

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
HELD ON THE 15TH DAY OF MARCH, 1968 AT 11:00 A.M.

- - - - -

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

PRESENT

- Joe B. Hogsett
- Lacy Boggess
- Wayne E. Newton
- Clyde A. Penry
- Edward R. Hudson

Also present were Messrs. John M. Scott General Counsel for the
District and Ben Hickey General Manager of the District.

Director Hogsett acted in his capacity as President and
Director Newton acted in his capacity as Secretary, whereupon pro-
ceedings were had and done as follows:

1.

On motion duly made and seconded, the minutes of the
meeting held March 1, 1968 were read and approved by the Directors
and it was accordingly ordered that such minutes be placed in the
permanent files of the District.

2.

On motion of Director Hudson, seconded by Director Penry,
voucher-checks #5725 thru #5789 inclusive, Maintenance Fund; voucher-
checks #1751 thru #1766 inclusive, Construction Fund; voucher-checks
#1165 thru #1183 inclusive, Revenue Fund and voucher-checks #249 and
#250 Interest and Sinking Fund were approved and ordered paid upon
receiving the approval and verification of Mr. J. M. Williams, County

#127

Auditor who by virtue of the Statutes is the Auditor of this District as well. All Directors voted aye thereon.

3.

President Hogsett presented the following proposed amendment as executed by the City of Fort Worth on March 4, 1968, to wit:

THE STATE OF TEXAS §
 KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF TARRANT §

WHEREAS, TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE, hereinafter sometimes called "the District", entered into a Contract with the CITY OF FORT WORTH, hereinafter sometimes called "the City", which Contract was executed by the City on the 22nd day of January, 1960, and by the District on the 22nd day of January, 1960, and which Contracts relates to the construction of Cedar Creek dam, reservoir, pipe line and other facilities, and to the supplying of raw water therefrom to the City of Fort Worth; and,

WHEREAS, the Contract contained a provision entitled "Additional Raw Water Price for Treated Water Sold by City for Use Outside District Boundaries", which provision reads as follows in the original Contract:

The City shall have the right, during the entire period of this Agreement, to sell treated water for use in areas outside of the City Limits and outside the boundaries of the District as such boundaries exist at the time of such sale. The City shall pay to District twice the price specified herein for raw water delivered to City for such quantities of treated water as may be sold by City for use outside the boundaries of the District.

It is, however, specifically agreed that the City

#128

will not sell treated water for use outside the boundaries of the District at a price less than the reasonable cost of treating and delivering the water to the point of delivery, plus twice the price specified herein for raw water delivered to City, for such quantities of treated water as may be sold by City for use outside the boundaries of the District."

And, WHEREAS, since the date of the Contract the parties have found that this provision requires the City to offer treated water at prices in excess of the reasonable cost of treated water available to potential customers outside the District from other sources, and thus the Contract provision has curtailed and limited the City of Fort Worth in selling treated water for such use in Tarrant County, Texas; and

WHEREAS, the design capacity of Cedar Creek reservoir and the plan and intention of the parties to the Contract was to provide an adequate supply of raw water for use in Tarrant County, Texas; and,

WHEREAS, the parties to the Contract intended and desired that the use of raw water in areas outside the City of Fort Worth and outside the boundaries of the District, and the revenues to be derived from such use are desirable and necessary to pay the cost of supplying the raw water to such users to the end that ad valorem taxes for such purpose will be avoided or held to the lowest possible amounts, and that therefore it is mutually desirable for the Contract section quoted above to be amended,

NOW, THEREFORE, WITNESS THIS AGREEMENT:

The City and District agree that the provisions of the

Contract hereinabove set forth shall be amended so that from and after January 1, 1968 the Contract provisions hereinabove quoted shall be deleted and in lieu thereof the following shall become a part of the original Contract, said new provisions to read as follows:

ADDITIONAL RAW WATER PRICE FOR TREATED
WATER SOLD BY CITY UNDER TERM CONTRACTS
FOR USE OUTSIDE DISTRICT BOUNDARIES

The City shall have the right, during the entire period of this agreement, to sell treated water for use in areas outside of the City limits and outside the boundaries of the District as such boundaries exist at the time of such sale.

The City shall pay to District for raw water delivered to City for use as treated water outside the boundaries of District by customers having term contracts the same price as City pays to District for water to be used inside the boundaries of District, plus 1¢ per 1,000 gallons of raw water.

The parties agree if District is required to levy ad valorem taxes to support the Cedar Creek project, or additional raw water supplies, that users of treated water outside the boundaries of District should pay an additional raw water charge equivalent to their proportion of the revenue deficiency. It is, therefore, agreed that when District establishes the amount of such deficiency and notifies City thereof, City will pay to District for raw water used as treated water outside the boundaries of District by customers having term contracts an additional raw water charge per 1,000 gallons in the amount determined by District to

be ratable considering the proportion of use of such water outside the boundaries of District to the use inside such boundaries.

ADDITIONAL RAW WATER PRICE FOR TREATED
WATER SOLD BY CITY OTHERWISE THAN UNDER
TERM CONTRACTS FOR USE OUTSIDE CITY

The City shall pay to District for raw water delivered to City for use as treated water outside the City by customers who do not enter into term contracts with City twice the price specified in this Contract for raw water delivered to City for use inside City.

EFFECTIVE DATE

This Agreement of Amendment to the Contract between the City and the District relating to the construction of Cedar Creek dam, reservoir, pipe line and other facilities and to the supplying or raw water therefrom to the City of Fort Worth is now executed pursuant to the authority by law conferred upon the respective governing bodies of the City and the District. It shall become effective on and as of January 1, 1968.

CITY OF FORT WORTH

By /s/ DeWitt McKinley
Mayor

ATTEST:

/s/ Roy A. Bateman
Secretary of the City of Fort Worth

On this the 4th day of March, 1968.

APPROVED AS TO FORM:

By: /s/ S. G. Johndroe, Jr.
City Attorney

TARRANT COUNTY WATER CONTROL AND
IMPROVEMENT DISTRICT NUMBER ONE

ATTEST:

By: /s/ Joe B. Hogsett
President, Board of Directors

By: /s/ Wayne E. Newton
Secretary of the Tarrant County
Water Control and Improvement
District Number One.

On this the 15th day of March, 1968.

APPROVED AS TO FORM:

BROWN, HERMAN, SCOTT, YOUNG & DEAN

By: /s/ John M. Scott
Attorneys for Tarrant County
Water Control and Improvement
District Number One.

Following a review and general discussion of the proposed amendment and with the recommendations of the Consulting Engineers, General Counsel and Management of the District, Director Boggess, seconded by Director Newton, made the motion that the District be now authorized to execute the Contract Amendment as hereinabove listed. Upon a vote taken all Directors voted aye and it was so ordered.

4.

Mr. Ben Hickey, General Manager of the District, requested authority for the District to enter into Contract for the purchase of the following described tract of land required for Program D - West Fork, on the following basis for payment, to wit:

Tract No. 35 - Jno. R. Morris, et ux - .2 acre more or less in fee + right for temporary work easement area - Program D West Fork @ Lump Sum \$2,500.00.

Following a detailed presentation of the tract, and upon

recommendation of management of the District, Director Hudson, seconded by Director Newton, moved that the District be authorized to enter into Contract for the purchase of the above described tract and on the basis as shown. This meeting with the approval of all Directors, it was so ordered.

5.

The matter pertaining to the fact that certain individuals owning land within the flood plain of the Trinity River, near the Jacksboro Highway - University Drive area, have indicated plans to fill or otherwise obstruct the flow of flood water was reviewed by management of the District; and in the general discussion following, general Counsel for the District stated to the Directors that there appeared to him to be a legal question of importance from the standpoint of liability if a landowner erects a fill or other improvements in the flood plain area which has the effect of obstructing flood flows, and that he (Mr. John M. Scott) would recommend to the Directors that General Counsel, Consulting Engineer and General Manager of the District be authorized to confer with proper officials of the State of Texas regarding such matters. It was the unanimous opinion of all Directors, and their order, that Mr. Scott's recommendation be followed.

6.

A report was given by management of the District regarding those certain lands being upstream and on the upper reaches of the Cedar Creek Reservoir in respect to the "back water" affect, and severance by the now impounding of water in those certain

creeks emptying into the reservoir that prior to construction of the reservoir contained intermitten run-off waters.

Following a thorough discussion of the matter, and upon recommendation of management and consulting engineers for the District, it was the unanimous opinion of the Directors and their order, that acquisition of the described lands be carried out in the manner heretofore adopted by the District, and that funds for the acquisition be used from other District funds, and replaced upon the sale of land surplus to District's requirements at the Cedar Creek Reservoir.

7.

President Hogsett called to the attention of the Directors that retainer or general service fees paid to the law firm of Brown, Herman, Scott, Young and Dean have remained the same since 1953 and at this time consideration should be given to adjusting the fee; wherein a general discussion was held and it was shown that District activities and legal work load of the attorneys have had tremendous growth since 1953.

Following the discussion Director Hudson, seconded by Director Boggess, made the motion that the monthly retainer fees paid to Brown, Herman, Scott, Young and Dean be established as of January 1, 1968 at \$1,000.00 per month. Upon a vote taken all Directors voted aye and it was so ordered.

8.

President Hogsett presented to the Directors the Monthly

Financial Reports regarding receipts and disbursements for Program "A", "B" and "D" and Cedar Creek Project, for the months of January and February, 1968 from the Auditor of the District, which were ordered accepted and placed in the District's Records.

9.

President Hogsett presented to the Directors the Annual Audit Report, for the year 1967, from the Auditor of the District, which was ordered accepted and placed on file in the District's Records.

10.

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

Wayne E. Newton
Secretary

W. R. Hogsett
President