

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
HELD ON THE 17TH DAY OF SEPTEMBER, 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 W. Shannon
Wayne E. Newton
Victor W. Henderson

Also present were Messrs. James M. Oliver, General
Manager; Robert M. Doby, Comptroller; James L. Strawn, Director of
Operations; Alan Thomas, Director of Administration; and Wayne
Owen, Jr., Administrative Assistant. Director Thornton presided
as President and Director Shannon acted as Secretary, whereupon
proceedings were had and done as follows:

1.

In the course of the review of minutes of the meeting
held August 4, 1986, President Thornton initiated discussion as to
the matter of the RiverBend development along the Trinity River
east of Fort Worth. From this discussion, the consensus of the
Board reflected a desire that the minutes more clearly emphasize
reservations about the District's involvement with this project.

The Directors emphasized several concepts that would
adequately clarify their position while passing the August 4, 1986

Resolution Establishing An Agreement in Principle Outlining the District's Commitment to Involvement With The Development Along The West Fork of the Trinity River East of Fort Worth Known as RiverBend. The primary concept being the concern over continued development along the river between the terminus of the existing Floodway and the Tarrant/Dallas County Line. The Board's concerns focus on a desire to prevent a proliferation of levee systems and flood control structures that could preclude the systemized operation and maintenance of a comprehensive Floodway to the county line.

Secondly, the concerns over the District's liability exposure acquired with the agreement to operate and/or maintain an fragmented system of flood control improvements. The resulting proliferation of levee systems that could be proposed by various interests would result in an incremental system with sections that may be operationally incompatible with each other. An additional liability concern would be the District's exposure due to the effects of this expanded system upon downstream interests.

Thirdly, the Board discussed the possibility of authorizing a comprehensive study to be performed. The purpose of this study would be to develop a clear and concise format for the District to follow concerning development along the West Fork of the Trinity River from the terminus of the existing Floodway to the Tarrant/Dallas county line.

Upon a motion made by Director Henderson and seconded by Director Shannon and with the assurance from management that all

requirements relating to the "open meetings" law had been followed, the minutes of the meeting held August 4, 1986 were unanimously approved contingent upon the insertion of the above listed emphasis concerning passage of the RiverBend Resolution. Following approval it was accordingly ordered that such minutes be placed in the permanent files of the District.

2.

General Manager of the District, James Oliver, presented to the Board the Revenue Fund Budget for the fiscal year October, 1986 through September, 1987 in the amount of \$43,620,708.00. Alan Thomas stated that the District had complied with contract provisions requiring a budget review by the Advisory Committee and Director Shannon noted that the Advisory Committee had requested no changes to the document. Whereupon Director Shannon moved to approve the Revenue Fund Budget with Director King seconding the motion. A unanimous vote followed in favor of the motion.

Next, James Oliver submitted for consideration the General Fund Budget for the fiscal year October, 1986 through September, 1987 in the amount of \$6,633,069.00. Mr. Oliver pointed out that while the budget was considerably larger than past budgets, most of the increases were due to 1) an increased maintenance program; particularly on the Fort Worth Floodway, 2) capital expenditures which are anticipated in order to carry out an increased maintenance program and capital expenditures anticipated in order to meet short- and long-term operating goals, 3) additional personnel anticipated and 4) certain consulting

services. Mr. Oliver noted that the District was in the process of formulating both short- and long-range plans and that the expenditures requested could in some cases be in excess of actual need. He cited the Eagle Mountain waste control order as an example saying that while the District must accept responsibility, not enough information is available to accurately project our needs, therefore, the estimated maximum is budgeted.

Directors King and Henderson suggested that revenues budgeted from oil and gas royalties be reduced from \$2,000,000.00 to \$1,200,000.00 due to conditions as they now exist in the oil industry.

After a lengthy discussion, and with the recommendation of management, Director King moved to approve the budget as submitted but subject to the following stipulations:

- 1) Revenue projections for oil and gas be decreased by \$800,000.00.
- 2) All salary increases proposed in the submitted budget are to be approved by the Personnel Committee.
- 3) All new positions, not previously approved, are subject to the recommendation of the Personnel Committee.
- 4) All consulting services, not previously approved, are to be approved by the Board prior to contracting for services.
- 5) All items listed in the budget under the sections titled Capital Expenditures and Construction Projects must be authorized by the Board prior to advertising or proposal solicitation.

The motion was seconded by Director Henderson and was approved with all the Directors voting in favor except for Director Newton who opposed approval.

Mr. Oliver then told the Board that while the motion to approve the Revenue Fund Budget did not include the same stipulations as the General Fund, the District staff would follow the same procedures.

3.

Mr. Thomas next presented the matter of establishing the District Tax Rate for Tax Year 1987. Based upon the existing General Fund and Debt Service Fund balances as well as income projections, management recommended that the Board approve the establishment of a zero tax rate for Tax Year 1987.

After discussion, and with the recommendation of management, Director Shannon moved to authorize the District to set a zero Tax Rate for Tax Year 1987. Director Henderson seconded the motion and the vote in favor was unanimous.

4.

Mr. James L. Strawn, Director of Operations for the District, next presented three contracts for consideration of award. On August 22, 1986, bids were received for the following contracts:

MOBIL PIPELINE SALVAGE:

There were 13 bidders. The sale of pipe in place had a high bid of \$86,096.00 by Inland Pipe and Supply Company. The alternate bid for the removal and stockpile had a low bid of \$59,000.00 by S & S Pipe and Supply Inc. The sale of pipe in place requires that the successful contractor deliver to the District at no cost 1,000 feet of the 20-inch pipe and 1,000 feet of the 12-inch pipe. The bid price of \$86,096.00 is for the remainder of the pipe. Management recommended that the District award the contract to Inland Pipe and Supply Company for the sale of pipe in place.

RIPRAP FOR RICHLAND CREEK PIPELINE PROTECTION:

There were two bids received. D. P. Frost Construction Company, Inc. was low with \$13.59 per ton. Management recommended that the District award the contract to D. P. Frost Construction Company, Inc.

TXI PUMP:

Only one bid was received. Several pump companies were contacted, but the sole bidder was the only one capable of meeting the required capacity at the required head. Management recommended that the District award the contract to David C. Smith for \$15,327.00.

With the preceding recommendation of management and with the assurance that the contracts had been properly advertised and bids solicited, Director Newton moved to authorize the District to award the above listed contracts as recommended by management. Director Henderson seconded the motion and the vote in favor was unanimous.

5.

Mr. James Strawn presented the following land matters for consideration by the Board of Directors:

5A.

Mr. Strawn requested authorization for the District to lease to the Moslah Temple Directors Unit the easterly one-half of a tract located between Samuels Avenue and the Burlington Northern Railroad right of way along the Fort Worth Floodway. The tract contains 15,750 square feet, of which 8,750 square feet are located on the crest of the levee. The lease has been requested for the purpose of maintaining a 50' x 70' storage facility. The lease terms stipulate a \$100.00 payment annually for five years.

With the recommendation of management, Director Shannon moved to authorize the lease of the above listed tract to the Moslah Temple Directors Unit according to the terms outlined above. Director Henderson seconded the motion and the vote in favor was unanimous.

5B.

Mr. Strawn next requested authorization for the District to sell 3.74 acres to Coy E. Garrett, trustee for Central Park Village Subdivision in the City of Mansfield. This parcel was purchased in fee for the Cedar Creek pipeline. Sale of this parcel will prevent Mr. Garrett's subdivision from being severed by the pipeline right of way.

With the recommendation of management, and with the assurance that this property has been properly advertised for public sale, Director Henderson moved to approve the sale of the 3.74 acre tract in the F. B. Wadell Survey, A-1658, City of Mansfield, Tarrant County, Texas, at the appraised value of \$107,000.00 subject to the District's pipeline easement. Director Newton seconded this motion and the vote in favor was unanimous.

5C.

Mr. Strawn next requested authorization for the acquisition of 397.41 acres in fee and 17.62 acres in easement in the John White Survey A-818, Navarro County, Texas. This purchase is based upon the District's payment of \$471,000.00 for the fee taking and \$12,000.00 for the easement. Liquidated damages will be paid in the amount of \$40,300.00. This land is required for the construction of the Richland-Chambers Reservoir.

With the recommendation of management, Director King moved to authorize the acquisition of the 397.41 acres in fee and the 17.62 acres in easement upon the terms outlined above. Director Shannon seconded the motion and the vote in favor was unanimous.

5D.

Mr. Strawn next requested that the Board of Directors approve the sale of Lots 130, 131, and 132 of the Water Board Subdivision, in Henderson County, Texas. The subject property was appraised by an independent real estate appraiser and were found to have Current Market Values as follows:

Lot 130 - \$3,750.00
Lot 131 - \$3,750.00
Lot 132 - \$3,500.00

With the recommendation of management, and with the assurance that the lots were properly advertised and bids solicited, Director Newton moved to approve the sale of the above lots to the sole bidder, M. L. Owens upon a basis of payment to wit:

Lot 130 - \$3,755.00
Lot 131 - \$3,755.00
Lot 132 - \$3,505.00

Director Henderson seconded the motion and the vote in favor was unanimous.

5E.

Mr. Strawn next requested that the Board of Directors authorize the District to deed a 0.048 acre tract in fee to Mr. Jimmy Pipkin of Henderson County, Texas. This would allow Mr. Pipkin to clear title to his home situated at Lots 19 and 20 of Block 10 in the Star Harbor Subdivision.

Mr. Pipkin's home encroaches upon District property now located above 325 msl on Cedar Creek Lake. Management recommended that this fee transaction take place for consideration of \$1,000.00 from Mr. Pipkin.

With recommendation of management, Director Newton moved to authorize the District to deed the above described parcel for \$1,000.00 consideration to Mr. Jimmy Pipkin. Director King seconded the motion and the vote in favor was unanimous.

At this point, President Thornton vacated the chair to Vice President King and exited the proceedings. Whereupon Acting President King addressed the following matter:

5F.

Mr. Strawn next requested that the Board of Directors authorize the District to convey to Mr. and Mrs. C. Victor Thornton a 0.39 acre tract in the B. Samora Survey, A-1034, Tarrant County, Texas. The appraised value of this property is \$500.00.

With the recommendation of management, and with the assurance that the subject property had been advertised for sale, Director Newton moved to approve the sale of the 0.39 acre tract to Mr. and Mrs. C. Victor Thornton for the appraised value of \$500.00. Director Henderson seconded the motion and the vote in favor was unanimous.

Following the above action, President Thornton re-entered the proceedings and relieved Vice President King of the chair. Whereupon the proceedings continued as follows:

5G.

Mr. Strawn next requested that the Board of Directors approve the sale of 19 lots located in the Aston Subdivision in the B.B.B. & C. Railroad company Survey A-114, Wise County, Texas. These lots were appraised and are recommended for sale as follows:

<u>LOT NUMBER</u>	<u>MARKET VALUE</u>	<u>RECOMMENDED SALE</u>
2	\$15,000.00	\$15,000.00
3	\$17,000.00	\$17,000.00
4	\$14,000.00	\$14,000.00
5	\$ 9,000.00	\$ 9,000.00
6	\$11,000.00	\$11,000.00
A	\$11,000.00	\$11,000.00
7	\$19,000.00	\$19,000.00
8	\$15,000.00	\$15,000.00
9	\$10,000.00	\$10,000.00
10	\$10,000.00	\$10,000.00
11	\$14,000.00	\$14,000.00
12	\$20,000.00	\$20,000.00
13	\$ 5,000.00	\$ 5,000.00
14	\$ 5,000.00	\$ 5,000.00
15	\$ 6,000.00	\$ 6,000.00
16	\$ 7,300.00	\$ 7,300.00
18	\$ 5,200.00	\$ 5,200.00
19	\$ 5,000.00	\$ 5,000.00
20	\$ 6,300.00	\$ 6,300.00
21	\$10,000.00	\$10,000.00
20 Lots	\$214,800.00	\$214,800.00

With the recommendation of management, and with the assurance that the above lots were properly advertised for public sale, Director Henderson moved to approve the sale of the above listed surplus property for the appraised values as indicated above. Director Shannon seconded the motion and the vote in favor was unanimous.

5H.

Mr. Strawn next requested approval of the sale of 2.20 acres comprised in Lots 13, 14 and 15 of Block 3 in the Brookside Annex to the City of Fort Worth, Tarrant County, Texas.

The property has been appraised and was properly advertised for public sale. Management recommends approval of the sale of the subject property to Mr. J. C. Hayes for consideration in the amount of \$27,076.56.

With the recommendation of management, Director King moved to approve the sale of the 2.20 acres to Mr. J. C. Hayes upon the basis outlined above. Director Shannon seconded the motion and the vote in favor was unanimous.

5I.

Mr. Strawn next requested approval of the acquisition of the following tracts necessary for the construction of the Richland-Chambers Reservoir.

- 1) 80.75 acres in fee @ \$1,250/acre, I. Bird Sur. A-80, Navarro County, Texas from Washington Jones, District Tract #318.
- 2) 25.91 acres and 0.52 acre in fee @ \$1,427/acre and 1.67 acres in easement @ \$500/acre (+) \$1,000.00 in liquidated damages, D. H. Love Sur. A-510 and J. W. Orr Sur. A-625, Navarro County, Texas from Nora B. Qualls et al, District Tract #293.
- 3) 47.0 acres in fee @ \$1,400/acre (+) \$700.00 in liquidated damages, D. H. Love Sur. A-510, Navarro County, Texas from Edward J. Qualls, District Tract #294.

With the recommendation of management, Director Shannon moved to authorize the acquisition of the listed tracts upon a basis of payment outlined above. Director Henderson seconded the motion and the vote in favor was unanimous.

5J.

Mr. Strawn next requested approval of the acquisition of 5.577 acres in easement for \$9,850.00 from the J. R. Ferguson estate, J. Richards Survey A-539, Freestone County, Texas. This parcel is necessary for the construction of the Richland-Chambers Reservoir.

With the recommendation of management, Director King moved to authorize the acquisition from the J. R. Ferguson estate as outlined above. Director Shannon seconded the motion and the vote in favor was unanimous.

6.

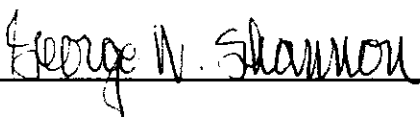
Mr. Strawn next presented before the Board of Directors a recommendation to authorize the engagement of an architectural firm to begin the development of plans and specifications for the construction of an Administration Building at Richland-Chambers Reservoir. A proposal submitted by the O'Brien Partnership of Arlington was reviewed by the Directors.

After discussion and with the recommendation of management, the Board of Directors authorized management to engage the O'Brien firm for conceptual and schematic development of plans for the construction of the Administration Building at Richland-Chambers Reservoir. The plans to be reviewed by the Board of Directors in advance of actual design phase work.

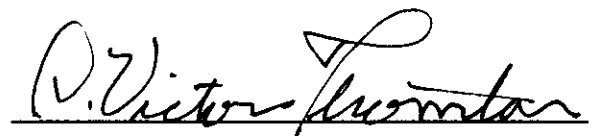
7.

Consideration of the voucher lists for the month of July, 1986 was postponed.

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



Secretary



President