

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT REGIONAL WATER DISTRICT
HELD ON THE 15TH DAY OF NOVEMBER 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, Kathy Berek, Jenna Brummett, Steve Christian, Linda Christie, Woody Frossard, J. D. Granger, Brice Komatsu, Nancy King, Chad Lorance, David Marshall, Rachel Navejar, Sandy Newby, Mark Olson and Wayne Owen.

Also in attendance were George Christie, General Counsel for Tarrant Regional Water District (Water District); Lee Christie, Hal Ray, and Ethel Steele of Pope, Hardwicke, Christie, Schell, Kelly, & Ray LLP; Bill Marshall of Save Eagle Mountain Lake; Gary Savanyu of Beta/Foster; Michael Dempsey of Burns & McDonnell; Don Funderlic, Dan Buhman and Doug Varner of CDM; Brian Newby of Cantey Hanger, LLP; Matt Johansen and Tatianna Troutman of Citi Bank; Laura Alexander of First Southwest; Ron Lemons of Freese and Nichols, Inc.; Pat Whiteley of Hanson Pressure Pipe; Matt Garcia of MWH; Quincy Roberts of Roberts Trucking; Christine Jacoby and Charley Mock of Shaw; Adelaide Leavens of Streams and Valleys; Kevin Fuller of TEI Program & Construction Management; Judd Pritchard, Bryan Eppstein and Bill Parton of TRC-JV; Craig Pedersen of URS Corporation 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 Leonard, the Directors unanimously voted to approve the minutes from the meetings held October 18 and 27, 2011. It was accordingly ordered that these minutes be placed in the permanent files of Tarrant Regional Water District.

3.

During public comment Bill Marshall of Save Eagle Mountain Lake (SEML) expressed appreciation to Jim Oliver, David Geary and Mark Ernst for providing Water District updates on the Eagle Mountain watershed protection efforts at SEML's annual meeting. This information generated a lot of response from guests. Mr. Marshall also thanked the Board for their support.

Also, Adelaide Leavens of Streams and Valleys reported on the annual Friends of the River event. She also expressed appreciation for Jason Gallagher getting things set up for the event and for Darrel Andrews recruiting and coordinating the "fish head" volunteers. Proceeds for this year's event were \$73,000.

4.

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

Equipment	Vendor	Amount	Funding Source/s	Committee
Forklift 15,000 LB Capacity	American Material Handling Inc.	\$57,010	Revenue	Construction and Operations

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

5.

With the recommendation of management and the Finance Committee, Director Lane moved to approve the first amendment to the Financial Advisory Services Contract with First Southwest Company. Director Leonard seconded the motion and the vote in favor was unanimous.

6.

With the recommendation of management and the Finance Committee, Director Leonard moved to approve a Safekeeping Agreement with JP Morgan Chase Bank. Director Lane seconded the motion and the vote in favor was unanimous.

7.

With the recommendation of management and the Environmental Committee, Director Leonard moved to ratify the contracts with Ecological Communications Corporation and Resthaven Memorial Park in amounts not to exceed \$140,070.60 and \$57,407.25 respectively, to perform necessary work to relocate a cemetery which has been discovered in Richland-Chambers Reservoir. Funding for this contract is included in the FY 2012 Revenue Fund. Director Lane seconded the motion and the vote in favor was unanimous.

8.

With the recommendation of management and the Environmental Committee, Director Sparks moved to approve a contract amendment with SWS Environmental for former American Cynamid-Cytec RAP implementation for an amount not to exceed \$750,000 for a contract total of \$2,298,590. Funding for this payment is included in the FY 2012 General Fund. Director Lane seconded the motion and the vote in favor was unanimous.

9.

With the recommendation of management, Director Leonard moved to adopt the Lake Resident Water Conservation and Drought Management Plan. Director Lane seconded the motion and the vote in favor was unanimous.

10.

With the recommendation of management, Director Leonard moved to approve amendments to the General Ordinance to conserve and reduce waste of water by lakeside residents using water for irrigation purposes from reservoirs and lakes owned or operated by the Water District and to authorize staff to publish such revised Ordinance in newspapers of general circulation as required by Section 51.129, Texas Water Code. 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 Lane moved to enter into an agreement with L-3 Communications for disassembly of C-9 airplane to be used in the construction of the Airfield Falls Trailhead for an amount not to exceed \$57,222. Funding for this agreement is included

in the FY 2012 General Fund. Director Leonard seconded the motion and the vote in favor was unanimous.

12.

Staff Updates

- TRWD Recreation Project/Program Development
- System Status/System Reliability Update
- Drought video

13.

The Board of Directors recessed for a break from 10:44 a.m. to 10:57 a.m.

14.

The presiding officer next called an executive session at 10:57 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.

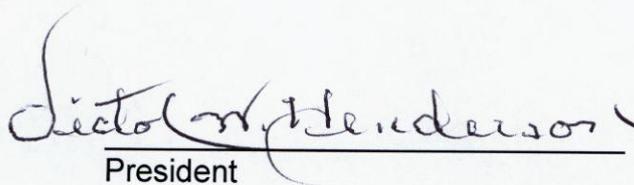
Upon completion of the executive session at 11:25 a.m., the President reopened the meeting.

16.

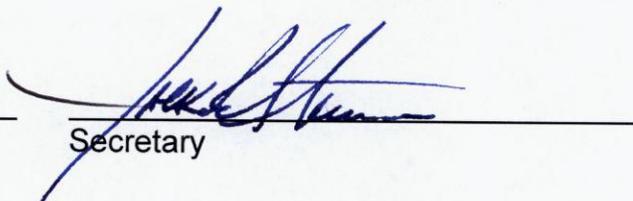
With the recommendation of management, Director Lane moved to approve the settlement of claims of the defendants in the Rubin Lawsuit in the amount of \$5,000,000. Funding for this settlement is included in the FY 2012 General Fund Budget. Director Sparks seconded the motion and the vote in favor was unanimous.

17.

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



President



Secretary