

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF  
TARRANT REGIONAL WATER DISTRICT  
HELD ON THE 17<sup>TH</sup> DAY OF MAY 2005 AT 9:30 A.M.

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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, Linda Christie, Wesley Cleveland, Woody Frossard, Nancy King, David Marshall, Sandra Swinnea, and Mike Witthaus.

Also in attendance were George Christie, legal counsel for the District; Dick Fish of Save Eagle Mountain Lake and Les Browne of Merrill Lynch. 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 Sparks and seconded by Director Stevens, the Directors unanimously voted to approve the minutes from the meeting held April 19, 2005. It was accordingly ordered that such minutes be placed in the permanent files of the District.

2.

Les Browne of Merrill Lynch and Dick Fish of Save Eagle Mountain Lake, Inc. had no comments.

3.

With the recommendation of management, Director Henderson moved to approve a contract with Weinstein, Clower & Associates to conduct an economic development study for the TRV for a fixed-fee of \$16,000. Funding for this contract is included in the FY 2005 General Fund Budget. Director Puente-Brancato seconded the motion and the vote in favor was unanimous.

With the recommendation of management, Director Sparks moved to adopt the Investment Policy dated May 17, 2005. Director Henderson seconded the motion and the vote in favor was unanimous.

**RESOLUTION  
OF  
THE BOARD OF DIRECTORS OF  
TARRANT REGIONAL WATER DISTRICT  
REVIEWING AND RECORDING CHANGES MADE TO THE DISTRICT'S  
INVESTMENT POLICY AND INVESTMENT STRATEGIES**

WHEREAS, TARRANT REGIONAL WATER DISTRICT ("the District") is a political subdivision of the State of Texas, created under authority of Article XVI, § 59 of the Texas Constitution; and

WHEREAS, the District as a political subdivision of the State of Texas has legal authority to invest local funds (which are public funds in the custody of the District that are not required by law to be deposited in the State treasury and that the District has legal authority to invest); and

WHEREAS, TEX. GOV'T CODE ANN. § 2256, Subchapter A, requires the District, as a political subdivision, to adopt rules governing the investment of the local funds of the District and to specify and scope of authority of officers and employees of the District that are designated to invest local funds; and

WHEREAS, the District has heretofore adopted a written Investment Policy governing the investment of local funds; and

WHEREAS, the District has heretofore adopted a written Resolution designating the Investment Officers of the District in compliance with the requirement of TEX. GOV'T CODE ANN. § 2256, Subchapter A, authorizing such persons to deposit, withdraw, invest, transfer and manage in any other manner such funds;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF TARRANT REGIONAL WATER DISTRICT that notice is hereby given that the Board of Directors has on this date reviewed the District's investment policy and investment strategies. All changes made to either the District's investment policy or investment strategies following such review are as set forth herein below:

None

Passed and approved this \_\_\_\_\_ day of \_\_\_\_\_, 2005.

\_\_\_\_\_  
George W. Shannon, President

ATTEST:

\_\_\_\_\_  
Hal S. Sparks III, Secretary

5.

With the recommendation of management, Director Henderson moved to approve the purchase of HDPE pipe for repair of the chute drain at Carswell East Gate Road for the low bids submitted by National Waterworks and All-Tex Pipe and Supply in the amounts of \$20,075.43 and \$472.24 respectively for a total cost of \$20,547.67. Funding for this purchase is included in the FY 2005 General Fund Budget. Director Puente-Brancato seconded the motion and the vote in favor was unanimous.

6.

With the recommendation of management, Director Stevens moved to approve the purchase of one (1) flatbed tandem-axle trailer to be assigned to Fort Worth Operations for the lowest conforming bid of \$22,603 submitted by Superior Trailer Sales. Funding for this purchase is included in the FY 2005 General Fund Budget. Director Sparks seconded the motion and the vote in favor was unanimous.

7.

With the recommendation of management, Director Sparks moved to approve the Interlocal Agreement by and between the City of Dallas, the North Texas Municipal Water District, the Tarrant Regional Water District and the Trinity River Authority of Texas for freshwater inflow needs. The District's financial responsibility will be for a total of \$108,560. Director Henderson seconded the motion and the vote in favor was unanimous.

8.

With the recommendation of management, Director Stevens moved to approve Contract Modification Number 16A with Archer Western for removal of the installed 5 conductor cable, installation of 12 conductor cable to the local control stations for the pumps at the Ennis pump station, and the installation of 12 conductor cable in lieu of the specified 5 conductor cable at Waxahachie pump station in the amount of \$14,062.62. Funding for this contract modification is included in the 2002 Bond Issue. Staff will seek restitution from KBR for a portion of this additional expense. Director Puente-Brancato seconded the motion and the vote in favor was unanimous.

9.

With the recommendation of management, Director Puente-Brancato moved to approve the rain gage system operation and maintenance training from Sutron at a cost of \$14,300. Funding for this training is included in the FY 2005 General Fund. Director Henderson seconded the motion and the vote in favor was unanimous.

10.

The agenda item to study the Paluxy Aquifer as a source of water was tabled.

11.

With the recommendation of management, Director Henderson moved to ratify Pooling Agreements for the TRWD II West EB Unit E2H, TRWD Unit H3H, TRWD Unit H1H, TRWD Unit F2H, TRWD II West D West Unit D2H, and TRWD II West D South Unit D4H oil and gas wells and the substitution of corrected descriptions for the Copeland Unit G2H well at Eagle Mountain Lake. Director Sparks seconded the motion and the vote in favor was unanimous.

12.

The President and presiding officer next called an executive session at 10:30 a.m. under Chapter 551.072 of the Government Code to consider real property - Oil and Gas Leases at Eagle Mountain Lake.

13.

Upon completion of the executive session at 10:55 a.m., the President reopened the meeting.

14.

With the recommendation of management, Director Sparks moved to ratify an Oil and Gas Lease from the Girl Scouts-Circle T Council, Inc. to Antero Resources, I LP dated effective March 31, 2005.

In addition, Ken Brummett is granted authority to execute the ratification and all other documents necessary to complete this transaction. Director Henderson seconded the motion and the vote in favor was unanimous.

15.

The Board discussed a Board of Director's field trip.

16.

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

George W. Shannon      Hal A. [Signature]  
President                      Secretary