

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT REGIONAL WATER DISTRICT
HELD ON THE 19th DAY OF OCTOBER 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 Lane

Also present were Jim Oliver, Alan Thomas, Stacy Beeson, Ken Brummett, Shanna Cate, Steve Christian, Linda Christie, Jason Gehrig, J.D. Granger, Todd Hatcher, Nancy King, Wayne Owen, Madeline Robson, Louie Verreault, and Ed Weaver.

Also in attendance were George Christie, General Counsel for Tarrant Regional Water District; Lee Christie, Hal Ray and Ethel Steele of Pope, Hardwicke, Christie, Harrell, Schell & Kelly, LLP; Dick Fish of Save Eagle Mountain Lake; Doug Varner and Dan Buhman of CDM; Gary Savanyu of Criado & Associates; Ron Lemons and John Rutledge of Freese and Nichols, Inc.; Brian Adams of Jacobs; Matt Garcia and Bob Johnson of MWH; John Minahan and Tim Noack of Alan Plummer Associates, Inc.; Jon Kroehler of Shield Engineering Group; 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 Sparks and seconded by Director Leonard, the Directors unanimously voted to approve the minutes from the meeting held September 21, 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, Inc. announced that he gathered watershed clean-up information on the James River Watershed while on vacation in Virginia. He will share this information with Mark Ernst, for consideration for the watershed clean-up plan being put together for Eagle Mountain Lake. The Save Eagle Mountain Lake annual meeting will be November 9, 2010 at Fellowship Church on Robertson Road.

Jim Lane announced that the kick-off meeting for the Ripley Arnold Statue will be held on October 20, 2010 at 2:00 p.m. Doug Harman will coordinate this project and Judge Steve King will select the sculpture design.

4.

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

Equipment	Vendor	Funding Source Approved Amount	Funding Source	Committee Recommending Approval
Document Collaboration and Backup Solution for TRWD and IPL	Dell ASAP and Sequel Data Systems for operating system; SHI Government Solutions Inc. for backup systems	\$286,830.64 for a term of 4 years with annual payments of \$71,707.66 for the operating system. \$206,708.70 for a term of 3 years with annual payments of \$68,902.90 for backup systems. \$66,925 for a total expenditure this fiscal year of \$207,535.56 for system licenses	General	Technology

Heavy Duty Tag Trailer	Kirby Smith Machinery	\$27,905	General	Construction and Operations
Pickup 1/2 Ton 4WD Ext/Quad Cab SWB	Caldwell Country Chevrolet	\$23,975	General	Construction and Operations
Pickup 1/2 Ton 4WD Ext Cab SWB	Caldwell Country Chevrolet	\$22,978	Revenue	Construction and Operations
Cab & Chassis 3/4 Ton 2WD Ext LWB with utility bed	Philpott Motors	\$27,946	Revenue	Construction and Operations
Pickup 3/4 Ton 4WD Ext/Quad Cab SWB	Philpott Motors	\$25,865	Revenue	Construction and Operations
Pickup 3/4 Ton 4WD Ext/Quad Cab SWB	Philpott Motors	\$25,565	Revenue	Construction and Operations
Pickup 1/2 Ton 2WD Reg Cab	Sam Pack's Five Star Ford	\$16,713	Revenue	Construction and Operations
Pickup 1/2 Ton 2WD Reg Cab	Sam Pack's Five Star Ford	\$16,713	Revenue	Construction and Operations
Pickup 1/2 Ton 4WD Ext/Quad Cab SWB	Caldwell Country Chevrolet	\$23,975	Revenue	Construction and Operations
Pickup 1/2 Ton 4WD Ext/Quad Cab SWB	Caldwell Country Chevrolet	\$24,975	Revenue	Construction and Operations
4DR Sedan	Caldwell Country Chevrolet	\$17,646	Revenue	Construction and Operations
Heavy Duty Rigid Gooseneck Trailer	Kirby Smith Machinery	\$42,178	Revenue	Construction and Operations
4WD Utility Vehicle with Dump Bed and Trailer	Zimmerer Kubota & Equipment Company	\$16,118	Revenue	Construction and Operations

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

5.


With the recommendation of management and the Oil and Gas Committee, Director Sparks moved to grant the authority to lease the District's mineral rights in and to .99 acres of land described in Exhibit A and shown on the plat below to Chesapeake Exploration, LLC for the bonus amount of \$4,950, 26.5 percent royalty, and a three (3) year primary term.

Exhibit A

Tract 1: 0.340 acres of land, more or less, out of the J. Watson Survey A-1670, and being a part of Lot 1 Block 1 Brookside Annex to the City of Fort Worth, Tarrant County, Texas, according to the plat recorded in 388-A, Page 86, Plat Records, Tarrant County, Texas, and further described by metes and bounds in that certain Warranty Deed dated 12/21/1954 between George and Helen Phiripes as Grantor an Tarrant County Water Control and Improvement District #1, recorded in Volume 2809, Page 215, Deed Records, Tarrant County, Texas.

Tract 2: 0.65 acres of land, more or less, out of the N.H. Carroll Survey, A-264, and being a portion of the tract conveyed to Tarrant County Water Control and Improvement District Number One by a deed of record in Volume 4027, Page 687, Deed Records, Tarrant County, Texas, said portion more particularly described by metes and bounds in that certain Special Warranty Deed dated October 8, 1974 between Tarrant County Water Control and Improvement District Number One as grantor and Emma Roberts Max as Grantee and recorded in Volume 5725 Page 196, Deed Records, Tarrant County, Texas.




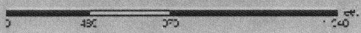


TARRANT REGIONAL WATER DISTRICT

TRWD Mineral Ownership

MAP PRODUCED ON 10/13/10 BY TRWD.HI

THIS MAP IS A MINERAL OWNERSHIP MAP AND DOES NOT REPRESENT A TITLE OPINION. THE TARRANT REGIONAL WATER DISTRICT IS NOT A TITLE INSURANCE COMPANY AND DOES NOT PROVIDE TITLE INSURANCE. THE TARRANT REGIONAL WATER DISTRICT IS NOT A TITLE INSURANCE COMPANY AND DOES NOT PROVIDE TITLE INSURANCE.

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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.

6.

With the recommendation of management, Director Leonard moved to adopt a resolution to permit the General Manager to apply for the water rights permit to take excess flows at Eagle Mountain and Benbrook reservoirs. Director Stevens 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 an amount not to exceed \$826,400 for Freese & Nichols, Inc. to commence Phase 2 of the Cedar Creek Comprehensive Dam Assessment. \$1,000,000 was provided in the 2009 Bond Issue for this project, of which \$84,400 was approved at the December 2009 Board of Directors' meeting. 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 Sparks moved to enter into an agreement with J. R. Sheldon & Co., Inc., the best conforming proposer, in the amount of \$951,000 for isolation valves replacement at Cedar Creek booster pump stations. Funding for this agreement is included in the Bond Fund. Director Lane seconded the motion and the vote in favor was unanimous.

9.

With the recommendation of management and the Construction and Operations Committee, Director Leonard moved to approve the reimbursement of \$977,106.96 to Energy Transfer Fuel GP, LLC for the construction cost of relocating and anchoring a section of its existing gas line in the Richland-Chambers Phase II Wetlands project site as required to accommodate adequate design elevation for a treated water canal. Funding for this reimbursement is included in the Bond Fund. Director Lane seconded the motion and the vote in favor was unanimous.

10.

With the recommendation of management and the Construction and Operations Committee, Director Stevens moved to approve the contract amendment with Alan Plummer Associates, Inc. (APAI) to increase the total contract amount by \$341,940 for additional Richland-Chambers Wetlands Phase II professional design services. This amendment will change the total contract amount from \$4,380,670 to \$4,722,610. Funding for this contract is included in the Bond Fund. Director Lane seconded the motion and the vote in favor was unanimous.

11.

The Board of Directors recessed for a break from 10:32 a.m. to 10:41 a.m.

12.

The presiding officer next called an executive session at 10:41 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.

13.

Upon completion of the executive session at 11:03 a.m., the President reopened the meeting.

14.

With the recommendation of management, Director Lane moved to approve a partial settlement with CBS Outdoor, Inc. of pending litigation. The proposed partial settlement calls for the District and CBS Outdoor, Inc. to cooperate in attempting to secure permission of the City of Fort Worth for CBS to relocate the outdoor advertising sign at issue in the case and would require CBS Outdoor, Inc. to dismiss its pending claims without prejudice. Director Leonard seconded the motion and the vote in favor was unanimous.

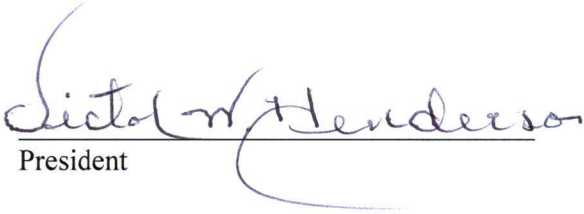
15.

Staff Updates


- Modern Streetcar Update

16.

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



President



Secretary