

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
HELD ON THE 26TH DAY OF MARCH, 1991, 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; Wayne Owen, Management Services Manager; Brian Gordon, Finance Manager; David Marshall, Engineering Services Manager; Woody Frossard, Environmental Services Manager; Steve Christian, Real Property Manager and Madeline Robson, Administrative Manager.

Also in attendance was George Christie, Carter Burdette and Sloan Blair, legal counsel for the District.

With the assurance from management that all requirements of the "Open Meetings" law had been met, Director Shannon convened the meeting.

1.

On a motion made by Director Henderson and seconded by Director Campbell, the Directors unanimously voted to approve the minutes of the meeting held February 19, 1991. It was accordingly ordered that such minutes be placed in the permanent files of the District.

2.

On motion made by Director Campbell and seconded by Director Geren, the Directors unanimously voted to approve the minutes from the meeting held March 4, 1991. It was accordingly ordered that such minutes be placed in the permanent files of the District.

3.

The President and presiding officer next called an executive session under Sections 2E and 2F of the Texas Open Meetings Act to consider pending litigation and real estate matters.

4.

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

5.

Consideration of a settlement with Walker Lake Fishing Club (Cause Number 90-193-A) was postponed.

6.

Madeline Robson next reviewed with the Directors proposals concerning the District's liability insurance and specifically Directors' and Officers' liability coverage. After reviewing the proposals and discussing coverages as well as market conditions, the Board instructed staff to continue to investigate securing appropriate coverage and report back to the Board at a later date with additional information.

7.

Consideration of awarding a contract for the construction of

the Eagle Mountain shop and office building was postponed. Questions have been raised by one bidder concerning the plans and specifications conforming with state requirements which require approval of structural plans by a registered engineer. Staff was instructed to either determine the applicability of this requirement or secure the proper certification of the plans and specifications.

8.

With the recommendation of management, Director Campbell moved to accept the low bid from Decatur Lumber Company for up to an additional 80,000 feet of number six deformed steel bars required for the Bridgeport Spillway Discharge Channel repair project. The low bid of \$.2420 per foot will allow for purchases of not less than 10,000 feet. The total shall not exceed 80,000 feet or a total cost of \$19,360.00. Director Henderson seconded the motion and the vote in favor was unanimous.

9.

Matters concerning the a purchase of stream gaging equipment were postponed.

10.

Matters concerning the approval of a contractor for roof repairs to the main office and maintenance garage were postponed.

11.

With the recommendation of management, Director Henderson moved to award the purchase of butterfly valves, bolt and gasket sets and blind flanges from the low bidder, Bowles and Edens

Company, for the bid price of \$39,924.10. This equipment is necessary for the major maintenance work on the Cedar Creek Pipeline and is included in the Fiscal Year 1991 Revenue Fund Budget. Director Geren seconded the motion and the vote in favor was unanimous.

12.

With the recommendation of management, Director Sparks moved to adopt an amendment to the District's General Ordinance which would allow the District to augment its sanitary inspection program to allow inspection of all boats on District reservoirs capable of containing toilet facilities. This would provide for the inspection of any boat on a District reservoir capable of containing toilet facilities instead of just boats permanently located at marinas; it would also provide for issuance of an inspection sticker on a biennial basis and allow for the collection of a \$10.00 fee for the biennial inspection sticker. Director Sparks further moved that all legal requirements of public notice be met and that staff develop a formal plan of execution for the inspection program and report back to the Board. Director Campbell seconded the motion and the vote in favor was unanimous.

13.

With the recommendation of management, Director Campbell moved to authorize a program consisting of aeration and biomanipulation as a means of addressing taste and odor related water quality problems at the balancing reservoirs. Further,

that staff pursue procurement of the equipment necessary to provide aeration and that the Board authorize the staff to accept the proposal submitted by the Texas Christian University, Department of Biology, to perform a three year study to evaluate biomanipulation as a technique to balance the ecosystem in the balancing reservoir. Total study cost shall not exceed \$27,079.00 with current year funding to be established at \$8,755.00. First year funding for the study is available in the current Fiscal Year 1991 Revenue Fund Budget. Director Henderson seconded the motion and the vote in favor was unanimous.

14.

Matters concerning the reconsideration of the final bill submitted by Freese and Nichols, Inc. in conjunction with the 1990 Long Range Water Supply Planning Study was postponed pending a response to Mr. Shannon's letter dated February 22, 1990.

15.

With the recommendation of management, Director Henderson moved to adopt the rate premium methodology developed by Deloitte and Touche providing for an equity buy-in for new Additional Contracting Parties. The methodology provides for a per MGD capacity buy-in based upon the percentage of the contracted for capacity against the yield of the entire system. The percentage of the total yield would then equal the percentage of capital cost invested to date, less depreciation. The established per MGD premium cost may be paid in lump sum or amortized over a contract term. The Advisory Committee approved of this

methodology at its meeting held January 7, 1991. Mr. Henderson further moved that the rate methodology assumptions represent the decreases in system yield over time due to sedimentation consistent with yield projections in the Long Range Water Supply Planning Study. Director Geren seconded the motion and the vote in favor was unanimous.

16.

With the recommendation of management, Director Campbell moved to approve the vouchers for the month of February, 1991 which included the following disbursements:

General Fund: Check numbers 31144 through 31393, the total expenditure being \$1,152,741.32.

Capital Projects Fund: Check numbers 2157 through 2195, the total expenditure being \$1,283,632.52.

Revenue Fund: Check numbers 14730 through 14824 and 14828 through 14938, the total expenditure being \$28,910,887.42.

Cedar Creek Construction Fund: Check numbers 2056 through 2059, the total expenditure being \$496,603.21.

Richland-Chambers Fund: Check numbers 14396 through 14442, the total expenditure being \$33,787,910.64.

Interest and Redemption Fund: Check numbers 2163 through 2166, the total expenditure being \$25,550,816.80.

1985 Reserve Fund: Check number 14827, the total expenditure being \$128,407.79.

1986 Reserve Fund: Check numbers 14825 through 14826, the total expenditure being \$3,345,384.38.

Director Henderson seconded the motion and the vote in favor was unanimous.

17.

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

George W. Shannon
President

Charles B. Campbell J.
Secretary