

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
HELD ON THE 5TH DAY OF MARCH, 1986, AT 9:30 A.M.

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

PRESENT

C. Victor Thornton
Burford I. King
George Shannon
Wayne E. Newton
Victor W. Henderson

Also present were Messrs. James M. Oliver, General
Manager; James Strawn, Manager of Planning and Development; Mike
Meza, Manager of Operations; Woody Frossard, Environmental
Manager and Bill Hilliard, Manager of Special Projects. Director
Thornton acted as President and Director Shannon acted as
Secretary, whereupon proceedings were had and done as follows:

1.

On motion made by Director Shannon and seconded by
Director Henderson, and with assurance from management that all
requirements of law relating to the "open meetings" law had been
met, the minutes of the meeting held February 3, 1986, were
unanimously approved by the Directors and it was accordingly
ordered that such minutes be placed in the permanent files of the
District.

2.

Mr. Woody Frossard, Environmental Manager for the
District, requested approval for the purchase of a 100% working
interest of the Texas Oil and Gas Production located on the

Henderson "C" lease, RRC #080051, D. T. Dunham Survey, A-242, in Navarro County, Texas. Purchase is based upon a fair market value of \$268,000. This value has been established by the District's petroleum consultants, Cawley, Gillespie & Associates, Inc. Included in this offer is the stipulation that the District agrees to pay for the eventual plugging of these wells.

During lengthy discussion, the Directors concurred upon the need for the development of a policy statement that would outline a means for protecting the District from the possibility of the mineral owners allowing same or other operators from further or continued operation on the lease. This being the first acquisition of working interests below elevation 290 msl, it is feared that the District, after purchasing a 100% working interest from existing operators, might have to repurchase working interests to the same lease from the same or potentially different operators.

Upon the recommendation of management and with the concurrence of consultants, Director King moved, seconded by Director Henderson, that the District be authorized to purchase a 100% working interest to the Texas Oil and Gas Production located on the Henderson "C" lease, RRC #080051, for the fair market value of \$268,000. This offer being inclusive of the stipulation that the District is responsible for plugging all wells. This meeting with the approval of all Directors present, it was so ordered.

3.

Mike Meza, Manager of Operations for the District, presented two items for purchase approval.

3A.

On behalf of management, Mike Meza requested approval of the purchase of spare parts for pump units at both the Ennis and Waxahachie Booster Pump Stations.

TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. ONE
INTER-OFFICE CORRESPONDENCE

DATE: January 17, 1986
TO: Mike Meza
FROM: Rod Culbertson
SUBJECT: Spare Parts for Pumps

We have discussed several times the need to keep spare parts in stock for the twelve pumps at the Ennis and Waxahachie Pump Stations. In accordance with this thinking, I secured two bids from Worthington Pump for one (1) Rotor. As you will note from the enclosed bids, one includes bearings, housing and cover and the other one does not.

After reviewing both bids, I recommend that we purchase Rotor "B" since it is already aligned with the housing and would be much faster to install.

Also, please note the time period allowed for delivery.

January 15, 1986

Mr. Roddy Culbertson
Tarrant County Water Control
Rt. 1 Box 175
Trinidad, Texas 75163

Your Inquiry No. Verbal

Our Quote No. OZR-2045-86

Size/Model 20LA-4 Serial Z1946-47 F.O.B. Taneytown, Maryland

<u>Item</u>	<u>Part Number</u>	<u>Qty</u>	<u>Ref/Description</u>	<u>Delivery</u>	<u>Net Each</u>
1		1	Rotor "A" (Does not include bearings, housing, and cover)	26 Weeks	\$ 51,828.00

<u>Item</u>	<u>Part Number</u>	<u>Qty</u>	<u>Ref/Description</u>	<u>Delivery</u>	<u>Net Each</u>
1		1	Rotor "B" (Includes bearings, bearing housings and cover)	26 Weeks	\$ 54,497.00

This quotation is subject to acceptance within 30 days from the date hereof. Delivery is quoted in weeks and is subject to prior sale. If an emergency exists, please let us know and we will try to better delivery.

Terms: Net 30 days

/s/ Grace Myers

Grace Myers
 WORTHINGTON PUMP DIVISION
 DRESSER INDUSTRIES, INC.

The Operations Division has reviewed the proposals for the equipment required and submits that the proposal from Worthington Pump Division of Dresser Industries, Inc. be accepted.

Following discussion and with recommendation of management, Director Henderson moved with a second from Director Shannon that the District accept the Rotor "B" package offered by Worthington Pump Division of Dresser Industries for \$54,497.00. This meeting with the approval of all Directors, it was so ordered.

3B.

On behalf of management, Mike Meza requested approval of the purchase of three sets of three impellers for the Cedar Creek Lake Pump Station.

TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. ONE
 INTER-OFFICE CORRESPONDENCE

DATE: February 20, 1986
 TO: Mike Meza
 FROM: Rod Culbertson
 SUBJECT: Purchase of Impellers (3 sets) for Lake Pump Station

On December 13, 1985, we pulled the #2 pump which has metered 27,414.6 hours of usage. The new pump assembly we had in stock was installed.

Pump #2 was repaired and will be used as Pump #1. The impellers were marginal, but can be used for 3,000 to 4,000 hours.

On February 7, 1986, #1 pump with 28,136.6 hours was pulled. The bowl assembly can be repaired and used for stock, but the #1 pump impellers CANNOT be repaired.

I recommend that we purchase (3) three sets of impellers from Johnston Pump Company with a specified 90 day delivery date.

One set of (3) three impellers will cost \$25,176.00.

Three sets of (3) impellers with wear ring will cost \$70,713.00.

Three sets of Stainless Steel impellers will cost \$161,073.

One complete pump assembly from Johnston Pump will cost \$45,535.

Therefore, referencing the above, the Operations Division has reviewed the proposal from Johnston Pump Company for the necessary equipment and recommends that the three sets of three impellers be purchased for \$70,713.00.

Following discussion and with the recommendation of management, Director Henderson moved that the District purchase the three sets of three impellers from Johnston Pump Company for \$70,713.00. The motion was seconded by Director Shannon and the vote in favor was unanimous.

4.

Mr. Bill Hilliard, Manager of Special Projects for the District, requested approval of Change Order Number Six of the Richland Creek Pipeline Section One Contract. This change will incorporate the cost required for the placement of a fifteen foot wide, 0.8 foot deep strip of soil cement across the Harold E. Redden Feed lot property. These measures are necessitated due to claims made by Mr. Redden as to the effect of the construction on his livestock.

Upon the recommendation of management, Director Shannon moved with a second from Director King that the Richland Creek Pipeline Section One Contract cost be expanded the necessary \$9,501.97 to incorporate the cost of the above mentioned additional work.

This meeting with approval of all Directors present, it was so ordered.

5.

On behalf of management, Mr. Hilliard requested authority to acquire the following parcels of Richland-Chambers Pipeline right-of-way; on the following basis of payment to wit:

- 1.) 4.84 acres for total consideration of \$10,000.00 from James R. Lee and wife, Linda D. Lee, Ellis County, Texas.
- 2.) 11.56 acres @ \$1,000.00 per acre from Darrell Ray Raines, Navarro County, Texas.
- 3.) 11.40 acres @ \$1,000.00 per acre from Leonard G. Wienken and wife, Georgia Ann Wienkin, Ellis County, Texas.
- 4.) 2.33 acres @ \$900.00 per acre from Peggy B. Crews and Robert J. Banner, Jr., Navarro County, Texas.

Following a detailed presentation of the parcels and upon the recommendation of management, Director Shannon moved seconded by Director King, that the District be authorized to acquire the aforementioned easements by means not to exceed the above stated offers. This meeting with the approval of all Directors present, it was so ordered.

5B.

On behalf of management, Bill Hilliard further requested authority for the District to enter in eminent domain proceedings upon the refusal of a final offer enumerated as

"not to exceed" on the following tracts required for the Richland Creek Pipeline.

- 1.) 10.49 acres @ \$1,000.00 per acre from John W. Gupton, Trustee, Navarro County, Texas.
- 2.) 25.88 acres for total consideration of \$32,350.00 from Henry E. Davis, Ellis County, Texas.
- 3.) 5.83 acres @ \$1,000.00 per acre from Jack P. Wimberly and wife, Mary M. Wimberly, Ellis County, Texas.

Director King moved to authorize condemnation proceedings to obtain the above listed tracts upon the refusal of the corresponding "not to exceed" offers. Director Henderson seconded the motion and the vote in favor was unanimous.

5C.

Mr. Hilliard further requested authority for the District to enter into contracts to purchase the following tracts of land required for the Richland-Chambers Reservoir on the basis of payment to wit:

- 1.) 1.14 acres in fee @ \$850.00 per acre; .43 acre easement @ \$567.00 per acre from Rufus S. Dugan, Jr. and wife, Sherilyn Kay Dugan, Navarro County, Texas -- Tract 236.
- 2.) .28 acre in fee; .48 acre in easement for a total consideration of \$1,000.00 from Don Tyson and wife, Pam Tyson, Freestone County, Texas -- Tract 11.
- 3.) .15 acre in fee @ \$850.00 per acre; 2.36 acres in easement @ \$567.00 from Nolan Carraway and wife, Yvonne Carraway, Navarro County, Texas -- Tract 389.
- 4.) 1.93 acres in fee @ \$850.00 per acre; 2.36 acres in easement @ \$567.00 per acre from Thomas R. Allen and wife, Georgia Ann Allen, Navarro County, Texas -- Tracts 375 and 385.
- 5.) 13.64 acres in fee @ \$850.00 per acre; 3.59 acres in easement @ \$567.00 per acre from Virginia Ferguson and Nannie E. Rost, Navarro County, Texas -- Tract 433.
- 6.) .81 acre in fee @ \$850.00 per acre; .72 acre in easement @ \$567.00 per acre from Linda Nutt Lee et vir Ronald Lee, Navarro County, Texas -- Tract 233.

7.) 360.26 acres in fee @ \$900.00 per acre: 11.36 acres in easment @ \$567.00 per acre; \$43,950.00 in liquidated damages to remainders and operations from Mrs. H.D. Carroll and Robby Dean Carroll, Navarro County, Texas -- Tract 202.

Upon recommendation of management, Director King moved, seconded by Director Shannon, that the District be authorized to enter into a contract for the purchase of the above listed tracts on the basis shown. This meeting with the approval of all Directors present, it was so ordered.

6.

On behalf of management, Bill Hilliard requested approval of the private sale of the District owned residential property located at 6220 Walnut Drive, lot 6, Block 8 and part of lot 7, Sundown Park addition, Tarrant County, Texas. The request for private sale is based upon the failure of the advertising for public sale, which resulted in no bids, no inquiries. It was recommended that the District list the property with Hartman Company Realtors, with the Listing price to be the appraised value of \$67,500.00. Appraised value based upon the Ken Huffman Appraisal Report dated December 4, 1985.

Upon this recommendation by management, Director Newton moved, seconded by Director Henderson that the District list the above described property by private means based upon the failure of public sale efforts to conclude in the sale of the property. Further, that the District list the property with the Hartman Company at the appraised value of \$67,500.00. This meeting with the approval of all Directors present, it was so ordered.

7.

Mr. James Strawn, Manager of Planning and Development

for the District, presented for approval a renewed water contract for the Town of Trinidad. Mr. Strawn recommended approval of the contract upon the terms and conditions consistent with existing requirements under the "1982 Amendatory Contract" with Fort Worth, Arlington, Mansfield and Trinity River Authority. Trinidad's existing contract expires November 1, 1986. However, they wish to secure a long term contract at this time so as to pursue Federal Financial aid for improvements to its water system.

Based upon the recommendation of management and following discussion, Director Shannon moved, seconded by Director Newton, that the District enter into a long term contract with the Town of Trinidad. Further, that the contract be consistent with the "1982 Amendatory Contract". This meeting with the approval of all Directors present, it was so ordered.

CLOSED MEETING

OPEN MEETING

8.

Mr. James Strawn further requested that the District withdraw its formal opposition to the application for a waste discharge permit by the City of Pelican Bay and developer Jack Hudson. Mr. Strawn stated that the applicant has decided to construct a (552) plant of a much higher level of treatment than a (1015) plant that is the minimum required by the Texas Water Commission for discharges of the nature proposed.

It is the consensus of both the management of the District and the City of Fort Worth that the application is now reasonable. Further, it is likely that a permit of less stringent standards would in the long run be granted upon the completion of the contested hearings. Approval of this application by the

Texas Water Commission would establish a precedent toward the calibre of treatment plants to be allowed on Eagle Mountain Lake.

After lengthy discussion, Director King moved, seconded by Director Newton, that the District withdraw formal opposition of the Pelican Bay/Jack Hudson waste discharge permit application. That the approval of the 552 permit would establish a precedent that would be in the best interest of the District. The vote was three to one in favor of the motion with Director Shannon voting nay.

9.

Mr. James Oliver, General Manager for the District, presented before the Board a proposal submitted by the Wyatt Company to assist the District as a consultant in its efforts to develop and implement a comprehensive base salary administration program. The program will focus on three main areas.

- 1.) The need for a system that offers externally competitive wages and salaries that are also internally equitable.
- 2.) A desire for better utilization of wage and salary dollars with sensitivity to the financing limitations of the District.
- 3.) Development of consistent methods and practices of individual job evaluation.

With this recommendation by management, Director Newton moved, seconded by Director King that the District enter into an agreement with the Wyatt Company as proposed for the development of a comprehensive salary administration program. This meeting with the approval of all Directors present, it was so ordered.

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

George N. Shannon
Secretary

P. Victor Thornton
President