

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT REGIONAL WATER DISTRICT
HELD ON THE 18TH DAY OF JANUARY 2005 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
Jack R. Stevens
Gina Puente-Brancato

Also present were, James M. Oliver, Alan Thomas, Ken Brummett, Lisa Cabrera, Steve Christian, Wesley Cleveland, Woody Frossard, Nancy King, David Marshall, Sandra Swinnea, Louis Verreault and Mike Witthaus.

Also in attendance were George Christie, legal counsel for the District; Lee Christie of Pope, Hardwicke, Christie, Harrell, Schell & Kelly, LLP; Dick Fish of Save Eagle Mountain Lake; John Rutledge of Freese and Nichols, Inc.; Richard Sawey and Ginger Croom of Camp, Dresser and McKee, Inc.; James Toal of Gideon Toal Inc.; Terry Kyle of Deloitte & Touche, LLP; Alan Plummer of Alan Plummer & Assoc; 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.

On a motion made by Director Henderson and seconded by Director Sparks, the Directors unanimously voted to approve the minutes from the meetings held December 14, 2004, December 20, 2004 and December 30, 2004. It was accordingly ordered that such minutes be placed in the permanent files of the District.

2.

Dick Fish representing Save Eagle Mountain Lake inquired about oil well drilling. Ken Brummett to speak with Dick Fish to answer these questions.

3.

Director Shannon duly administered the statutory oath of office to Ms. Gina Puente-Brancato.

4.

With the recommendation of management, Director Sparks moved to approve the District's Annual Financial Report presented by the District's auditors Deloitte & Touche LLP. Director Henderson seconded the motion and the vote in favor was unanimous.

5.

John Rutledge of Freese and Nichols presented the results of the updated Eagle Mountain Probable Maximum Flood Study to the Board. President Shannon referred the recommendation to the Land Committee to take under advisement.

6.

With the recommendation of management, Director Stevens moved to approve a contract with Reasons Group, Inc. for a period of six (6) months at a rate of \$8,000 per month with an option to renew for six (6) more months to provide professional assistance in coordinating media relations for the Trinity River Vision/Trinity Uptown Project. Funding for this contract is included in the FY 2005 General Fund. Director Henderson seconded the motion and the vote in favor was unanimous.

7.

With the recommendation of management, Director Henderson moved to approve a contract extension through December 18, 2011 of the Advanced Funding Agreement Relating to the Respective Interests of the Sulphur River Basin Authority and Tarrant Regional Water District. Director Sparks seconded the motion and the vote in favor was unanimous.

8.

With the recommendation of management, Director Sparks moved to approve the Submergence and Flowage Easement Release and Indemnification between the District and B. F. Acquisitions, LTD.

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

9.

With the recommendation of management, Director Puente-Brancato moved to approve the purchase of one (1) tractor with cab to be assigned to Fort Worth Operations for the low bid of \$47,495 submitted by Waxahachie Equipment Co., Inc and one (1) tandem axle tag type trailer to be assigned to Fort Worth Operations Department for the low bid of \$13,350 submitted by Interstate Trailers, Inc. Funding for these purchases is included in the FY 2005 General Fund Budget. Director Henderson seconded the motion and the vote in favor was unanimous.

10.

With the recommendation of management, Director Henderson moved to approve an amendment to the contract with Freese and Nichols, Inc. to increase the scope of study to include the transient analysis of the entire pipeline system for an additional cost not to exceed \$95,500. Funding for this contract is included in the 2002 Bond Issue. Director Stevens seconded the motion and the vote in favor was unanimous.

11.

The Board was updated on the Wetlands permit and Eagle Mountain Lake gas wells.

12.

The President and presiding officer next called an executive session at 11:05 a.m. under Chapter 551.071 of the Government Code to consider pending or contemplated litigation - Gragg

