project by 36 days and increases the quantity of riprap required by 1,900 tons at the same unit cost. The additional riprap and placement of same will result in a net increase of the contract cost by \$86,450.00, which will revise the contract amount from \$266,494.00 to \$352,944.00. Director Henderson seconded the motion and the vote in favor was unanimous.

8.

With the recommendation of management, Director Henderson moved to authorize discontinuing retainage on progress payments made to J. E. Haynes Construction, Inc. on the contract for repair of riprap at Eagle Mountain dam. The District will retain \$33,695.45 and make the remaining progress payments in full. Director Campbell seconded the motion and the vote in favor was unanimous.

9.

With the recommendation of management, Director Campbell moved to authorize the District to award the contract for depository banking services to Team Bank, Fort Worth for the period May 1, 1990 through April 30, 1992. Director Henderson seconded the motion and the vote in favor was unanimous.

The Directors next agreed in concept to the following amendments to the District's Pension Plan.

Normal Form of Retirement Income

If the participant is married on the date benefits commence, he automatically receives a joint and survivor annuity, for 10 years certain. If the participant dies and is survived by a spouse, the spouse will receive a monthly benefit for the remainder of his life equal to 75% of the participant's monthly benefit. If the spouse then dies prior to the end of the tenth year, payments will continue to the designated beneficiary in an amount equal to 50% of the participant's monthly benefit with the last payment being that monthly payment due during the month immediately preceding the tenth anniversary of the original date payments commenced.

If the participant is not married or elects a beneficiary other than their spouse on the date payments commence, he automatically receives a life annuity with 50% of such amount being paid to their beneficiary if the participant dies prior to the tenth anniversary of date payments commenced.

Death Benefits

If a participant dies while in active service prior to his normal retirement date his beneficiary will be entitled to receive a monthly income in an amount which can be provided on an actuarially equivalent basis by (a) or (b), whichever is greater, where (a) is 75% of the single-sum value of the retirement income accrued to his date of death payable to the spouse or 50% of the single-sum value of the retirement income accrued to his date of death payable to a beneficiary other than the spouse and (b) is an amount equal to the participant's Average Monthly Compensation at his date of death multiplied by (i) 12, if years of service is 5 or less; (ii) 18, if years of service is more than 5, but 10 or less; (iii) 24, if years of service is more than 10, but 15 or less; and (iv) 30, if years of service is more than 15; provided, however, the monthly amount payable in (b)(i), (b)(ii), (b)(iii) or (b)(iv) shall not be less than \$1,000 per month payable for the period of months determined by multiplying the Average Monthly Compensation by 12 and dividing by \$1,000, nor shall such monthly income be greater than the amount determined by dividing the amount of (b)(i), (b)(ii), (b)(iii) or (b)(iv) by 60 months with the resulting amount payable for 60 months.

The beneficiary shall have the option of selecting the monthly amount computed above or the maximum monthly amount computed above.

If a participant dies while in the service of the employer after his normal retirement date (but prior to his actual retirement), his beneficiary will be entitled to receive a monthly income in an amount which can be provided on an actuarially equivalent basis by 75% of the single-sum value of the participant's retirement income computed as of his date of death payable to the spouse or 50% of the single-sum value of the retirement income accrued to his date of death payable to a beneficiary other than the spouse.

In the event a terminated participant who is entitled to a vested deferred retirement income beginning at his normal retirement date, his beneficiary will be entitled to receive a monthly income, payable for 10 years certain and life thereafter and beginning on the date of the participant's death, which can be provided on an actuarially equivalent basis by 75% (if payable to the surviving spouse, other 50%) of the vested single-sum value of the accrued deferred monthly retirement income as of the date of termination of the participant's service, accumulated at interest from the date of termination of the participant's service to the date of his death.

These amendments will be drafted by the Wyatt Company and submitted for approval at a future Board meeting.

11.

With the recommendation of management, Director Campbell moved to authorize a four percent cost of living adjustment to the pensions of current retirees and/or beneficiaries. Director Geren seconded the motion and the vote in favor was unanimous.

12.

With recommendation of management, Director Campbell moved to instruct staff to annually review retirement benefits as part of the budget preparation process. Director Geren seconded the motion and the vote in favor was unanimous.

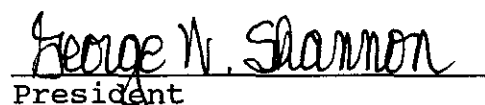
13.

After a brief discussion, the Board members added a contract review committee to the list of Board member sub-committees and named Directors Henderson and Sparks to serve on that committee.

14.

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


Secretary


President