

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT REGIONAL WATER DISTRICT
HELD ON THE 17TH DAY OF MAY 2011 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, Darrel Andrews, Stacy Beeson, Ken Brummett, Steve Christian, Linda Christie, Jeff Coffey, David Geary, Tom Jacobs, Nancy King, David Marshall, Jennifer Mitchell, Sandy Newby, Mark Olson, Wayne Owen, 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, Schell, Kelly, & Ray LLP; Dick Fish of Save Eagle Mountain Lake; Alan Plummer and John Minahan of Alan Plummer Associates, Inc.; Randy Romack and Mike McCure of Black & Veatch; Don Funderlic of Camp Dresser & McKee, Inc.; Cristina Criado of CRIADO; Chandra Marshall-Henson of the City of Dallas; Rusty Gibson of Freese and Nichols, Inc.; Gary Savanyu of Gunter; Justin Reeves of Lockwood, Andrews & Newnam, Inc.; Ron Morrison of RBC Capital Markets Corporation; Kevin Fuller of TEI Program & Construction Management; Darren Webber of Vanir Construction Management, Inc.; Judd Pritchard of TRC-JV 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 Lane, the Directors unanimously voted to approve the minutes from the meetings held April 19 and April 25, 2011. 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. (SEML) reported that 13 participants from SEML and Dido United Methodist Church participated in the Eagle Mountain Lake Cleanup. A caution buoy was retrieved from the shoreline and returned to David Geary. Mr. Fish commented that the great appearance of the Eagle Mountain Lake Park speaks to it being well maintained.

Mark Ernst and Mr. Fish attended a seminar on the watershed presented by the North Texas Council of Governments (NTCOG) at the Azle Library on May 11, 2011. When asked about a potential bridge across the lake, John Promise, a NTCOG Director, confirmed that the bridge has been removed from the plan.

4.

STAFF UPDATES

- Water Conservation Awareness Campaign
- 82nd Legislature

5.

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

Project	Vendor	Approved Amount	Funding Source	Committee Recommending Approval
Annual subscription to DrillingInfo.com	DrillingInfo.com	\$29,300	General	Technical Advisory
Aerial Imagery License Agreement	North Central Texas Council of Governments	Not to exceed \$54,067.32--to be paid in two equal sums of \$27,033.66 each in FY 2011 and FY 2012	General	Technical Advisory
Replacement of Utility Poles and Two Piece Insulators	Texas Electric Utility Construction	\$79,220	Revenue	Construction and Operations

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

6.

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

Equipment	Vendor	Amount	Funding Source/s	Committee
Twin Points Phase One - Up To 4,000 tons of limestone rock rip rap and up to 1,500 tons of limestone gravel bedding	Chico Limestone	\$19.50 per ton and a not to exceed amount of \$78,000 (4,000 tons x \$19.50) for limestone rock rip rap confirmed	General	Construction and Operations
	DFW Materials	\$13.64 per ton and a not to exceed amount of \$20,460		

		(1,500 tons x \$13.64) for limestone gravel bedding for a total not to exceed cost of \$98,460		
Up to 2,725 Tons of Type A, Grade 1 Road Base to Build Pipe Storage Pad at Ennis Pump Station and Kennedale Balancing Reservoir	Vulcan Materials	\$58,879.50 (not to exceed)	Revenue	Construction and Operations

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

7.

With the recommendation of management and the Construction and Operations Committee, Director Leonard moved to adopt an Interlocal Cooperation Agreement with the North Texas Municipal Water District and the City of Dallas to jointly study the feasibility of constructing shared infrastructure to divert return flows from the Trinity River and deliver such flows to locations that benefit each of the parties. Director Lane 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 a contract with Alan Plummer Associates, Inc. to evaluate feasibility of a centralized Trinity River Diversion Facility, for an amount not to exceed \$150,000 to be equally cost shared between North Texas Municipal Water District, the City of Dallas and Tarrant Regional Water District. Funding for this contract is included in the FY 2011 Revenue Fund. Director Stevens seconded the motion and the vote in favor was unanimous.

9.

With the recommendation of management, the Construction and Operations Committee and Black & Veatch, Director Sparks moved to enter into a contract with Andritz Hydro Inc. for pre-purchase of hydro-turbine generator equipment for the Arlington Outlet Hydroelectric Project for the amount of \$2,907,497. Funding for this contract 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 Leonard moved to enter into a contract with FibrWrap Construction, L.P., for carbon fiber rehabilitation of 72" Cedar Creek Pipeline at Ebenezer Road for an amount not to exceed \$226,000. Funding for this contract is included in the FY 2012 Revenue Fund. Director Lane seconded the motion and the vote in favor was unanimous.

11.

With the recommendation of management and the Real Property Committee, Director Lane moved to amend the Integrated Pipeline Project Right of Entry Services Agreement with Pinnacle Consulting Management Group, Inc. to include an additional 200 parcels for an amount not to exceed \$210,000. Funding for this contract is included in the Bond Fund.

In addition, Wesley Cleveland is granted authority to execute all documents associated with this contract amendment. Director Stevens seconded the motion and the vote in favor was unanimous.

With the recommendation of management and the Real Property Committee, Director Lane moved to approve an Agreement to Modify a Restrictive Covenant at Cedar Creek Reservoir to decrease the current minimum size allowed for construction of single family residences from 1,600 square feet of living space under roof to 1,200 square feet on two parcels of land previously conveyed by Tarrant County Water Control and Improvement District Number One ("the District") to William A. Sisul and wife, Juanita M. Sisul as follows:

7.3 acres, more or less, situated in the Sharp Whitley Survey, A- 798, Henderson County, Texas, and further described in that certain Agreement to Modify Restrictive Covenant dated July 17, 1995 between the District and William A. Sisul and wife, Juanita M. Sisul.

31.46 acres, more or less, situated in the Sharp Whitley Survey, A-798, Henderson County, Texas, and further described in a deed dated July 17, 1995 from the District to William A. Sisul and wife, Juanita M. Sisul.



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

13.

The Board of Directors recessed for a break from 10:57 a.m. to 11:14 a.m.

14.

The presiding officer next called an executive session at 11:14 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 551, 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.

15.

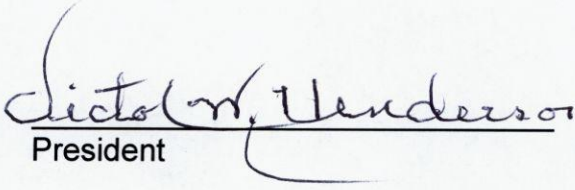
Upon completion of the executive session at 11:21 a.m., the President reopened the meeting.

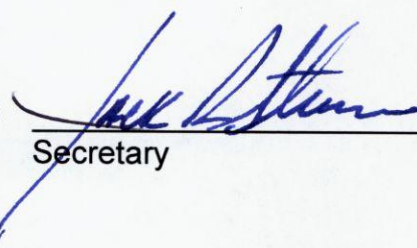
16.

With the recommendation of management and General Counsel, Director Sparks moved to approve a Settlement Agreement of the claims of W. L. Thompson, S. R. Harvard a/k/a Sam Harvard, and the Heirs of Coy Geleane Fowler in the Montgomery Lawsuit. Director Lane seconded the motion and the vote in favor was unanimous.

17.

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


President


Secretary
