

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF  
TARRANT REGIONAL WATER DISTRICT  
HELD ON THE 15<sup>TH</sup> DAY OF MAY 2007 AT 9:30 A.M.

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

Present

Victor W. Henderson  
Hal S. Sparks III  
Jack R. Stevens  
Marty V. Leonard  
James W. Lane

Also present were James M. Oliver, Alan Thomas, Ken Brummett, Shanna Cate, Steve Christian, Wesley Cleveland, Linda Christie, Woody Frossard, JD Granger, Nancy King, Wayne Owen, Sandy Swinnea and Mike Witthaus.

Also in attendance were George Christie, General Counsel for Tarrant Regional Water District (the Water District); Jared Harrell representing Pope, Hardwicke, Christie, Schell, Kelly & Ray, LLP; Jay Pritchard of Trinity Communications; John Promise and Mike Eastland of the North Central Texas Council of Governments; Robert Brashear and Jennifer Carnal of Parsons Brinckerhoff; Dick Fish of Save Eagle Mountain Lake; Rusty Gibson of Freese and Nichols; Indira Pjetrovic and Bill Sako of CDM; Robert Francis of the Business Press; Max Baker of the Fort Worth Star Telegram; Patrick Wallace, Tracey Smith 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.

All present were given the opportunity to join in reciting the Pledge of Allegiance.

2.

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 17, 2007. It was accordingly ordered that these minutes be placed in the permanent files of Tarrant Regional Water District.

3.

During public comments, Dick Fish indicated that Adelaide Leavens gave a briefing on Streams and Valleys at the Save Eagle Mountain Lake (SEML) meeting. SEML is starting an "Adopt a River" program. Also, they had 18 participants in the Eagle Mountain Lake Clean-up.

4.

With the recommendation of management, Director Leonard moved to enter into a joint funding agreement with the Texas Water Development Board for the development of regional water supply system implementation plans for portions of Tarrant, Parker, Wise, Johnson, Dallas and Ellis Counties at a cost to the Water District of \$135,000. Funding for this agreement is included in the FY 2008 Revenue Fund Budget. Director Sparks seconded the motion and the vote in favor was unanimous.

5.

The Board was given a presentation on "Vision North Texas" by Mike Eastland, of the North Central Texas Council of Governments.

6.

With the recommendation of management, Director Leonard moved to approve an amendment for an additional \$4,300,000 to the original TRVA Budget for costs related to relocation of properties that occurred sooner than anticipated. This amendment will result in a total proposed budget of \$5,250,000. Director Lane seconded the motion and the vote in favor was unanimous.

7.

With the recommendation of management, Director Stevens moved to approve funding to the USACE for planning, engineering and design of the Central City Project in the amount of \$383,333.33. Funding for this agreement is included in the FY 2007 General Fund Budget. Director Lane seconded the motion and the vote in favor was unanimous.

8.

With the recommendation of management, Director Lane moved to adopt an agreement to participate in Tax Increment Reinvestment Zone Number Nine, City of Fort Worth, Texas (Trinity River Vision TIF). This TIF will expire on the earlier of December 31, 2028 or the date on which all project costs of the TIF District have been paid in full. 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 Pacesetter Personnel Service for temporary manual labor on an as needed basis for the low bid of \$8.54 per hour. Funding for this contract is included in the FY 2007 General Fund Budget and the FY 2007 Revenue Fund Budget. Director Leonard seconded the motion and the vote in favor was unanimous.

10.

With the recommendation of management, Director Leonard moved to approve the use of Competitive Proposal Procurement Procedures to solicit priced proposals for the purchase of a dredger for use on the Water District waterways at an approximate cost of \$350,000. Funding for this purchase is included in the FY 2008 General Fund Budget. Director Sparks seconded the motion and the vote in favor was unanimous.

11.

With the recommendation of management, Director Lane moved to approve a contract with Cajun Constructors, Inc. to construct and install the Eagle Mountain side channel spillway gate for the low bid of \$1,521,000. Funding for this contract is included in the FY 2007 General Fund Budget. Director Leonard seconded the motion and the vote in favor was unanimous.

12.

With the recommendation of management, Director Leonard moved to approve a contract with Parsons Brinckerhoff to perform a detailed geotechnical investigation of the Eagle Mountain Dam Project at a cost of \$234,733. Funding for this contract is included in the 2006 Bond Issue. Director Lane seconded the motion and the vote in favor was unanimous.



13.

With the recommendation of management, Director Stevens moved to approve a change in the calculation of the retainage being held on the pay requests for BAR Constructors Inc. and Garney Construction for work on the Eagle Mountain Connection Project to 5% of the total contract price upon completion of the 50% completion milestone of their respective contracts (\$2,191,469.78 and \$2,086,137.01 respectively). All remaining contract payments are to be made in full. However, any changes to the contract price by change orders will require adjustment to the retainage schedule. Funding for these contracts is included in the 2006 Bond Issue. Director Sparks seconded the motion and the vote in favor was unanimous.

14.

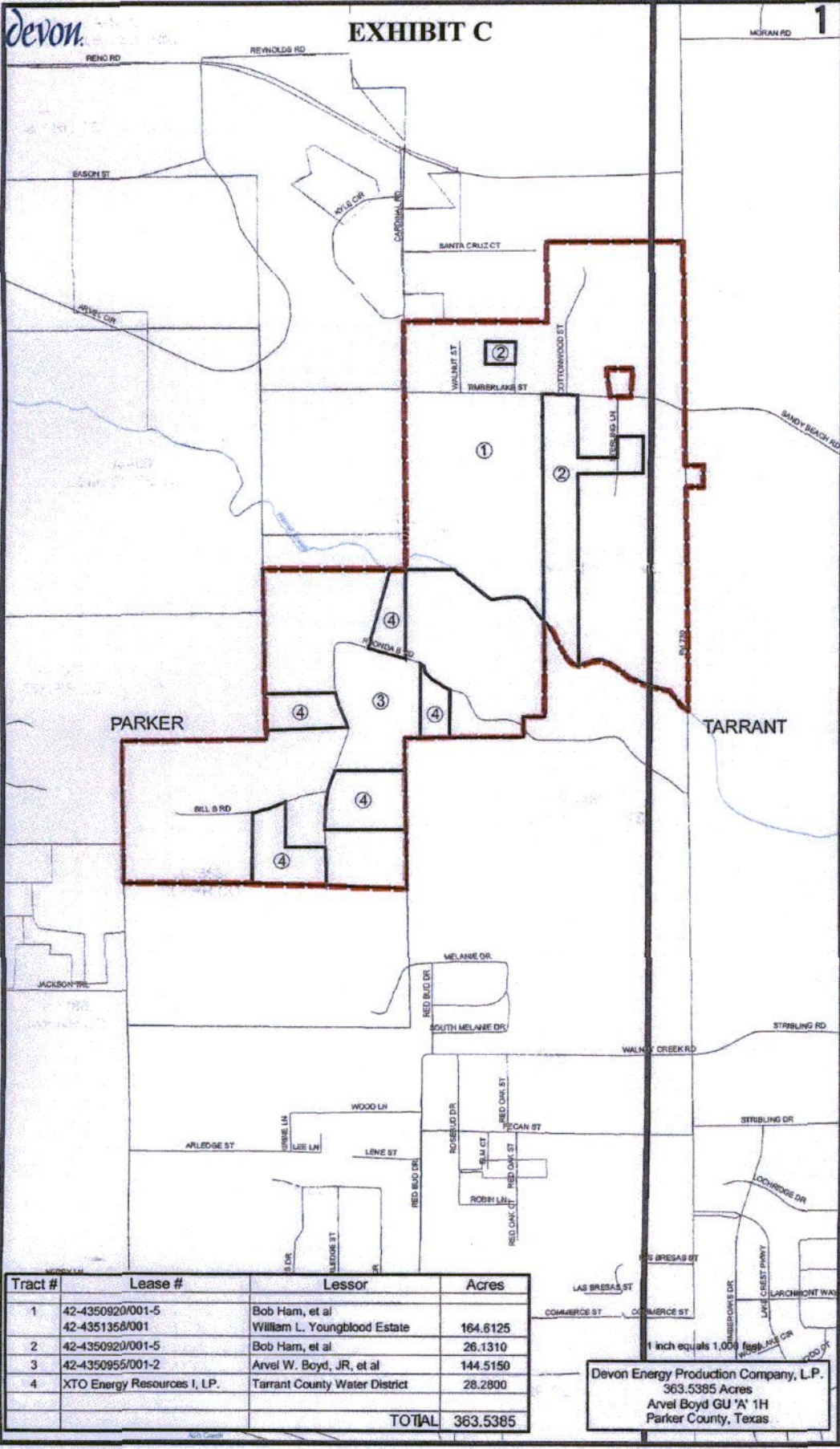
With the recommendation of management, Director Lane moved to approve Change Order number 5 to the Eagle Mountain Connection Pipeline Contract A with BAR Constructors Inc. for the increased cost of underground power distribution instead of overhead lines at a cost not to exceed \$675,802. Director Leonard seconded the motion and the vote in favor was unanimous.

15.

With the recommendation of management, Director Stevens moved to approve Change Order number 6 to the Eagle Mountain Connection Pipeline Contract A with BAR Constructors Inc. to provide a drainage system for an area near the pipeline easement at a cost not to exceed \$118,000. Director Sparks seconded the motion and the vote in favor was unanimous.

16.

With the recommendation of management, Director Leonard moved to ratify the pooling agreement executed by Ken Brummett on behalf of the Water District for the XTO Arvel Boyd Gas Unit in Parker County, Texas as shown on Exhibit below. Director Lane seconded the motion and the vote in favor was unanimous.



**EXHIBIT C**

Tract #	Lease #	Lessor	Acres
1	42-4350920/001-5 42-4351358/001	Bob Ham, et al William L. Youngblood Estate	164.6125
2	42-4350920/001-5	Bob Ham, et al	26.1310
3	42-4350955/001-2	Arvel W. Boyd, JR, et al	144.5150
4	XTO Energy Resources I, LP.	Tarrant County Water District	28.2800
<b>TOTAL</b>			<b>363.5385</b>

Devon Energy Production Company, L.P.  
363.5385 Acres  
Arvel Boyd GU 'A' 1H  
Parker County, Texas

17.

The Board recessed for a break at 11:17 a.m. and reconvened at 11:27 a.m.

18.

The President and presiding officer next called an executive session at 11:27 a.m. under V.T.C.A., Government Code, Chapter 551.071 to consider pending or contemplated litigation - Oklahoma water resources; and under Chapter 551.072 to consider real property issues – sale and acquisition of land.

19.

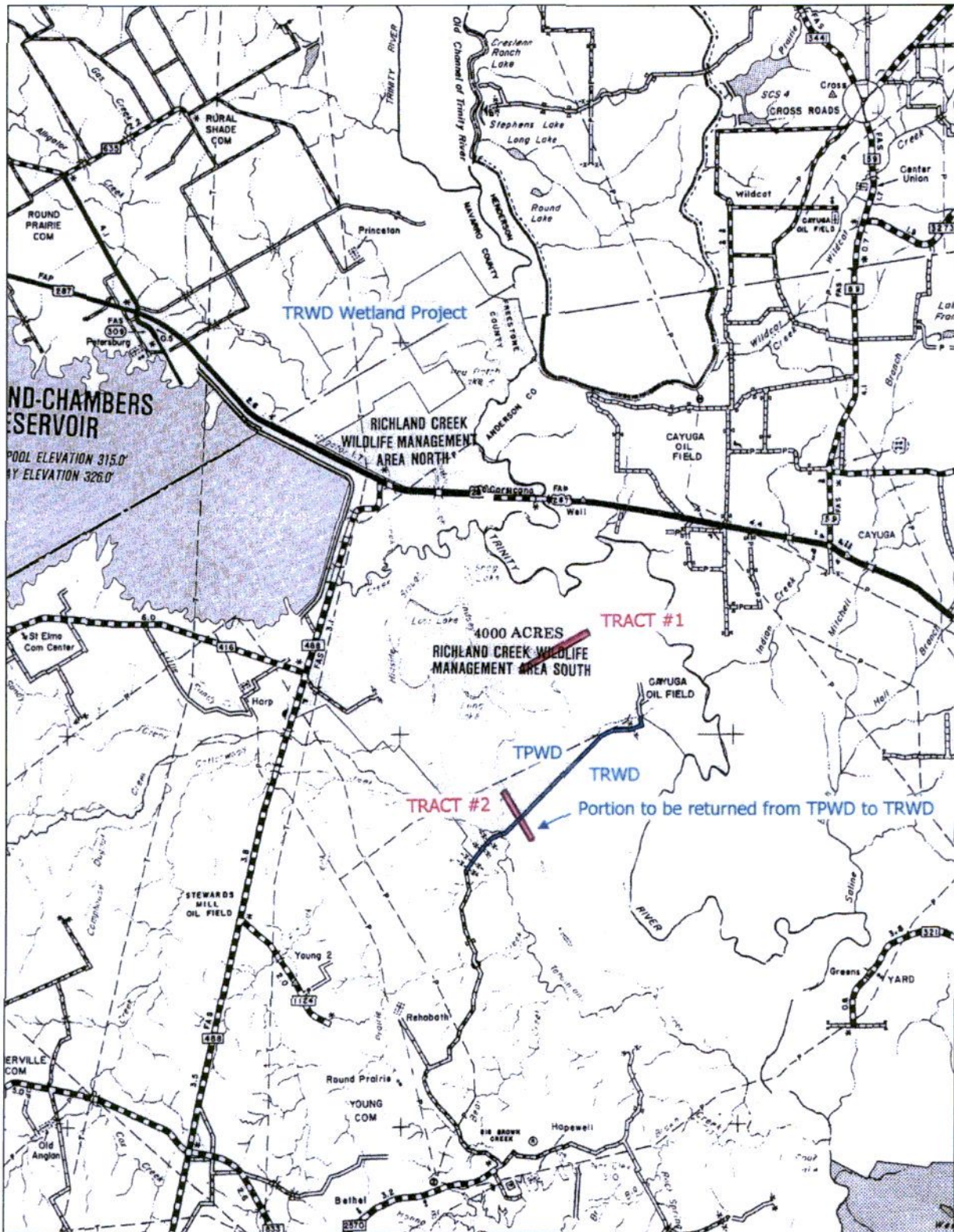
Upon completion of the executive session at 11:50 a.m., the President reopened the meeting.

20.

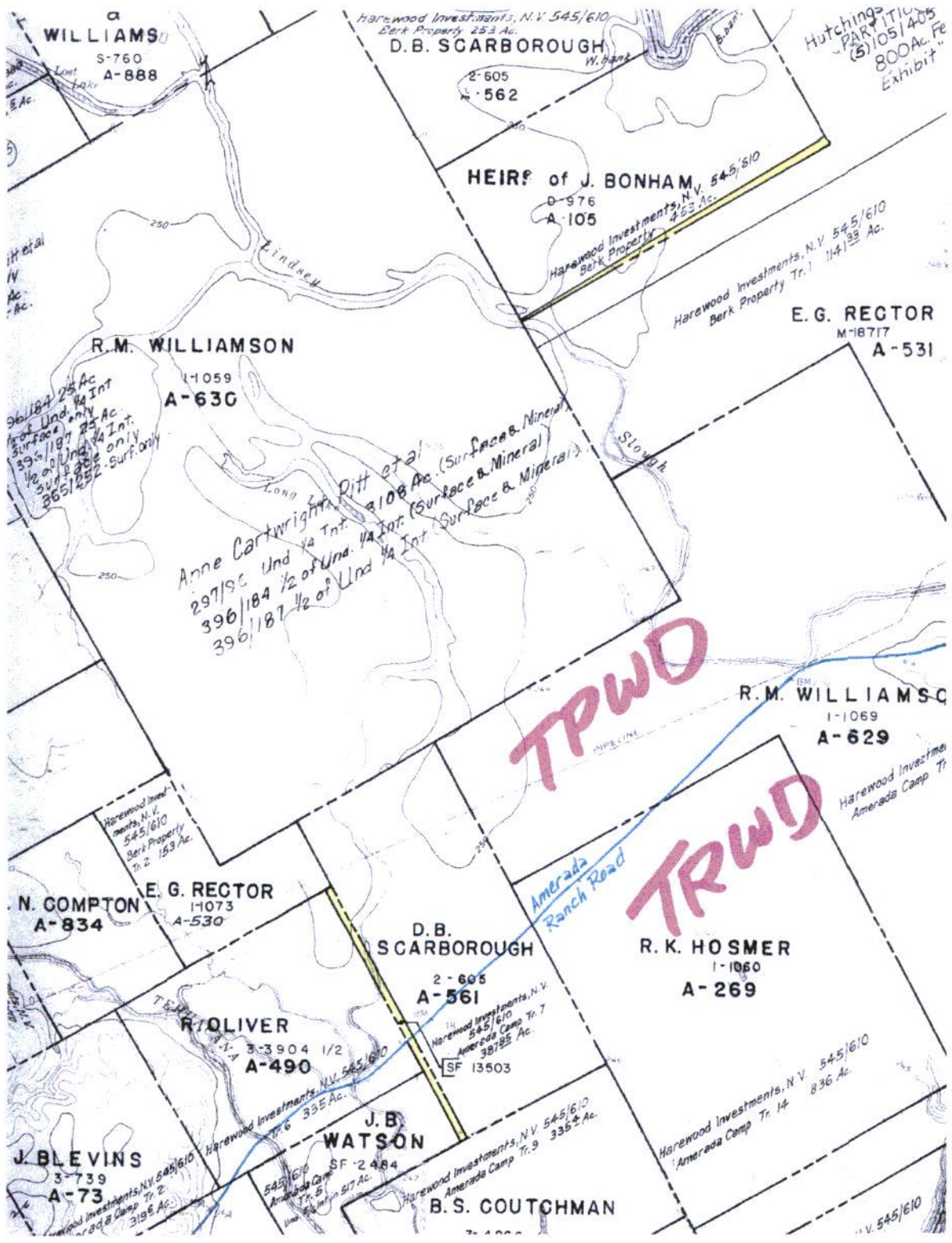
With the recommendation of management, Director Sparks moved to approve the execution of a quitclaim deed to convey to the Texas General Land Office (GLO) all rights, title, claims and interest in the following two (2) tracts of land:

- Tract # 1: 17.20 acres, more or less, out of the Heirs of J. Bonham Survey, A-105, Freestone County, Texas**
- Tract # 2: 18.93 acres, more or less, out of the R. Oliver Survey, A-490, and the J.B. Watson Survey, A-835, Freestone County, Texas**











Following the Water District's execution of the quitclaim deed relinquishing all rights, title, claims and interest in these two tracts to GLO, GLO will transfer title to the Texas Parks & Wildlife Department (TPWD). TPWD will then convey to TRWD title to the southern 40 percent of Tract # 2 as part of an exchange of land with TRWD for the expansion of TRWD's wetland facility. Director Lane seconded the motion and the vote in favor was unanimous.

21.

With the recommendation of management, Director Lane moved to approve the sale of the following described three (3) tracts of land totaling 14.5 acres for the total appraised value of \$118,500 to BJ Sentinel, Ltd.

- Tract 1:** 2.40 acres, being situated in the E. Higdon Survey, A-197 & the W.H. Pearson Survey, A-376; Volume 474, Page 282 and Volume 449, Page 486 of the Deed Records of Kaufman County, Texas;
- Tract 2:** 8.18 acres, being situated in the E. Higdon Survey, A-197, W.H. Pearson Survey, A-376 and the J.G. Jacobs Survey, A-254; Volume 473, Page 426; Volume 474, Page 382; Volume 460, Page 368 and Volume 449, Page 486 of the Deed Records of Kaufman County, Texas;
- Tract 3:** 3.92 acres, being situated in the E. Higdon Survey, A-197, Volume 481, Page 107 of the Deed Records of Kaufman County, Texas

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

22.

With the recommendation of management, Director Lane moved to approve the sale of the following described two (2) tracts of land totaling 901 square feet of land for the total appraised value of \$10,350 to the adjoining owners, Brian L. Derksen and wife, Mary Lou Derksen.

- Tract 1:** 126 square feet of land, more or less, adjacent to Lot 4 of the unplatted Seis Hombres Addition, Henderson County, Texas;
- Tract 2:** 775 square feet of land, more or less, located adjacent to Lot 4 of the unplatted Seis Hombres Addition, Henderson County, Texas.
- Totaling:** 901 square feet of land in two (2) tracts.

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

23.

With the recommendation of management, Director Sparks moved to approve the purchase of the following described land not acquired during the acquisition phase of the Richland-Chambers Reservoir construction project from John G. Jackson and wife, Diana Jackson for the total negotiated purchase offer of \$30,676.11. Funding for this purchase is unbudgeted out of the Revenue Fund Budget.

- Tract 1: 1.38 acres in fee simple out of the John G. Rice Survey, A-682, Volume 1804, Page 289, Navarro County, Texas;**
- Tract 2: 5.18 acres in flowage easement out of the John G. Rice Survey, A-682, Volume 1804, Page 289, Navarro County, Texas;**
- Tract 3: 1.19 acres in fee simple out of the John G. Rice Survey, A-682, Volume 1782, Page 350, Navarro County, Texas;**
- Tract 4: 0.85 acre in flowage easement out of the John G. Rice Survey, A-682, Volume 1782, Page 350, Navarro County, Texas.**
  
- Totaling: 2.57 acres in fee simple and 6.03 acres in flowage easement in four (4) tracts.**

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

24.

With the recommendation of management, Director Lane moved to approve the purchase of the following described land not acquired during the acquisition phase of the Richland-Chambers Reservoir construction project from Dorothy G. Boyd for the total negotiated purchase offer of \$1,043. Funding for this purchase is included in the Richland-Chambers Construction Fund.

- Tract 1: 0.19 acre in fee simple out of the John G. Rice Survey, A-682, Volume 1328, Page 698, Navarro County, Texas;**
- Tract 2: 0.63 acre in flowage easement out of the John G. Rice Survey, A-682, Volume 1328, Page 698, Navarro County, Texas.**



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

25.

With the recommendation of the Trinity River Vision Authority Board of Directors, Director Sparks moved to approve the purchase of the following described land necessary for the construction of the Trinity River bypass channel and White Settlement Bridge for the Trinity River Vision Project Central City Project from 2000 White Settlement, L.P. for the negotiated price of \$4,225,000. Funding for this purchase is included in the General Fund Budget.

**Fee simple title to the surface estate only of 5.325 acres of land, including improvements, and described as a portion of Lot 1, Block 1, Rebecca Levitan Addition, an Addition to the City of Fort Worth, Tarrant County, Texas, according to Plat recorded in Volume 388-77, Page 44, Plat Records of Tarrant County, Texas, and being the remainder of a tract of land described in a Deed to 2000 White Settlement, L.P., recorded in Volume 16837, Page 286, Real Property Records, Tarrant County, Texas.**

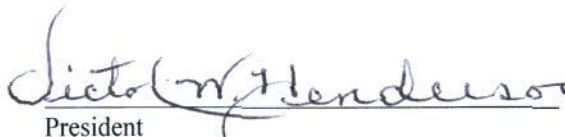
In addition, R. Steve Christian is granted authority to execute all documents necessary to complete this transaction. Director Leonard seconded the motion and the vote in favor was unanimous.

26.

The Board was updated on legislative issues and viewed the quarterly video.

27.

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

  
President

  
Secretary