

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT REGIONAL WATER DISTRICT
HELD ON THE 18TH DAY OF FEBRUARY, 1997 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
Brian C. Newby

Also present were James M. Oliver, Alan Thomas, Wayne Owen, Brian Gordon, Steve Christian, Woody Frossard, David Marshall, Mike Williams, Ken Brummett, Leroy Cook and Mike Witthaus.

Also in attendance was George Christie, legal counsel for the District.

With the assurance from management that all requirements of the "open meetings" laws 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 from the meeting held January 21, 1997. It was accordingly ordered that such minutes be placed in the permanent files of the District.

2.

There were no persons of the general public requesting the opportunity to address the Board of Directors.

3.

The President and presiding officer next called an executive session under Chapter 551.071 of the Government Code to consider pending or contemplated litigation.

4.

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

5.

With the recommendation of management, Director Campbell moved to ratify the settlement agreement concerning the Marilyn Mitcham Webb royalty suit. Director Henderson seconded the motion and the vote in favor was unanimous.

6.

The Board of Directors next reviewed the field scale wetlands design program.

7.

With the recommendation of management, Director Sparks moved to authorize the sale of 57 square feet, more or less, situated in the J. T. Childress Survey, A-143, adjacent to a 1.02 acre tract of land described in Volume 960, page 857 of the Deed Records of Henderson County, Texas, to the adjoining owner, Mrs. Ernestine Howard for the appraised value of \$63.00. The sale shall be subject to the reservation of all minerals, the reservation of a flood flowage easement and the purchaser shall pay all closing costs, including survey and appraisal fees. In addition, R. Steve Christian shall be granted authority to execute all documents necessary to complete this transaction. Director Newby seconded the motion and the vote in favor was unanimous.

8.

With the recommendation of management, Director Henderson moved to authorize the sale in fee and air space easement the following tracts to the adjoining owner, Mr. Dennis Benson, for the appraised value of \$2,763.00:

634 square feet of land in fee and a permanent air space easement of 671 square feet of land situated in the G. Russell Survey, A-659, and being adjacent to Lot 52 of the Westwood Beach Subdivision, the plat of which is being recorded in Volume 2, Page 57 of the Plat Records of Henderson County, Texas.

This sale shall be subject to the reservation of all minerals, the reservation of a flood flowage easement between elevations 322 and 325 feet m.s.l., the air space easement above 322 feet m.s.l. elevation shall be for a boat slip only, the air space easement applies only to the existing single family residence and shall include a right of reverter. The purchaser shall also pay all closing costs, including survey and appraisal fees. In addition, R. Steve Christian shall be granted authority to execute all documents necessary to close this transaction. Director Sparks seconded this motion and the vote in favor was unanimous.

9.

With the recommendation of management, Director Newby moved to authorize two leases of mineral interests in Navarro County, Texas to the high bidder, Midway Exploration, L.L.C. for the purpose of oil and gas exploration.

Lease #1: All of the District's undivided mineral interest in, on and under approximately 461.347 acres of land in the William M. Love A-677, the E. Powers A-633 and the R. Caradine A-139, Navarro County, Texas. The District's interest being 193.125 net mineral acres. This lease covers only depths and formations below the base of the Woodbine.

Lease #2: All of the District's undivided mineral interest in, on and under approximately 699.1657 acres of land in the Wm. T. Malone A-530, the W. M. Love A-241, D. T. Dunham A-242 and the Robert Caradine A-139 in Navarro County, Texas. The District's interest being 498.768 net mineral acres.

The lease terms shall include \$100 per net mineral acre bonus; \$5.00 per net mineral acre delay rentals paid up for two (2) years; one-fourth (1/4) royalty; and a primary term of three (3) years paid up. In addition, R. Steve Christian shall be authorized to execute the lease and all documents necessary to complete this transaction. Director Sparks seconded the motion and the vote in favor was unanimous.

10.

With the recommendation of management, Director Henderson moved to authorize a one month extension of the lease with Terex Truck Rental. Director Campbell seconded the motion and the vote in favor was unanimous.

11.

With the recommendation of management, Director Campbell moved to approve the amendment to the District's Purchasing Policy to allow use of an Alternative Multistep Proposal Procedure as proscribed in Section 262.0295 of the Local Government Code and additionally to allow use of this procedure in the procurement of articulating concrete mats. Director Newby seconded the motion and the vote in favor was unanimous.

12.

With the recommendation of management, Director Henderson moved to authorize purchase of equipment included in the Fiscal Year 1997 General Fund Budget.

<u>Item</u>	<u>Lowest Conforming Bidder</u>	<u>Price</u>
1. Two (2) 15 foot 1000 RPM Flexwing Mowers	Saginaw Implement Company	\$17,390.00*
2. Two (2) 4WD Agriculture Tractors w/Cab	Best Tractor & Lift	\$70,731.40*
3. One (1) 15 foot 540 RPM Flexwing Mower	Saginaw Implement Company	\$ 8,695.00

* = Price of both units

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

13.

With the recommendation of management, Director Campbell moved to approve the following list of vouchers for the month of January 1997.

General Fund: Check numbers 51406 through 51676, the total expenditure being \$293,372.58.

Revenue Fund: Check numbers 30530 through 30708, the total expenditure being \$919,153.19.

Cedar Creek Construction Fund: Check numbers 2212 - 2214, 2216 - 2218, 2220, and 2222-2225, the total expenditure being \$36,479.91.

Richland-Chambers Construction Fund: Check numbers 16212, 16218 - 16222 and 16227 - 16233, the total expenditure being \$124,149.89.

1992 Reserve Fund: Debit Number 120956, the total expenditure being \$1,000,194.44.

Benbrook/Richland-Chambers Construction Fund: Debit Numbers 120556, 120951 - 120953, 121016, 121086 and 121768 as well as check numbers 16209, 16210, 16214 - 16216, 16224, 16225, 16235, the total expenditure being \$9,495,526.61.

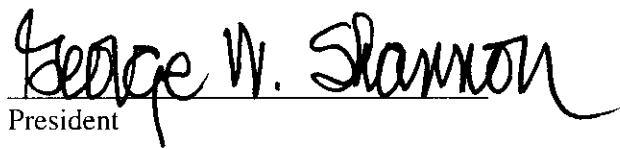
Director Henderson seconded the motion and the vote in favor was unanimous.

14.

Staff reports were next presented regarding equipment purchases and legislative matters.

15.

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



President



Secretary