

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF  
TARRANT REGIONAL WATER DISTRICT  
HELD ON THE 17<sup>TH</sup> DAY OF AUGUST 2010 AT 9:30 A.M.

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

<u>Present</u>	<u>Absent</u>
Victor W. Henderson	Jim W. Lane
Hal S. Sparks III	
Jack R. Stevens	
Marty V. Leonard	

Also present were Jim Oliver, Alan Thomas, Stacy Beeson, Ken Brummett, Linda Christie, Wesley Cleveland, Jason Gehrig, J.D. Granger, Nancy King, David Marshall, Rachel Navejar, Wayne Owen, Sandy Swinnea, Carol Tackel and Ed Weaver.

Also in attendance were George Christie, General Counsel for Tarrant Regional Water District; Hal Ray, Lee Christie and Ethel Steele of Pope, Hardwicke, Christie, Harrell, Schell & Kelly, LLP; Dick Fish of Save Eagle Mountain Lake; Greg Hooten of AECOM; Randy Romack of Black & Veatch; Thelma Box of Burgess & Niple, Inc.; Michael Dempsey and Tony Kinney of Burns & McDonnell; Doug Varner of CDM; Gary Savanyu of Criado & Associates; Robbie Thompson of Foster CM Group; Jim Nichols and Ron Lemons of Freese and Nichols, Inc.; Ann Kovich, Russell Killen and Andrew Ickert of Half Associates; Ranjan Muttiah of iHydro Engineering; Peter Brettell and Brian Adams of Jacobs; Paul Blanchard of NWP Co; Chuck Thomas of Parsons; Adelaide Leavens of Streams and Valleys; Judd Pritchard 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 Stevens and seconded by Director Sparks, the Directors unanimously voted to approve the minutes from the meeting held July 20, 2010. It was accordingly ordered that these minutes be placed in the permanent files of Tarrant Regional Water District.

3.

Dick Fish of Save Eagle Mountain Lake reported that he had visited with David Geary about using Twin Points area for viewing the Christmas Parade of Lights, which is scheduled for December 4, 2010.

Adelaide Leavens of Streams and Valleys, Inc. presented the Board of Directors with a framed photo of people along the river for the Fort Worth Fourth of July event where 10,000 people attended.

4.

With the recommendation of management, Director Leonard moved to place a proposal to adopt a 2010 tax rate of \$.02/\$100 on the agenda of the September 21, 2010 Board of Directors meeting and to establish the date for a public hearing to be held September 14, 2010 at 9:00 AM on the proposed 2010 tax rate, a date which is no less than three and no more than fourteen days prior to the September 21, 2010 Board of Directors Meeting. Director Sparks seconded the motion and the vote in favor was unanimous.

5.

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

<b>Project</b>	<b>Vendor</b>	<b>Funding Source Approved Amount</b>	<b>Funding Source</b>	<b>Committee Recommending Approval</b>
Asphalt Road Repair at Richland-Chambers Lake Dam	B.G. Williams Asphalt	\$93,900	Revenue	Construction and Operations
Prepackaged Anodes and Bentonite	Allied Corrosion Industries Inc.	\$43,870	Revenue	Construction and Operations

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

6.

With the recommendation of management and the committees as noted, Director Sparks moved to approve the capital expenditure as noted below:

<b>Equipment</b>	<b>Vendor</b>	<b>Funding Source Approved Amount</b>	<b>Funding Source</b>	<b>Committee Recommending Approval</b>
Relocation of Stockpiled Soil at Twin Points	Hammer Construction	\$71,500	Bond Fund	Construction and Operations

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

7.

With the recommendation of management and the Construction and Operations Committee, Director Sparks moved to approve entering into a contract with Royal General Contractors Inc., in the amount of \$1,004,360 for the construction of the Rogers Road Pavilion with an \$80,000 build-out allowance for tenant make-ready use of the facility. Funding for this contract is included in the FY 2010 General Fund. Director Leonard seconded the motion and the vote in favor was unanimous.

8.

With the recommendation of management and the Construction and Operations Committee, Director Stevens moved to approve the modifications and unit price reconciliation Change Order Number 1 and the release of retainage on the Mansfield Bypass Project for a total of \$291,479.32 to S.J. Louis Construction of Texas Ltd. Funding for this contract is included in the Bond Fund. 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 Stevens moved to amend the contract with the University of Texas at Arlington to add \$40,483 to cover Phase I of the study for backfill design alternatives for the Integrated Pipeline Project. Funding for this contract is included in the Bond Fund. 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 Sparks moved to approve an agreement with the Texas Water Development Board to conduct a volumetric survey of Bridgeport Reservoir at a cost not to exceed \$51,702. Funding for this contract is included in the FY 2010 Revenue Fund. Director Stevens seconded the motion and the vote in favor was unanimous.

11.

With the recommendation of management and the Construction and Operations Committee, Director Stevens moved to approve a contract with Halff Associates, Inc. at a cost not to exceed \$974,172 to develop Phase II of the real-time rainfall-runoff model of the floodway system and an upper basin model. Funding for this contract is included in the FY 2010 General Fund. Director Sparks seconded the motion and the vote in favor was unanimous.

12.

With the recommendation of management and the Construction and Operations Committee, Director Stevens moved to approve a change in the calculation of retainage being held on the pay requests for Legacy Contracting LP to 5% of the total contract price upon the 50% completion milestone of their contract for the Arlington Outlet Dechlorination Project. 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 this contract is included in the Bond Fund. Director Leonard seconded the motion and the vote in favor was unanimous.

13.

With the recommendation of management and the Construction and Operations Committee, Director Stevens moved to approve the addition of the Power Quality Assessment and Evaluation task to the contract scope with Camp Dresser McKee for the Benbrook Lake Pump Station Variable Frequency Drive Replacement Project in the amount of \$38,700. This additional task will include design, procurement and construction engineering services. The original contract amount for this project that was

approved at the July board meeting is \$445,186. With the added task the contract total will be \$483,886. Funding for this contract is included in the Bond Fund. The motion was seconded by Director Leonard and the vote in favor was unanimous.

14.

With the recommendation of management and the Oil and Gas committee, Director Stevens moved to approve a lease of the Water District's mineral rights to Finley Production Co., L.P. in and to 56.2936 acres of land described in the attached Exhibit A and shown on the attached plat. Finley's bid of \$465,942.13 (\$8277 per acre), 25 percent royalty for a three (3) year primary term was the only bid received. Finley also agreed to a "favored nations" clause which provides that TRWD will be paid a higher bonus amount if the City of Fort Worth receives a higher bonus for tracts of equal or greater size in the next 12 months.

## EXHIBIT 'A'

56.2936 acres more or less, located in the E. Little Survey, Abstract No. 945 and the F.G. Mulliken Survey, Abstract No. 1045, Fort Worth, Tarrant County, Texas, and being described in the following eight (8) tracts:

TRACT 1: Being 3.54 acres more or less, being described as all of that certain tract, parcel or land out of the F.G. Mullikin Suvery, Abstract No. 1045, Tarrant County, Texas and being further described by metes and bounds in that certain warranty deed by and between Gilbert Michalk and wife, Margaret Michalk as Grantor and Tarrant County Water Control and Improvement District Number One, as Grantee, dated November 21, 1952, recorded at Volume 2500, Page 157, Official Public Records, Tarrant County, Texas.

TRACT 2: Being 2.26 acres more or less, being described as all of that certain tract, parcel or land out of the F.G. Mulliken Survey, Abstract No. 1045, Tarrant County, Texas and being further described by metes and bounds in that certain warranty deed by and between Constance Strohl, a widow as Grantor and Tarrant County Water Control and Improvement District Number One as Grantee, dated December 26, 1952, recorded at Volume 2514, Page 386, Official Public Records, Tarrant County, Texas.

TRACT 3: Being 1.66 acres more or less, being described as all of that certain tract, parcel or land out of the F.G. Mullikin Suvery, Abstract No. 1045, Tarrant County, Texas and being further described by metes and bounds in that certain warranty deed by and between Mrs. Ethel T. Wright, a widow, both now and on February 5, 1946, when I acquired the hereinafter described property as Grantor and Tarrant County Water Control and Improvement District Number One, as Grantee, dated January 29, 1953, recorded at Volume 2522, Page 541, Official Public Records, Tarrant County, Texas.

TRACT 4: Being 0.2 acres more or less, being described as all of that certain tract, parcel or land out of the F.G. Mullikin Suvery, Abstract No. 1045, Tarrant County, Texas and being further described by metes and bounds in that certain deed by and between Trustees of Samuels Avenue Baptist Church as Grantor and Tarrant County Water Control and Improvement District No. One. as Grantee, dated February 9, 1953, recorded at Volume 2527, Page 559, Official Public Records, Tarrant County, Texas.

TRACT 5: Being 28.72 acres, more or less, out of the E. Little Survey, Abstract No. 945 and the F.G. Mulliken Survey, Abstract No. 1045, Tarrant County, Texas and being further described by metes and bounds in that certain Warranty Deed by and between Nick Vloitos and wife, Katie Vloitos, and Despina Vloitos, a widow, as Grantor and Tarrant County Water Control and Improvement District Number One, as Grantee, dated January 9, 1953, recorded at Volume 2530, Page 286, Official Public Records,

Tarrant County, Texas, **SAVE AND EXCEPT, 2.4707** acres, more or less, described as the following two parcels of land:

PARCEL 1: **2.0374** acres, more or less, out of the F.G. Mulliken Survey, Abstract No. 1045, Tarrant County, Texas, and more particularly described in that certain Warranty Deed dated May 10, 1960, by and between Tarrant County Water Control and Improvement District No. 1, as Grantor, and John H. Stewart and Charles J. Croley, d/b/a Worth Welders Supply Company, as Grantee, recorded at Volume 3445, Page 316, Deed Records, Tarrant County, Texas.

PARCEL 2: **0.4290** acres, more or less, out of the F.G. Mulliken Survey, Abstract No. 1045, Tarrant County, Texas and more particularly described in that certain Warranty Deed, by and between Tarrant County Water Control and Improvement District No. 1, as Grantor and Industrial Building Corporation, as Grantee, recorded at Volume 4006, Page 194, Deed Records, Tarrant County, Texas

TRACT 6: Being **18.30** acres, more or less, out of the E. Little Survey, Abstract No. 945 and the F.G. Mulliken Survey, Abstract Number 1045, located in Tarrant County, Texas, and being more particularly described in that certain Warranty Deed dated April 10, 1952, by and between D. Hart, et ux., as Grantor and Tarrant County Water Control and Improvement District No. 1, as Grantee, recorded at Volume 2422, Page 1, Deed Records, Tarrant County, Texas.

TRACT 7: Being **3.230** acres, more or less, out of the E. Little Survey, Abstract no. 945, located in Tarrant County, Texas, and being more particularly described as Tract No. 1 in that certain Warranty Deed dated February 12, 1952, by and between J.E. Martin, et ux, as Grantor, and Tarrant County Water Control and Improvement District No. 1, as Grantee, recorded at Volume 2401, Page 32, Deed Records, Tarrant County, Texas.

TRACT 8: Being **0.85** 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 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, Deed Records, Tarrant County, Texas.



# TARRANT REGIONAL WATER DISTRICT

## Exhibit "A" Mineral Estate

MAP PRODUCED ON 8/9/2010 BY TRWD - Real Property

Disclaimer  
This map is an approximation based upon the best information available at the time of printing. Information contained on this map is intended for general planning, street use only and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and only represents approximate relative locations. The Tarrant Regional Water District is not liable for misuse of this information or derivative products resulting from this map.





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.

15.

Staff Updates

- Trinity River Vision Central City Project
- Water Conservation

16.

The Board of Directors recessed for a break from 11:23 a.m. to 11:38 a.m.

17.

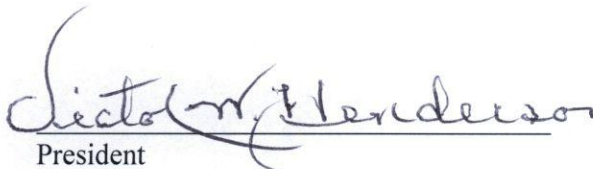
The presiding officer next called an executive session at 11:38 a.m. under V.T.C.A., Government Code, Section 551.071 to consult with legal counsel on a matter in which the duty of counsel under the Texas disciplinary rules of professional conduct clearly conflicts with Chapter 571, Texas Government Code; to conduct a private consultation with attorneys regarding pending or contemplated litigation; and under Section 551.072 to deliberate the purchase, exchange, lease or value of real property.

18.

Upon completion of the executive session at 11:57 a.m., the President reopened the meeting.

19.

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

  
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President

  
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Secretary