

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT REGIONAL WATER DISTRICT
HELD ON THE 19TH DAY OF JANUARY 2010 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
Marty V. Leonard
Jim W. Lane

Also present were James Oliver, Alan Thomas, Chris Akers, Darrel Andrews, Stacy Beeson, Ken Brummett, Sean Campbell, Shanna Cate, Linda Christie, Wesley Cleveland, David Geary, Nancy King, David Marshall, Rachel Navejar, Wayne Owen, Sandy Swinnea and Mike Witthaus.

Also in attendance were George Christie, General Counsel for Tarrant Regional Water District; Dick Fish of Save Eagle Mountain Lake; Greg Hooten of AECOM; John Hart and Samantha Roberts of BDS Technologies; Bob Riley of BLG; Dale Cherry and Randy Romack of Black and Veatch; Thelma Box of Burgess & Niple; Dan Buhman of CDM; Chris Brooks, William Causey and Mike Fleury of Carollo Engineering; Gary Savanyu of CRIADO; Terry Kile of Deloitte and Touche; Rusty Gibson of Freese & Nichols, Inc.; Tony Almeida of Halff Associates; Kim Arnold of Jacobs; Bob Johnson of MWH; Kristin Comer of Marshal Lancaster Associates; Alan Raynor of McCall, Parkhurst; Brian Newby of Cantey Hanger, LLP; Chris Keffer of TRC - JV; Bill Hanna of the Fort Worth Star Telegram; 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 Leonard and seconded by Director Stevens, the Directors unanimously voted to approve the minutes from the meeting held December 15, 2009. It was accordingly ordered that these minutes be placed in the permanent files of Tarrant Regional Water District.

3.

An award was presented by Save Eagle Mountain Lake.

4.

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

5.

With the recommendation of management, Director Stevens moved to approve the Annual Financial Report by the District's auditors, Deloitte & Touche, for the year ended September 30, 2009. Director Leonard seconded the motion and the vote in favor was unanimous.

6.

With the recommendation of management and the Finance Committee, Director Sparks moved to approve the issuance, sale, and delivery of the Tarrant Regional Water District, a water control and improvement district, water revenue bonds, series 2010, pledging revenues for the payment of bonds, approving the official statement and authorizing other instruments and procedures related thereto. Director Leonard seconded the motion and the vote in favor was unanimous.

7.

With the recommendation of management, Director Leonard moved to adopt a resolution urging the Executive and Legislative branches of the federal government to allow public review and comment on federally proposed water policy initiatives. The resolution promotes the ability of state and local governments, water providers and business interests to continue to oversee, through local control, the planning and implementation of water supply and floodplain management projects. Director Lane seconded the motion and the vote in favor was unanimous.

8.

With the recommendation of management and the committee as noted, Director Stevens moved to approve operations and maintenance expenditures as noted below:

Equipment	Vendor	Funding Source	Approved Amount	Committee Recommending Approval
Contract for Electrical Services	Lonestar Electric	General Fund Revenue Fund	\$45*/25** an hour for work performed during normal working hours and \$65*/35** an hour for overtime work with a 20% markup on materials. * Journeyman ** Apprentice	Construction and Operations Committee
Log Jam Removal – West Fork Trinity River, Boyd Texas	Beavers Dozer Service and Equipment	2009 Bond Fund	\$80,297.73	Construction and Operations Committee

Director Sparks seconded the motion and the vote in favor was unanimous.

9.

With the recommendation of management and the Construction and Operations Committee, Director Lane moved to approve a contract with Alan Plummer and Associates engineering firm to provide engineering services for preliminary design of Cedar Creek Constructed Wetlands for an amount not to exceed \$464,700. Funding for this contract is included in the 2008 WIF Bonds. Director Leonard seconded the motion and the vote in favor was unanimous.

10.

With the recommendation of management and the Construction and Operations Committee, Director Leonard moved to close out the contract with PremierCrete Products, LLC for seawall replacement at Richland-Chambers reservoir with the final release of retainage in the amount of \$17,805. This project is an unbudgeted repair in the 2010 Revenue Fund. Director Lane seconded the motion and the vote in favor was unanimous.

11.

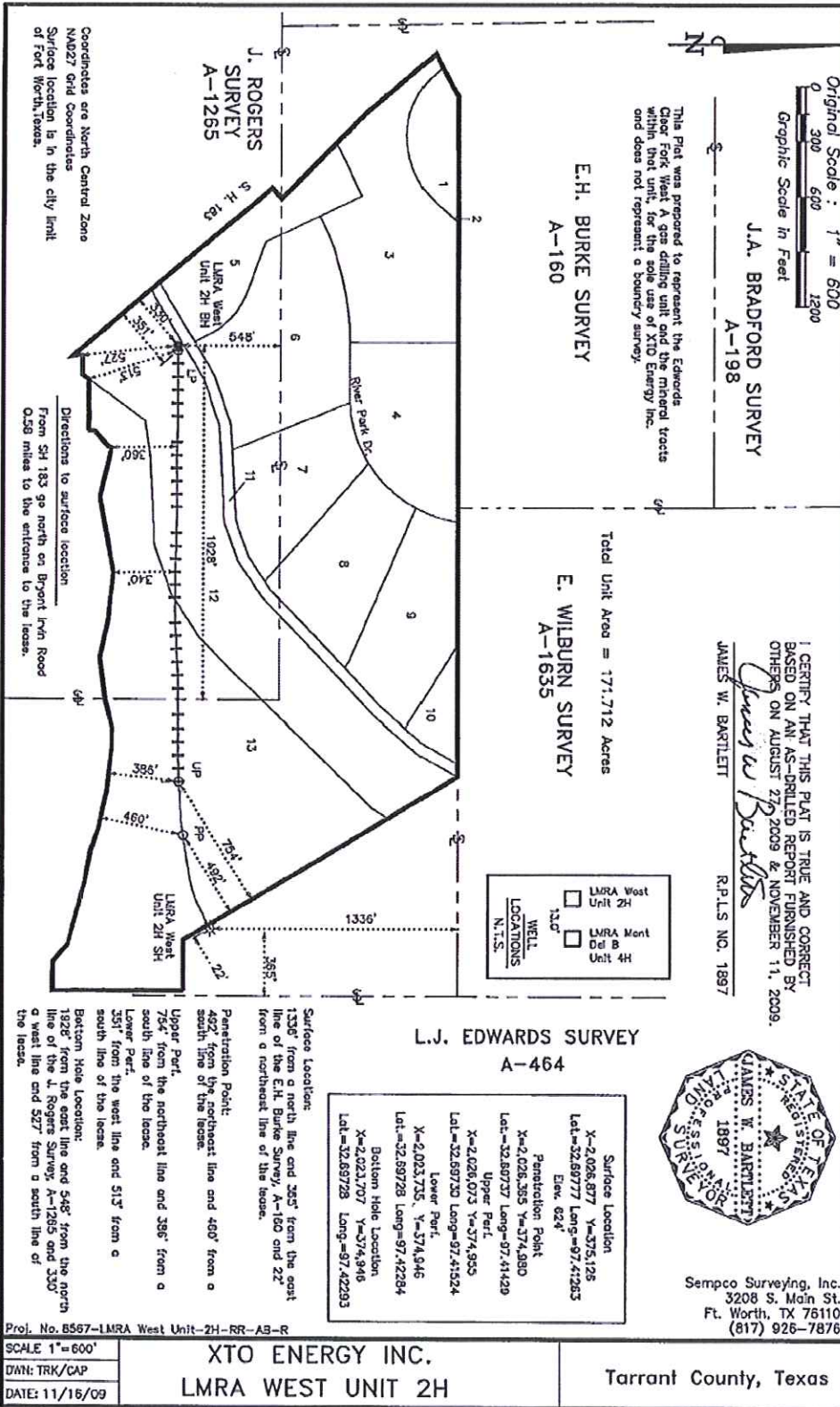
With the recommendation of management and the Construction and Operations Committee, Director Sparks moved to approve a contract for improvements to the Arlington Outlet dechlorination facility and the Richland-Chambers lake pump station to the conforming proposer Legacy Contracting in the amount of \$843,500. Funding for this contract is included in the 2009 Bond Fund. Director Stevens seconded the motion and the vote in favor was unanimous.

12.

With the recommendation of management and the Oil and Gas Committee, Director Stevens moved to ratify the pooling agreements executed by Ken Brummett on behalf of the Water District for the (1) XTO LMRA West Unit and (2) XTO Edwards Clear Fork West A Unit as shown on the exhibits below:

- | | |
|-----------------------------------|----------------------|
| 1. LMRA WEST UNIT | TRWD N.R.I. .0243736 |
| 2. EDWARDS CLEAR FORK WEST A UNIT | TRWD N.R.I. .0117692 |

EXHIBIT "C"
SECOND AMENDED POOLING AGREEMENT

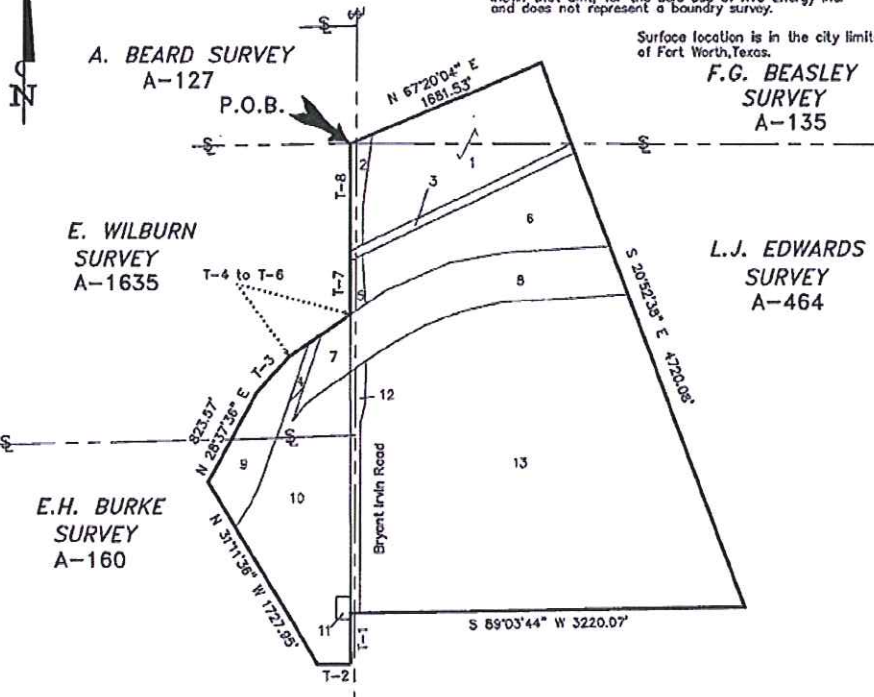


Original Scale : 1" = 1000
 0 500 1000 2000
 Graphic Scale in Feet

Coordinates are Texas North Central
 Zone NAD27 Grid Coordinates

This Plot was prepared to represent the Edwards Clear Fork
 West A gas drilling unit and the mineral tracts
 within that unit, for the sole use of XTO Energy Inc.
 and does not represent a boundary survey.

Surface location is in the city limits
 of Fort Worth, Texas.



TANGENT TABLE		
No.	Bearing	Dist.
T-1	S 00°12'38" E	411.88'
T-2	West	275.00'
T-3	N 42°28'12" E	395.40'
T-4	N 56°22'12" E	194.53'
T-5	N 56°13'19" E	116.51'
T-6	N 54°56'24" E	291.27'
T-7	N 00°12'38" W	517.48'
T-8	N 00°13'00" W	876.01'

LEASE No.	LESSOR	ACRES
1	Edwards Geren Ltd.	26.971 Ac.
2	City of Fort Worth	2.583 Ac.
3	TXJ Minerals	3.460 Ac.
4	TXJ Minerals	0.803 Ac.
5	City of Fort Worth	1.118 Ac.
6	Edwards Geren Ltd.	22.327 Ac.
7	TRWD	3.748 Ac.
8	Coswell O. Edwards, II, et al	21.179 Ac.
9	TRWD	9.371 Ac.
10	LJRA	32.202 Ac.
11	Burke Cemetery, Corp.	0.498 Ac.
12	City of Fort Worth	4.159 Ac.
13	Edwards Geren Ltd.	145.251 Ac.
TOTAL UNIT AREA		278.670 Acres

PRELIMINARY

EXHIBIT C
 XTO ENERGY, INC.
 EDWARDS CLEAR FORK
 WEST A UNIT
 278.670 ACRES
 City of Fort Worth
 Tarrant County, Texas

Sempco Surveying, Inc.
 3208 S. Main St.
 Ft. Worth, TX 76110
 (817) 926-7876

Proj. No. 8575-Edwards Clear Fork West A Unit-Rev.

SCALE 1"=1000'
 DWN: TRK
 DATE: 12/14/09

(see attached field notes)

Director Leonard seconded the motion and the vote in favor was unanimous.

13.

With the recommendation of management and the Oil and Gas committee, Director Lane moved to approve a lease with XTO Energy Inc. for the bonus bid of \$4,737.60, 25 percent royalty, and a three (3) year primary term for the Water District's mineral interest in and to 1.974 acres as shown below:

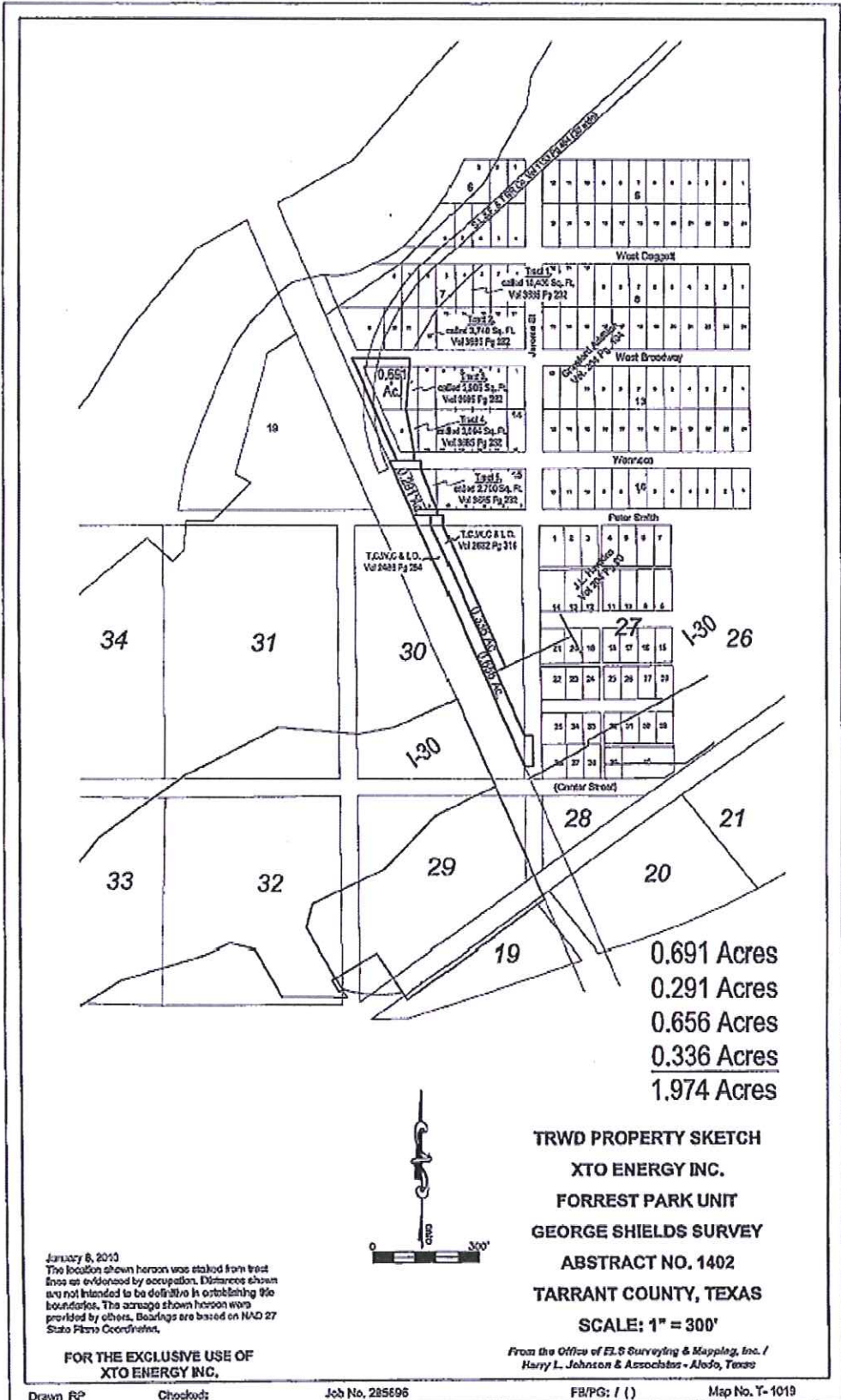
Exhibit "A"

Being **1.974 acres** of land, more or less, comprised of three (3) separate tracts being more fully described as:

Tract One: 0.992 acres, more or less, out of the West portion of Block 30, Edward Heirs Addition to the City of Fort Worth, according to the Plat recorded at Volume 63, Page 2; being more particularly described in the following Warranty Deeds dated October 21, 1953 from Rufus M. Flores and wife, Louise Flores, as Grantors to, Tarrant County Water Control & Improvement District No. 1, as Grantee, recorded in Volume 2632, Page 317, Deed Records, Tarrant County, Texas; and in that certain Warranty Deed dated October 22, 1952 from Rufus M. Flores and wife, Louise Flores, as Grantors to, Tarrant County Water Control & Improvement District No. 1, as Grantee recorded in Volume 2488, Page 284, Deed Records, Tarrant County, Texas.

Tract Two: 0.291 acres, more or less, being Lots 6 & 7, Block 15, Crawford Addition, an addition to the City of Fort Worth, according to the Plat recorded in Volume 204, Page 104; and being more particularly described in that certain Warranty Deed dated September 16, 1952; recorded in Volume 2475, Page 346, Deed Records, Tarrant County, Texas. SAVE and EXCEPT a tract of land more particularly described as Tract 5 in that certain Warranty Deed dated April 13, 1962; and recorded in Volume 3685, Page 232, Deed Records, Tarrant County, Texas.

Tract Three: 0.691 acres, more or less, being Lot 7, 8, and 9, Block 14, Crawford Addition, an addition to the City of Fort Worth, according to the Plat recorded in Volume 204, Page 104; and being more particularly described in that certain Warranty Deed dated October 30, 1953; recorded in Volume 2632, Page 421, Deed Records, Tarrant County, Texas. SAVE and EXCEPT tracts of land more particularly described as Tract 3 and Tract 4 in that certain Warranty Deed dated April 13, 1962; recorded in Volume 3685, Page 232, Deed Records, Tarrant County, Texas.



0.691 Acres
 0.291 Acres
 0.656 Acres
 0.336 Acres
 1.974 Acres

TRWD PROPERTY SKETCH
XTO ENERGY INC.
FORREST PARK UNIT
GEORGE SHIELDS SURVEY
ABSTRACT NO. 1402
TARRANT COUNTY, TEXAS
SCALE: 1" = 300'

January 8, 2010
 The location shown hereon was staked from first
 iron as evidenced by occupation. Distances shown
 are not intended to be definitive in establishing the
 boundaries. The acreage shown hereon was
 provided by others. Bearings are based on NAD 27
 State Plane Coordinates.

FOR THE EXCLUSIVE USE OF
XTO ENERGY INC.

From the Office of E.S. Surveying & Mapping, Inc. /
 Harry L. Johnston & Associates - Aledo, Texas

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

14.

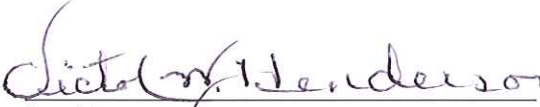
The President and presiding officer next called an executive session at 10:25 a.m. under V.T.C.A., Government Code, Section 551.071 to consider pending or contemplated litigation – Oklahoma water resources; and under Section 551.072 to deliberate the purchase, sale, lease or exchange of real property.

15.


Upon completion of the executive session at 11:10 a.m., the President reopened the meeting.

16.

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



President



Secretary