

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF  
TARRANT REGIONAL WATER DISTRICT  
HELD ON THE 19<sup>th</sup> DAY OF JUNE 2018 AT 9:00 A.M.

---

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

Present

Jack Stevens  
Marty Leonard  
James Hill (arrived at 9:11 a.m.)  
Jim Lane

Absent

Leah King

Also present were Jim Oliver, Alan Thomas, Dan Buhman, Darrell Beason, Steve Christian, Linda Christie, Wesley Cleveland, Randall Cocke, Dustan Compton, Jason Gehrig, JD Granger, Rachel Ickert, Nancy King, Chad Lorange, Mick Maguire, Dave Marshall, Sandy Newby, Wayne Owen, Kirk Thomas and Ed Weaver.

Also in attendance were George Christie, Lee Christie, Jeremy Harmon, Kevin Lee, Ethel Steele and Mike Atchley of Pope, Hardwicke, Christie, Schell, Kelly & Taplett, L.L.P. General Counsel for Tarrant Regional Water District (District or TRWD); Denis Qualls of City of Dallas Water Utilities; Bill Paxton of the Paxton Firm; Amanda Smayda of JQ; Frank Crumb of Halff and Associates; Molly Carson of McCall, Parkhurst & Horton, L.L.P.; Nii Andrews and John Aughinbaugh, P.E. of Project Management Associates, Adam Evans of CDM Smith; Matt Garcia of AECOM; Bill Long of CAS Engineering and Jon Hockenyos and Travis James of TXP, Inc.

President Stevens convened the meeting with 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 Pledges of Allegiance

to the U.S. and Texas flags.

2.

On a motion made by Director Leonard and seconded by Director Stevens, the Directors voted to approve the minutes from the Board meeting held on May 15, 2018. Director Lane abstained from this vote due to being absent last month. It was accordingly ordered that these minutes be placed in the permanent files of the District.

3.

With the recommendation of management, Director Leonard moved to approve the water sales contract with Runway Bay Golf Club, LLC at Lake Bridgeport. The District has provided water supply to the Runway Bay Golf Course under various agreements since 1984. There has been a succession of owners of the course. Recently, the course was purchased by Runway Bay Golf Club, LLC. The proposed contract succeeds a 2004 contract with ROWSCO, Inc. which had been assigned in 2008 to the immediate prior owner, Warrior Acquisitions LLC. Director Lane seconded the motion and the vote in favor was unanimous.

4.

With the recommendation of management, Director Leonard moved to approve a contract with Lyness Construction, LP in the amount of \$170,040 for erosion repairs at the Richland-Chambers Discharge Channel Low Water Dam. Funding for this item is included in the Fiscal Year 2018 Revenue Fund Budget. Director Lane seconded the motion and the vote in favor was unanimous.

5.

With the recommendation of management, Director Leonard moved to approve a task order agreement with Freese and Nichols, Inc (FNI) in a not-to-exceed amount of

\$88,625 for a supplemental study of Channel TWC-A, a treated water canal just north of the Richland-Chambers Reservoir Dam. Funding for this item is included in the Fiscal Year 2018 Revenue Fund Budget. Director Lane seconded the motion and the vote in favor was unanimous.

6.

With the recommendation of management, Director Lane moved to approve the Investment Policy and Strategies dated June 19, 2018 for the District. Director Hill seconded the motion and the vote in favor was unanimous.

7.

With the recommendation of management, Director Hill moved to approve a letter to the City of Fort Worth from the District's Board of Directors to extend Trinity River Vision's TIF 9 and 9A for ten additional years, to 2054, or upon completing repayment to the District, whichever occurs sooner. Director Leonard seconded the motion and the vote in favor was unanimous.

8.

With the recommendation of management, Director Leonard moved to approve a credit change order in the amount of \$2,638,142.03 for the reconciliation of extra work and allowance items to the Section 15-2 BAR Constructors, Inc. contract. The original contract value was \$51,979,390. Approved change orders to date totaling \$1,402,344.66 put the current contract value at \$53,381,734.66. The total amount of this credit change order of \$2,638,142.03 reduces the total contract value to \$50,743,592.63. Funding for this contract is included in the Bond Fund. Director Lane seconded the motion and the vote in favor was unanimous.

9.

With the recommendation of management, Director Lane moved to approve release of retainage and final payment in the amount of \$1,505,660.37 and contract closeout with BAR Constructors, Inc. for Section 15-2 of the Integrated Pipeline Project. The original contract value was \$51,979,390 and with approved change orders to date totaling a credit of \$1,235,797.37 the final contract value is \$50,743,592.63. Funding for this contract is included in the Bond Fund. Director Hill seconded the motion and the vote in favor was unanimous.

10.

#### Staff Updates

- System Status Update
- Update on Water Conservation Programs

11.

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

The Board of Directors recessed for a break from 9:41 a.m. to 9:55 a.m.

12.

The presiding officer next called an executive session at 9:55 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, and to Conduct a Private Consultation with Attorneys Regarding Pending or Contemplated Litigation (*Tarrant Regional Water District v. Lazy W District No. 1, et al.*, Cause No. 2014C-0144 in the 3<sup>rd</sup> District Court of Henderson County, Texas, Cause No. 12-14-00329-CV in the Twelfth Court of Appeals, Tyler, Texas and Cause No. 15-0117 in the Supreme Court of Texas;

*White House Cemetery Association v. Jasper and Evelyn Stevens and Tarrant Regional Water District*, Cause No. 08001-CCL-15, in the County Court at Law No. 1 of Henderson County, Texas; *Wilson Family Cemetery Association v. The Estate of Genie Warren, Jr. and Tarrant Regional Water District*, Cause No. 08026-CCL-15 in the County Court at Law No. 1 of Henderson County, Texas; *Tarrant Regional Water District v. Darcy Lee Knapp, et al*, Cause No. 2016-000701-3 in the County Court at Law No. 3 of Tarrant County, Texas; *Tarrant Regional Water District v. Darcy Lee Knapp, et al*, Cause No. CC-E20160002 in the County Court at Law No. 2 of Johnson County, Texas; *Tarrant Regional Water District v. Charles R. Williams, et al*, Cause No. 2012-007010-1 in the County Court at Law No. 1 of Tarrant County, Texas; *Tarrant Regional Water District v. Leslie K. Gerron and Bob Beakley*, Cause No. 14-C-3773 in the County Court at Law No. One of Ellis County, Texas; *Tarrant Regional Water District v. Leslie K. Gerron and Bob Beakley*, Cause No. 14-C-3774 in the County Court at Law No. One of Ellis County, Texas; *Tarrant Regional Water District v. Gerron Family Ltd., et al*, Cause No. 14-C-3772 in the County Court at Law No. One of Ellis County, Texas; *Tarrant Regional Water District v. John L. Sullivan, et al*, Cause No. 14-C-3555 in the County Court at Law No. One of Ellis County, Texas; *W.G. Yates & Sons Construction Company v. Tarrant Regional Water District, et al*, Cause No. 48-279246-15 in the 48<sup>th</sup> District Court of Tarrant County, Texas); and under Section 551.072 to Deliberate the Purchase, Exchange, Lease or Value of Real Property. Upon completion of the executive session at 10:27 a.m., the President reopened the meeting.

13.

With the recommendation of management and General Counsel, Director Hill moved to approve the proposed settlement of claims in the Integrated Pipeline Project

Knapp condemnation (Parcel 982) for the amount of \$270,000. Funding for this settlement is included in the Bond Fund. Director Lane seconded the motion and the vote in favor was unanimous.

14.

With the recommendation of management and General Counsel, Director Lane moved to approve the proposed settlement of claims in the Integrated Pipeline Project Knapp condemnation (Parcel 1066) for the amount of \$380,000. Funding for this settlement is included in the Bond Fund. Director Hill seconded the motion and the vote in favor was unanimous.

15.

With the recommendation of management and General Counsel, Director Hill moved to approve the proposed settlement of claims in the Integrated Pipeline Project Gerron and Gerron Family Ltd. condemnation (Parcels 410, 412, 419) for the amount of \$375,000. Funding for this settlement is included in the Bond Fund. Director Lane seconded the motion and the vote in favor was unanimous.

16.

With the recommendation of management and General Counsel, Director Leonard moved to approve the proposed settlement of claims in the Integrated Pipeline Project Sullivan condemnation (Parcel 414) for the amount of \$99,000. Funding for this settlement is included in the Bond Fund. Director Lane seconded the motion and the vote in favor was unanimous.

17.

With the recommendation of management and General Counsel, Director Lane

moved to approve the proposed settlement of claims in the Trinity River Vision Project Omaha Surplus and Williams condemnation for the amount of \$1,500,000. Funding for this settlement is included in the Fiscal Year 2018 General Fund. Director Leonard seconded the motion and the vote in favor was unanimous.

18.

With the recommendation of management and General Counsel, Director Hill moved to approve the proposed settlement of claims in the Yates lawsuit involving the construction of the Administration Building North and parking garage for payment by Yates to the District in the amount of \$500,000, rescission of the termination of the Yates contract, District retention of the \$309,795.68 retainage under the Contract, District acceptance of the Project and Project closeout. Staff also requested authorization to execute all necessary settlement documents. Director Lane seconded the motion and the vote in favor was unanimous.

19.

There were no future agenda items approved.

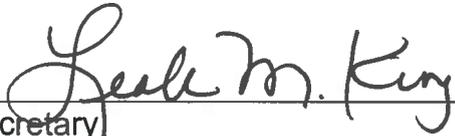
20.

The next board meeting was scheduled for July 17, 2018 at 9:00 A.M.

The presiding officer next called an additional executive session at 10:31 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, and under Section 551.072 to Deliberate the Purchase, Exchange, Lease or Value of Real Property. Upon completion of the executive session at 11:14 a.m., the President reopened the meeting.

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

  
\_\_\_\_\_  
President

  
\_\_\_\_\_  
Secretary