

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
HELD ON THE 9TH DAY OF JANUARY, 1979 AT 9:30 A. M.

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

PRESENT

Wayne E. Newton
Clyde A. Penry
J. Oliver Shannon
C. Victor Thornton
Preston M. Geren

Also present were Messrs. Joe B. Hogsett, Honorary Chairman of the Board of Directors; John M. Scott, General Counsel for the District; Representatives from Freese and Nichols, Inc.; McCall, Parkhurst and Horton and First Southwest; two Reporters; R. M. Doby, Manager of Fiscal Affairs for the District; James L. Strawn, Manager of Planning and Development for the District and Ben Hickey, General Manager of the District.

Director Newton acted in his capacity as President and Director Shannon acted in his capacity as Secretary, whereupon proceedings were had and done as follows:

1.

On motion duly made and seconded, and with assurance from management that all requirements of law relating to the "open meeting" law had been met, the minutes of the meeting held December 14, 1978 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.

Director Thornton moved and the motion was seconded by

Director Shannon and unanimously approved that the following list of vouchers be approved and paid: Voucher-checks #21845 thru #21993 inclusive, Maintenance Fund, in the amount of \$544,176.47; voucher-checks #6749 thru #6809 inclusive, Revenue Fund, in the amount of \$392,153.00; voucher-checks #620 thru #624 inclusive, Interest and Sinking Fund, in the amount of \$405,143.02; voucher-checks #3571 and #3572, Construction Fund, in the amount of \$150,500.00 and voucher-checks #4271 thru #4275 inclusive, Cedar Creek Construction Fund, in the amount of \$6,534.03.

3.

President Newton called on Mr. James Nichols of the firm of Freese and Nichols, Inc. Consulting Engineers for the District, to report on the progress of a study heretofore authorized by the District, to develop a projected plan of water requirements for Tarrant County through the year 2030; and an updated plan to meet those requirements from a new water supply source. Whereon Mr. Nichols presented all present a copy of his report dated January 8, 1979, addressed to Mr. Wayne Newton, President of the Board of Directors, a copy of same being attached to these minutes. Following a detailed review by Mr. Nichols, assisted at times by Messrs. Freese and Thompson of Freese and Nichols, Inc., Mr. Nichols stated "that it is quite apparent that the time has come to initiate positive steps to provide additional water supplies by 1988 and certainly no later than 1992."

A general discussion followed and it was the concensus of the Directors that the Preliminary Report as presented by the firm of Freese and Nichols, Inc. be completed in final form at the earliest

possible date so that continuation by the District of the Richland/ Tehuacana Project can be carried on in an orderly manner.

4.

Mr. Frank Medinach, representing the First Southwest Corporation, financial consultants for the District, presented a proposed plan to finance the project that would double the capacity of the Cedar Creek Pipeline from 80 mgd to 160 mgd. Following a general discussion, Director Penry moved, seconded by Director Shannon that the General Manager of the District be authorized and directed to continue planning with the financial consultants, the District staff, and legal counsel to make the necessary arrangements for developing an Official Statement, securing necessary bond ratings, and performing all other acts required to present this Board with a recommendation from the said consultants, counsel and from Management as to whether or not this District should proceed with the final preparations and the issuance of the revenue bonds of the District in the principal amount of \$7,750,000.00, due March 1, 1999, for the purpose of completing the Cedar Creek Water Supply project, reserving to this Board the final decision as to whether or not such bonds be issued.

The motion was unanimously adopted by the affirmative vote of all Directors.

5.

President Newton presented Mr. Paul Horton, legal consultant of the firm of McCall, Parkhurst and Horton, bond consultants for the District, who presented a proposed Resolution, copy attached to these minutes and made a part hereof, that would, among other things,

amend the Contract, as previously amended, between the District and the City of Fort Worth, executed in 1960; for the purpose of allowing the District to issue additional bonds to be payable solely from District revenues for the purposes of completing the construction of the Cedar Creek Project.

Following a review of the proposal by Mr. Horton, Director Geren moved, seconded by Director Thornton and unanimously approved, that the Resolution as presented and as attached hereto be now executed by the District.

6.

President Newton called for a closed or executive meeting of the Board of Directors to discuss personnel matters of the District.

During the closed meeting a detailed general discussion regarding the salary schedule of the District, Director Thornton moved, seconded by Director Penry and unanimously approved, that all employees of the District be given, retroactive to January 1, 1979, a seven (7%) percent cost of living increase above their current salary; and that General Legal Counsel be increased to \$2,000.00 per month.

7.

President Newton then declared the closed meeting open for any other business.


8.


President Newton stated that copies of District's Financial Report for November, 1978 had heretofore been furnished the Directors for their study, and following a general discussion of the Report, Director Geren moved and the motion was seconded by Director Penry

and unanimously carried that the Report be accepted and placed in the District's files.

9.

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


Secretary


President