

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF  
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE  
HELD ON THE 7TH DAY OF FEBRUARY, 1983 AT 10:00 A. M.

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

<u>PRESENT</u>	<u>ABSENT</u>
Wayne E. Newton	Robert D. Alexander
Preston M. Geren, Jr.	
C. Victor Thornton	
Burford I. King	

Also present were Messrs. Ben Hickey, General Manager; Bill Hilliard, Assistant General Manager; Charles Whaylen, Manager of Support Services; Robert M. Doby, Manager of Fiscal Affairs; George Christie, Attorney for the District; David Ralston, Attorney for the District; Jim Nichols and Ernest Clement, Engineers for the District.

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

1.

On motion 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 January 24, 1983 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.

(a) Messrs. Jim Nichols and Ernest Clement of Freese and Nichols, made a presentation to the Board regarding

right-of-way requirements for the proposed first and second pipelines from the Richland Creek Project. From experience with the original Cedar Creek line and with other systems, Freese and Nichols advised expanding the original 130 foot easement by 50 feet to a total of 180 feet from Fort Worth to Ennis. From Ennis to Richland lake pump station they recommend 200 feet of permanent right-of-way. This additional r.o.w. will allow an expansion of the spacing between lines from 25 foot, center to center, to 35 feet. It will also allow the contractor to operate in a much more unrestricted environment. It was Freese and Nichols' opinion this would result in a significant cost savings.

Director Thornton asked that temporary or construction easements be considered.

Director Geren asked for second opinions from either other engineering firms or competent pipeline contractors as to the estimated savings per foot. He also asked the staff for the estimated cost for the additional r.o.w. in fee and in easement. There was no recommendation for action on this matter.

(b) Mr. Bill Hilliard stated that the firm of Cawley, Gillespie and Associates will deliver the first report on the oil and gas conflict at the Richland Project by February 21, 1983. At that date they will also submit a schedule for the succeeding installments of the reservoir study.

(c) The executed Geotechnical Consultant contract and the Laboratory and Testing services contract were furnished to Director Geren.

(d) Mr. David Ralston, Attorney for the District gave a

report on the Daniel et al vs. Tarrant County Water Control and Improvement District Number One lawsuit in Navarro County. He explained that the settlement of \$2,000.00 in cash and the rehabilitation of the plaintiff's fences is a good settlement for the District. Mr. Ralston also reported on the condemnation proceedings in Freestone County. The special commissioners award of \$1,000.00 per acre will be appealed and the award will not be tendered pending resolution in District Court.

(e) Mr. Hilliard presented the quarterly report of the progress at the Richland Project. Land acquisition in the reservoir area is now 89% complete with 80% of the budgeted funds committed. Requirements for mitigation lands due to 404/10 permit is 100% complete. Members asked that all components of the project budget be merged into a single report. Additionally, they asked that the report have columns to reflect original budget amounts; funds paid to date; funds committed; and a realistic cash flow for each project.

3.

Mr. Robert Doby presented the Report of Certified Public Accountants for the fiscal year ending September 30, 1982. As asked for at the previous meeting, Mr. Doby presented a breakdown of hours consumed by Arthur Young Company. The original estimate called for 375 hours for a fee of \$22,245.00. Actual time required amounted to 442 hours at a fee of \$22,205.00.

4.

Mr. Doby and Charles Whaylen submitted a report from

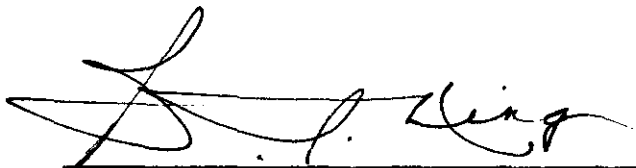
Messrs. Jerry Guy and Gene Smyers regarding insurance coverage for the District. There was discussion of needs in general liability coverage for the District. There was an expressed desire by the Directors present to secure coverage for Directors liability. A recommended amount of said coverage will be submitted at a later meeting of the Board. There was no discussion of the Districts group hospitalization insurance. The matter was deferred to the February 23, 1983 meeting. Director Geren did ask that the existing insurance policy data be merged with the recommendations in the reports.

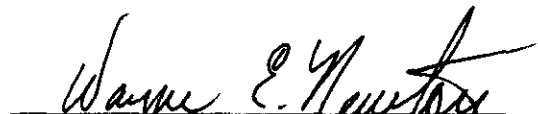
5.

Director Geren posed the question as to whether the District can or must reduce retainage on construction contracts when 50% of the contract is complete and on time. It is his understanding that the law requires different dispensation on retainage. The staff and attorneys took the matter under advisement and will report their findings to the Board.

6.

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

  
Secretary

  
President