

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT REGIONAL WATER DISTRICT
HELD ON THE 18th DAY OF APRIL 2006 AT 9:30 A.M.

The call of the roll disclosed the presence of the Directors as follows:

Present

Victor W. Henderson
Hal S. Sparks III
Jack R. Stevens
Gina Puente-Brancato

Also present were, James M. Oliver, Alan Thomas, Ken Brummett, Steve Christian, Wesley Cleveland, Woody Frossard, Nancy King, Skip Krause, Mark Olson, Madeline Robson, Sandy Swinnea, Tammi Villanueva, Ed Weaver and Mike Witthaus.

Also in attendance were George Christie, general counsel for Tarrant Regional Water District (the Water District); Lee Christie and Hal Ray representing Pope, Hardwicke, Christie, Harrell, Schell & Kelly, LLP; Ron Lemons, Rusty Gibson and Coy Veach of Freese and Nichols, Inc.; Robert Smith of KBR; Max Baker representing the Fort Worth Star Telegram; Dick Fish of Save Eagle Mountain Lake; G. J. (Marty) Martinez, Marty Leonard and Earl Alexander.

President Henderson 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 Puente-Brancato and seconded by Director Stevens, the Directors unanimously voted to ratify the minutes from the meeting held February 21, 2006. It was accordingly ordered that the minutes of this meeting be placed in the permanent files of the Water District.

2.

On a motion made by Director Stevens and seconded by Director Puente-Brancato, the Directors unanimously voted to approve the minutes from the meeting held March 21, 2006. It was accordingly ordered that the minutes of this meeting be placed in the permanent files of the Water District.

3.

Dick Fish reported that fourteen Save Eagle Mountain Lake representatives participated in the best Eagle Mountain Lake cleanup since 1998. This well organized cleanup along with the Fort Worth cleanup scheduled the same day worked well to get the area clean.

Marty Leonard commented on the recent increase of Water District publicity.

4.

With the recommendation of management, Director Sparks moved to approve a contract with Archer Western for construction of Phase I of the Richland-Chambers Wetlands Expansion Project for the low bid of \$12,453,000. Funding for this contract is included in the 2006 Bond Issue. Director Stevens seconded the motion and the vote in favor was unanimous.

5.

With the recommendation of management, Director Sparks moved to approve the purchase of a Trimble Rover Station with TSCE Controller (GPS rover station) for Eagle Mountain Connection Project from Western Data Systems for the amount of \$24,836.40 via the Certified Information Services Vendor interlocal agreement in accordance with Texas Administrative Code 113.19 for the amount of \$24,836.40. Funding for this purchase is included in the FY 2006 Revenue Fund Budget. Director Stevens seconded the motion and the vote in favor was unanimous.

6.

With the recommendation of management, Director Sparks moved to amend the contract with KBR to develop operations and maintenance manuals for the Ennis and Waxahachie High-Capacity Pump Stations on Richland-Chambers Pipeline at a cost not to exceed \$239,000. Director Sparks added the stipulation that this contract to be examined for legal remedies to the Water District. Funding for this contract amendment is included in the 2002 Bond Issue. Director Puente-Brancato seconded the motion and the vote in favor was unanimous.

7.

With the recommendation of management, Director Puente-Brancato moved to amend the contract with Freese and Nichols for the Richland-Chambers High-Capacity Expansion Project to extend the resident representation at an additional cost of \$120,000 which increases the

not to exceed contract total from \$771,609 to \$891,609. Funding for this contract amendment is included in the 2002 Bond Issue. Director Sparks seconded the motion and the vote in favor was unanimous.

8.

With the recommendation of management, Director Puente-Brancato moved to amend the contract with KBR for the Richland-Chambers High-Capacity Expansion Project for additional cost related to delay of Fairbanks Morse pumps and storage tank failure at an additional cost of \$275,976 which increases the not to exceed contract total from \$6,229,361 to \$6,505,337. Funding for this contract amendment is included in the 2002 Bond Issue. Director Sparks seconded the motion and the vote in favor was unanimous.

9.

With the recommendation of management, Director Sparks moved to approve a contract with Freese and Nichols, Inc. for construction phase services related to the Eagle Mountain Connection Project at a cost not to exceed \$8,745,348. Funding for this contract is included in the 2002 Bond Issue. Director Stevens seconded the motion and the vote in favor was unanimous.

10.

With the recommendation of management, Director Puente-Brancato moved to approve the purchase of a floatable debris collector to be installed in Trinity Park at the #19 floodgate outfall for the lowest negotiated proposal of \$35,500 submitted by Kristar Enterprises, Inc. Funding for this purchase is budgeted in the FY 2006 General Fund Budget. Director Stevens seconded the motion and the vote in favor was unanimous.

11.

With the recommendation of management, Director Stevens moved to approve a contract with Shermco Industries, Inc. for electrical work on pump motors, switchgear and feeder cables related to the operation of the pipeline at an hourly rate that ranges from \$65.00/hr. to \$140.94/hr. Funding for this contract is budgeted in the FY 2006 Revenue Fund Budget. Director Puente-Brancato seconded the motion and the vote in favor was unanimous.

12.

With the recommendation of management, Director Stevens moved to approve the purchase of data storage tapes to be used by the IS Department for the low bid of \$41,244.50 submitted by Dell, Inc. to be purchased via the Certified Information Services Vendor interlocal agreement in accordance with Texas Administrative Code 113.19. Funding for this purchase is budgeted in the FY 2006 General Fund Budget and the FY 2006 Revenue Fund Budget. Director Sparks seconded the motion and the vote in favor was unanimous.

13.

With the recommendation of management, Director Puente-Brancato moved to approve the purchase of a web-based right-of-way tracking software program to be used for property acquisition for Trinity River Vision, as well as existing Water District properties and projects for the only qualifying proposal of \$108,140 submitted by PBS&J Information Solutions Division. Funding for this purchase is budgeted in the FY 2006 General Fund Budget. Director Stevens seconded the motion and the vote in favor was unanimous.

14.

The Board viewed the quarterly video and was updated on the Trinity River Vision Project.

15.

The Board recessed for a break at 11:34 a.m. and reconvened at 11:43 a.m.

16.

The President and presiding officer next called an executive session at 11:43 a.m. under Chapter 551.071 of the Government Code to consider pending or contemplated litigation – threatened litigation regarding Richland-Chambers High-Capacity Expansion Project and W.M. Montgomery litigation; and under Chapter 551.072 of the Government Code to consider real property issues – Eagle Mountain Connection Project; and oil and gas issues – UP to CRI Oil and Gas Lease.

17.

Upon completion of the executive session at 12:21 p.m., the President reopened the meeting.

With the recommendation of management, Director Sparks moved to approve a lease to Dale Resources, L.L.C., at an additional delay rental cost of \$50 per acre per paid up lease over and above amount stated in agenda which stated \$5,715 per acre as the highest and best bidder with a bid deposit of \$14,168.91, 26 percent royalty, three (3) year primary term for the Water District's mineral interest in 49.585 net acres, more or less, as described in Exhibit A.

EXHIBIT "A"

(Attached to Oil, Gas and Mineral Lease from the Tarrant Regional Water District, a Water Control and Improvement District to Dale Resources, L.L.C.)

Union Pacific to Chicago Rock Island

49.585 acres, more or less as described in the following 7 Tracts:

- Tract #1: **32.00 acres**, more or less, out of the E. Little Survey, Abstract No. 954, more particularly as described by metes and bounds in that certain Warranty Deed dated February 12, 1952 by and between J. E. Martin and wife, Belle Martin, as Grantors and the Tarrant County Water Control and Improvement District No. 1, as Grantee, recorded in Volume 2401, Page 32 of the Deed Records in Tarrant County, Texas;
- Tract #2: **6.25 acres**, more or less, out of the E. Little Survey, Abstract No. 954 and the Diamond Hill Addition, an addition to the City of Fort Worth, Tarrant County, Texas, more particularly as described by metes and bounds in that certain Warranty Deed dated April 2, 1952 by and between Mary Salicos Jameson, et als, as Grantors and the Tarrant County Water Control and Improvement District No. 1, as Grantee, recorded in Volume 2431, Page 125 of the Deed Records in Tarrant County, Texas;
- Tract #3: **3.08 acres**, more or less, out of the E. Little Survey, Abstract No. 954, more particularly as described by metes and bounds in that certain Warranty Deed dated February 14, 1952 by and between George F. Dingee, as Grantor and the Tarrant County Water Control and Improvement District No. 1, as Grantee, recorded in Volume 2405, Page 615 of the Deed Records in Tarrant County, Texas;
- Tract #4: **4.00 acres**, more or less, out of the E. Little Survey, Abstract No. 954, more particularly as described by metes and bounds in that certain Warranty Deed dated April 15, 1953 by and between Clara Pate, et als, as Grantors and the Tarrant County Water Control and Improvement District No. 1, as Grantee, recorded in Volume 2565, Page 93 of the Deed Records in Tarrant County, Texas;
- Tract #5: **.85 acres**, more or less, being all of Block 1, Riverside Gardens Addition, an addition to the City of Fort Worth, Tarrant County, Texas, more particularly as described by metes and bounds in that certain Warranty Deed dated February 13, 1954 by and between Russell Ward, et al, as

Grantors and the Tarrant County Water Control and Improvement District No. 1, as Grantee, recorded in Volume 2401, Page 269 of the Deed Records in Tarrant County, Texas;

Tract #6: **1.38 acres**, more or less, being a parcel of land out of Block 23, 24, and 49, Diamond Hill Addition, an addition to the City of Fort Worth, Tarrant County, Texas, more particularly as described by metes and bounds in that certain Warranty Deed dated July 26, 1989 by and between the City of Fort Worth, as Grantor and the Tarrant County Water Control and Improvement District No. 1, as Grantee, recorded in Volume 9679, Page 952 of the Deed Records in Tarrant County, Texas;

Tract #7: **2.025 acres**, more or less, out of the E. Little Survey, Abstract No. 954, more particularly as described by metes and bounds in that certain Warranty Deed dated May 6, 1952 by and between T. W. Tidwell, a widower, as Grantors and the Tarrant County Water Control and Improvement District No. 1, as Grantee, recorded in Volume 2433, Page 441 of the Deed Records in Tarrant County, Texas;



Legend

- TRWD Ownership
- TAD Parcel Lines


**Trinity River
U.P. R.R. to C.R.I. R.R.**



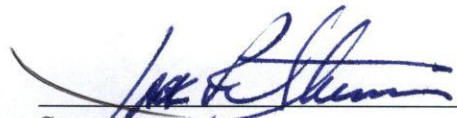
In addition, Ken Brummett is granted authority to execute the lease and all other documents necessary to complete this transaction. Director Stevens seconded the motion and the vote in favor was unanimous.

19.

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



President



Secretary