

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT REGIONAL WATER DISTRICT
HELD ON THE 21ST DAY OF SEPTEMBER 2004 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
Hal S. Sparks III
Brian Newby
Jack R. Stevens

Also present were, James M. Oliver Alan Thomas, Ken Brummett, Steve Christian, Wesley Cleveland, Nancy King, Skip Krause, Lisa Cabrera, David Marshall, Wayne Owen, Madeline Robson, Sandra Swinnea and Mike Witthaus.

Also in attendance were George Christie, legal counsel for the District; Nancy Reed, C. D. Reynolds, and Earl Alexander. Director Shannon convened the meeting with the assurance from management that all requirements of the "open meetings" laws had been met.

1.

There were no persons of the general public in attendance for the purpose of commenting on the proposed 2004 tax rate of \$.02/\$100.

2.

On a motion made by Director Henderson and seconded by Director Stevens, the Directors unanimously voted to approve the minutes from the meeting held August 17, 2004. It was accordingly ordered that such minutes be placed in the permanent files of the District.

3.

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

4.

With the recommendation of management, Director Henderson moved to proceed in accordance with the letter written June 14, 2004 from Alan Thomas to C. D. Reynolds and Nancy Reed, with the exception that the date for removal of the necessary items be extended to January 1, 2005. Director Sparks seconded the motion and the vote in favor was unanimous.

5.

The President and presiding officer next called an executive session at 9:47 a.m. under Chapter 551.072 of the Government Code to consider real property issues - Eagle Mountain Connection; Oil & Gas lease at Eagle Mountain Lake.

6.

Upon completion of the executive session at 10:20 a.m., the President reopened the meeting.

7.

With the recommendation of management, Director Sparks moved to approve the Fiscal Year 2005 General Fund Budget of \$15,149,140. Director Henderson seconded the motion and the vote in favor was unanimous.

8.

With the recommendation of management, Director Henderson moved to approve the 2004 proposed tax rate of \$.02/\$100 valuation. Director Newby seconded the motion and the vote in favor was unanimous.

ORDER OF BOARD OF DIRECTORS OF
TARRANT REGIONAL WATER DISTRICT
ADOPTING AD VALOREM TAX

On the 21st day of September, 2004 at a regularly scheduled meeting of the Board of Directors of Tarrant Regional Water District, upon motion duly made and seconded, the Board of Directors unanimously entered the following order:

IT IS HEREBY ORDERED that Tarrant Regional Water District adopt for tax year 2004 an ad valorem tax rate of \$.02 per \$100 of taxable value as appraised by the Tarrant County Appraisal District and that the Water District staff take the necessary steps to implement collection of the tax so adopted.

George W. Shannon, President

ATTEST:

Hal S. Sparks III, Secretary

9.

With the recommendation of management, Director Newby moved to approve the Fiscal Year 2005 Revenue Fund Budget of \$68,454,624. Director Sparks seconded the motion and the vote in favor was unanimous.

10.

The agenda item on the interlocal agreement between Tarrant Regional Water District and the City of Fort Worth relating to the State Highway 121 River Mitigation project was tabled.

11.

With the recommendation of management, Director Newby moved to approve a contract with RS&Y, a division of R. W. Beck, Inc, for consulting services for development of a raw water cost, alternative pricing procedures/schemes, evaluation of hydro electrical production, and electronic economic models for Toledo Bend Group participants. Costs will be shared equally by Dallas Water Utilities, North Texas Municipal Water District and Sabine River Authority. The net expenditure to Tarrant Regional Water District would be \$22,500. Funding for the cost of the District's portion of this contract is included in the FY 2005 Revenue Fund Budget. Director Henderson seconded the motion and the vote in favor was unanimous.

12.

With the recommendation of management, Director Sparks moved to approve a contract with Booth, Ahrens & Werkenthin for legal services related to obtaining a permit for an interbasin transfer of Toledo Bend water to Dallas-Fort Worth Metroplex. Costs will be shared equally by Dallas Water Utilities, North Texas Municipal Water District and Sabine River Authority. The net expenditure to

Tarrant Regional Water District would be \$42,250. Funding for this contract is included in the FY 2004 Revenue Fund Budget. Director Stevens seconded the motion and the vote in favor was unanimous.

13.

After discussion, Director Henderson moved to approve the Tax Increment Financing District Eleven (Southwest Parkway) TIF Eleven participation agreement subject to the City of Fort Worth's execution of the proposed Interlocal Agreement between Tarrant Regional Water District and the City of Fort Worth relating to the State Highway 121 River Mitigation Project. Director Newby seconded the motion and the vote in favor was unanimous.

14.

With the recommendation of management, Director Henderson moved to approve that the Tarrant Regional Water District participate in an interlocal agreement with the Texas Local Government Purchasing Cooperative (BUY BOARD). Director Stevens seconded the motion and the vote in favor was unanimous.

15.

With the recommendation of management, Director Newby moved to approve the purchase of two (2) one-ton crew cab and chassis for the low bid of \$45,848 (\$22,924 each) submitted by Philpott Motors, Inc. These vehicles will be assigned to Bridgeport Operations and Fort Worth Operations with anticipated outfitting costs of \$15,076 and \$5,576, respectively. Funding for this purchase is included in the FY 2005 General Fund Budget and the FY 2005 Revenue Fund Budget. Director Sparks seconded the motion and the vote in favor was unanimous.

16.

With the recommendation of management, Director Stevens moved to approve the purchase of Microsoft Office 2003 desktop software for the proposal price of \$48,252 submitted by CDWG, the

state contract vendor for MS Office. Funding for this purchase is included in the FY 2004 General Fund Budget and the FY 2004 Revenue Fund Budget split 40/60 respectively. Director Newby seconded the motion and the vote in favor was unanimous.

17a.

With the recommendation of management, Director Henderson moved to approve the purchase of the following easements necessary for construction of the Eagle Mountain Connection Project from Larry D. Crist and Celia Crist for the negotiated purchase offer not to exceed \$39,090. Should owner(s) of such land decline to accept the authorized purchase offer, staff was given authority to commence eminent domain proceedings.

3.909 acres in permanent easement, and approximately 1.21 acres in temporary construction easement, situated in the J. Wilcox Survey, A-1728, also being a portion of that certain tract conveyed by deed to Larry D. Crist and Celia Crist in deed recorded in Volume 13971, Page 400, Deed Records, Tarrant County, Texas.

In addition, R. Steve Christian is granted authority to execute all documents necessary to complete this transaction. Funding for this purchase is included in the 2002 Bond Issue. Director Sparks seconded the motion and the vote in favor was unanimous.

RESOLUTION FOR THE BOARD OF DIRECTORS

With the recommendation of management, Director Henderson moved to authorize the commencement of eminent domain proceedings to acquire 3.909 acres in permanent easement, and approximately 1.21 acres in temporary construction easement, situated in the J. Wilcox Survey, A-1728, also being a portion of that certain tract conveyed by deed to Larry D. Crist and Celia Crist in deed recorded in Volume 13971, Page 400, Deed Records, Tarrant County, Texas (such lands being determined by management and the Board to be necessary to construct the Eagle Mountain Connection Pipeline), if the owner of such land, Larry D. Crist and Celia Crist, declines to accept the Board-authorized purchase offer not to exceed \$39,090. Further, R. Steve Christian is granted authority to execute all documents necessary to acquire this land, whether by eminent domain or by purchase. Director Sparks seconded the motion and the vote in favor was unanimous.

With the recommendation of management, Director Henderson moved to approve the purchase of the following easements necessary for construction of the Eagle Mountain Connection Project from Stephen Murrin Jr., Mary Caroline Murrin Dulle and Frances Susan Murrin Pritchett for purchase offer not to exceed \$160,697. Should owner(s) of such land decline to accept the authorized purchase offer, staff was given authority to commence eminent domain proceedings.

TRACT # 1: 7.055 acres in permanent easement and approximately 2.35 acres in temporary construction easement situated in the C.E.P.I. & M. Survey, A-381, Tarrant County, Texas, also being a portion of that certain residue of a 285.323 acre tract of land called "PARCEL 1" and conveyed by partition deed to Caroline C. Murrin ("first party") in Volume 7041, Page 504, Deed Records, Tarrant County, Texas;

TRACT # 2: 2.284 acres in permanent easement and approximately 0.754 acre in temporary construction easement situated in the G.M. Pettitt Survey, A-1235, Tarrant County, Texas, also being a portion of that certain residue of a 112.679 acre tract of land called "PARCEL 4" and conveyed by partition deed to Stephen Murrin, Jr., Mary Caroline Murrin Dulle and Frances Susan Murrin Pritchett in Volume 7041, Page 504, Deed Records, Tarrant County, Texas;

TRACT # 3: 4.430 acres in permanent easement and approximately 1.47 acres in temporary construction easement situated in the G.M. Pettitt Survey, A-1235, Tarrant County, Texas, also being a portion of that certain 73.13 acre tract of land conveyed by deed to Mary Caroline Murrin, Stephen Murrin, Jr., and Frances Susan Murrin in Volume 3072, Page 560, Deed Records, Tarrant County, Texas.

The above-described three (3) parcels comprise a total of 13.769 acres in permanent easement, and approximately 4.574 acres in temporary construction easement.

In addition, R. Steve Christian is granted authority to execute all documents necessary to complete this transaction. Funding for this purchase is included in the 2002 Bond Issue. Director Sparks seconded the motion and the vote in favor was unanimous.

RESOLUTION FOR THE BOARD OF DIRECTORS

With the recommendation of management, Director Henderson moved to authorize the commencement of eminent domain proceedings to acquire:

TRACT # 1: 7.055 acres in permanent easement and approximately 2.35 acres in temporary construction easement situated in the C.E.P.I. & M. Survey, A-381, Tarrant County, Texas, also being a portion of that certain residue of a 285.323 acre tract of land called "PARCEL 1" and conveyed by partition deed to Caroline C. Murrin ("first party") in Volume 7041, Page 504, Deed Records, Tarrant County, Texas;

TRACT # 2: 2.284 acres in permanent easement and approximately 0.754 acre in temporary construction easement situated in the G.M. Pettitt Survey, A-1235, Tarrant County, Texas, also being a portion of that certain residue of a 112.679 acre tract of land called "PARCEL 4" and conveyed by partition deed to Stephen Murrin, Jr., Mary Caroline Murrin Dulle and Frances Susan Murrin Pritchett in Volume 7041, Page 504, Deed Records, Tarrant County, Texas;

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The above-described three (3) parcels comprise a total of 13.769 acres in permanent easement, and approximately 4.574 acres in temporary construction easement, (such lands being determined by management and the Board to be necessary to construct the Eagle Mountain Connection Pipeline), if the owners of such land, Stephen Murrin, Jr., Mary Caroline Murrin Dulle & Frances Susan Murrin Pritchett, decline to accept the Board-authorized purchase offer not to exceed \$160,697.

Further, R. Steve Christian is granted authority to execute all documents necessary to acquire this land, whether by eminent domain or by purchase. Director Sparks seconded the motion and the vote in favor was unanimous.

17c.

With the recommendation of management, Director Henderson moved to approve the purchase of the following easements necessary for construction of the Eagle Mountain Connection Project from Caroline Murrin Dulle, Susan Murrin Pritchett, Stephen Murrin Jr., Holt Hickman and William Y. Harvey for purchase offer not to exceed \$63,050. Should owner(s) of such land decline to accept the authorized purchase offer, staff was given authority to commence eminent domain proceedings.

4.62 acres in permanent easement and approximately 3.37 acres in temporary construction easement, situated in the C.E.P.I. & M. Company Survey, A-381, Tarrant County, Texas, also being a portion of that certain 134.048 acre tract of land conveyed by deed to Caroline Murrin Dulle et al in Volume 15117, Page 241, Deed Records, Tarrant County, Texas

In addition, R. Steve Christian is granted authority to execute all documents necessary to complete this transaction. Funding for this purchase is included in the 2002 Bond Issue. Director Sparks seconded the motion and the vote in favor was unanimous.

RESOLUTION FOR THE BOARD OF DIRECTORS

With the recommendation of management, Director Henderson moved to authorize the commencement of eminent domain proceedings to acquire: 4.62 acres in permanent easement and approximately 3.37 acres in temporary construction easement, situated in the C.E.P.I. & M. Company Survey, A-381, Tarrant County, Texas, also being a portion of that certain 134.048 acre tract of land conveyed by deed to Caroline Murrin Dulle et al in Volume 15117, Page 241, Deed Records, Tarrant County, Texas (such lands being determined by management and the Board to be necessary to construct the Eagle Mountain Connection Pipeline), if the owners of such land, Caroline Murrin Dulle, Susan Murrin Pritchett, Stephen Murrin, Jr., Holt Hickman and William Y. Harvey, decline to accept the Board-authorized purchase offer not to exceed \$63,050.

Further, R. Steve Christian is granted authority to execute all documents necessary to acquire this land, whether by eminent domain or by purchase. Director Sparks seconded the motion and the vote in favor was unanimous.

17d.

With the recommendation of management, Director Henderson moved to approve the purchase of the following easements necessary for construction of the Eagle Mountain Connection Project from James L. Bosler, ex ux, Patricia Dianne Bosler for purchase offer not to exceed \$182,520. Should owner(s) of such land decline to accept the authorized purchase offer, staff was given authority to commence eminent domain proceedings.

TRACT # 1: 1.242 acres in permanent easement and approximately 0.41 acre in temporary construction easement, situated in the Socorro Farming Company Survey, A-1842, Tarrant County, Texas, also being a portion of that certain 10 acre tract of land called "TRACT TWO" as described by deed to Patricia Dianne Bosler in Volume 11926, Page 2185, Deed Records, Tarrant County, Texas;

TRACT # 2: 2.968 acres in permanent easement and approximately 1.04 acres in temporary construction easement situated in the Socorro Farming Company Survey, A-1842 and the H. Munro Survey, A-1865, Tarrant County, Texas, also being a portion of that certain 30 acre tract of land called "TRACT THREE" as described by deed to Patricia Dianne Bosler in Volume 11926, Page 2185, Deed Records, Tarrant County, Texas;

TRACT # 3: 0.094 acre in permanent easement and approximately 0.059 acre in temporary construction easement situated in the H. Munro Survey, A-1865, Tarrant County, Texas, also being a portion of that certain 50 acre tract of land called "TRACT FIVE" as described by deed to Patricia Dianne Bosler in Volume 11926, Page 2185, Deed Records, Tarrant County, Texas;

TRACT # 4: 6.555 acres in permanent easement and approximately 3.38 acres in temporary construction easement situated in the H. Munro Survey, A-1865, the G.W. Wilkes Survey, A-1872, the R. Bissett Survey, A-192, Tarrant County, Texas, also being a portion of that certain 212.8 acre tract of land conveyed by deed to James L. Bosler and wife, Patricia Dianne Bosler in Volume 16741, Page 0485, Deed Records, Tarrant County, Texas;

The above-described four (4) parcels comprise a total of 10.859 acres in permanent pipeline(s) easement, and a total of approximately 4.89 acres in temporary construction easement.

In addition, R. Steve Christian is granted authority to execute all documents necessary to complete this transaction. Funding for this purchase is included in the 2002 Bond Issue. Director Sparks seconded the motion and the vote in favor was unanimous.

RESOLUTION FOR THE BOARD OF DIRECTORS

With the recommendation of management, Director Henderson moved to authorize the commencement of eminent domain proceedings to acquire:

TRACT # 1: 1.242 acres in permanent easement and approximately 0.41 acre in temporary construction easement, situated in the Socorro Farming Company Survey, A-1842, Tarrant County, Texas, also being a portion of that certain 10 acre tract of land called "TRACT TWO" as described by deed to Patricia Dianne Bosler in Volume 11926, Page 2185, Deed Records, Tarrant County, Texas;

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TRACT # 4: 6.555 acres in permanent easement and approximately 3.38 acres in temporary construction easement situated in the H. Munro Survey, A-1865, the G.W. Wilkes Survey, A-1872, the R. Bissett Survey, A-192, Tarrant County, Texas, also being a portion of that certain 212.8 acre tract of land conveyed by deed to James L. Bosler and wife, Patricia Dianne Bosler in Volume 16741, Page 0485, Deed Records, Tarrant County, Texas;

The above-described four (4) parcels comprise a total of 10.859 acres in permanent pipeline(s) easement, and a total of approximately 4.89 acres in temporary construction easement (such lands being determined by management and the Board to be necessary to construct the Eagle Mountain Connection Pipeline), if the owners of such land, James L. Bosler and wife, Patricia Dianne Bosler, decline to accept the Board-authorized purchase offer not to exceed \$182,520.

Further, R. Steve Christian is granted authority to execute all documents necessary to acquire this land, whether by eminent domain or by purchase. Director Sparks seconded the motion and the vote in favor was unanimous.

18.

With the recommendation of management, Director Newby moved to approve the sale of the following described tract of land for the total bid price of \$5,875 to Roy L. Wilshire and Carol A. Wilshire subject to reservation of all minerals, reservation of flowage easement and purchaser shall pay all closing costs:

**Lot 2 of Block 3, Water Board's Subdivision, out of the Sharp Whitley Survey
A-798, Henderson County, Texas**

In addition, R. Steve Christian is granted authority to execute the deed and all other documents necessary to close this transaction. Director Henderson seconded the motion and the vote in favor was unanimous.

19.

With the recommendation of management, Director Sparks moved to approve the purchase, in fee simple title, of the following tax-foreclosed property necessary for operation and maintenance of the Fort Worth Floodway Trinity River Levee from the City of Fort Worth, Tarrant County, Texas for the tax judgment amount, accrued applicable court costs and administrative fees together totaling \$150:

**Lot 1 & 2, Block 208 North Fort Worth Addition, at or near 600 East Northside Drive,
Fort Worth, TX 76106, TAD Account #01924478**

In addition, R. Steve Christian is granted authority to execute all documents necessary to close this transaction. Director Henderson seconded the motion and the vote in favor was unanimous.

20.

With the recommendation of management, Director Stevens moved to approve an increase in the amount of compensation in the Agreement for Professional Services with Transystems Corporation Consultants from the original amount of not to exceed \$906,308 to the adjusted amount of not to exceed \$1,111,308. Funding for this increase is included in the 2002 Bond Issue. Director Henderson seconded the motion and the vote in favor was unanimous.

21.

With the recommendation of management, Director Henderson moved to approve a contract with CH2M Hill for design and construction services for the re-lift pump station for the wetland's expansion at a cost not to exceed \$1,150,046.60. Funding for this contract is included in the 2002 Bond Issue. Director Newby seconded the motion and the vote in favor was unanimous.

22.

With the recommendation of management, Director Sparks moved to approve a contract with Alan Plummer and Associates for design and resident representation of the wetland's expansion at a cost not to exceed \$1,072,500. Funding for this increase is included in the 2004 Bond Issue. Director Newby seconded the motion and the vote in favor was unanimous.

23.

The Board was updated on Seismic Operations at Eagle Mountain Lake.

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

George W. Shannon
President

Hal S. Smith
Secretary