

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
HELD ON THE 18TH DAY OF JUNE, 1991 AT 9:30 A.M.

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

Present
George W. Shannon
Victor W. Henderson
Charles B. Campbell, Jr.
Hal S. Sparks, III
Charles L. Geren

Also present were James M. Oliver, General Manager; Alan Thomas, Assistant General Manager; Wayne Owen, Management Services Manager; Brian Gordon, Finance Manager; Mike Meza, Eastern Division Manager; Madeline Robson, Administrative Manager; Steve Christian, Real Property Manager and Woody Frossard, Environmental Services Manager.

Also in attendance was George Christie, legal counsel for the District.

With the assurance from management that all requirements of the "open meetings" law had been met, Director Shannon convened the meeting.

1.

On a motion made by Director Henderson and seconded by Director Campbell, the Directors unanimously voted to approve the minutes of the meeting held May 21, 1991 as corrected. It was accordingly ordered that such minutes be placed in the permanent files of the District.

2.

The President and presiding officer next called an executive session under Sections 2E and 2F of the Texas Open Meetings Act to consider pending or contemplated litigation and real estate matters.

3.

Upon completion of the executive session, the President reopened the meeting.

4.

With the recommendation of management, Director Henderson moved to approve of the proposed Settlement Agreement between the District and Enserch Exploration concerning the calculation of royalties on natural gas produced from mineral leases located in Wise County, Texas and that Director Shannon be authorized to execute same. Director Sparks seconded the motion and the vote in favor was unanimous.

5.

With the recommendation of management, Director Campbell moved to approve of the conveyance of 10 acres located in the Joshua Cook Survey, A-1785, Tarrant County, Texas to Azle Independent School District for use as a public elementary school site. The subject tract being part of a 131 acre tract currently leased for grazing. The deed shall be subject to the grazing lease and will also contain a reversion clause providing for the automatic reversion of title to the District should Azle I.S.D. not begin construction on the subject property for the stated

purpose within two years or if it ceases to be utilized as a school site for more than one year. Director Geren seconded the motion and the vote in favor was unanimous.

6.

With the recommendation of management, Director Sparks moved for formal ratification of the acquisition of various tracts of real estate required for the construction of the Benbrook Pipeline. These tracts having been purchased within guidelines established by the Board of Directors on March 29, 1988.

1. The following five tracts purchased from Juanita M. Monnig for a total purchase price of \$30,000:
 - a) Lot 16, Block 10, Edgecliff Addition to the Town of Edgecliff Village, Tarrant County, Texas in fee, District Tract No. 0054.
 - b) 0.0216 acre out of Lot 17, Block 10, Edgecliff Addition to the Town of Edgecliff Village, Tarrant County, Texas in easement, District Tract No. 0054-J.
 - c) 0.0401 acre out of Lot 18, Block 10, Edgecliff Addition to the Town of Edgecliff Village, Tarrant County, Texas in easement, District Tract No. 0054-K.
 - d) 0.1034 acre out of Lot 19, Block 10, Edgecliff Addition to the Town of Edgecliff Village, Tarrant County, Texas in easement, District Tract No. 0054-M.
 - e) 0.5572 acre out of Lot 14, Block 4, Edgecliff Addition to the Town of Edgecliff Village, Tarrant County, Texas in easement, District Tract No. 0054-L.
2. 0.2084 acre out of Lot 20, Block 10, Edgecliff Addition to the Town of Edgecliff Village, Tarrant County, Texas in easement from Paul Andrew King for \$5,210.00, District Tract No. 0054-O.
3. 0.2300 acre out of Lot 12, Block 3, Edgecliff Addition to the Town of Edgecliff Village, Tarrant County, Texas in easement from J. L. Horner for \$5,750.00, District Tract No. 0054-P.

4. 0.0714 acre out of Lot 11, Block 3, Edgecliff Addition to the Town of Edgecliff Village, Tarrant County, Texas in easement from N. K. Fulkerson for \$1,785.00, District Tract No. 0054-Q.
5. 0.0078 acre out of Lot 21-A, Block 10, Edgecliff Addition to the Town of Edgecliff Village, Tarrant County, Texas in easement from Donald L. Mooney for \$200.00, District Tract No. 0055-B.
6. 0.0067 acre out of Lot 1, Block 12, Edgecliff Addition to the Town of Edgecliff Village, Tarrant County, Texas in easement from Kenneth K. Spencer for \$167.50, District Tract No. 0055-A.
7. The following four tracts purchased from the Town of Edgecliff Village for the total purchase price of \$10.00.
 - a) 1.330 acre out of the John Fitch Survey, A-539, Tarrant County, Texas in easement, District Tract No. 0051.
 - b) 1.4195 acre out of the John Fitch Survey, A-539, Tarrant County, Texas in easement, District Tract No. 0056.
 - c) 2.3314 acres out of the John Fitch Survey, A-539, Tarrant County, Texas in easement, District Tract No. 0054-I.
 - d) 0.4591 acre out of the John Fitch Survey, A-539, Tarrant County, Texas in easement, District Tract No. 0057.

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

7.

Madeline Robson next updated the Board of Directors on matters concerning current market conditions related to the purchase of Directors' and Officers' Liability Insurance. The Board of Directors instructed staff to investigate the feasibility of securing Directors' and Officers' Liability Insurance coverage in amounts up to \$3 million. This level being

considered as appropriate due to market conditions indicating that premium costs for this level of coverage would be within the range of interest earnings on District funds that have been partitioned for self insurance of liability.

8.

Consideration of the award of the purchase of instrumentation required to monitor geotechnical conditions at Richland-Chambers Spillway was postponed.

9.

With the recommendation of management, Director Geren moved to approve the proposed agreement between the District and Chatfield Water Supply Corporation outlining modifications required due to the Richland-Chambers Reservoir. Director Henderson seconded the motion and the vote in favor was unanimous.

10.

With the recommendation of management, Director Campbell moved to approve the vouchers for the month of May, 1991 which included the following disbursements:

General Fund: Check numbers 31909 through 32224, the total expenditure being \$419,046.49.

Debt Service Fund: Check numbers 2156 through 2157, the total expenditure being \$749.90.

Capital Projects Fund: Check numbers 2287 through 2324, the total expenditure being \$101,451.69.

Revenue Fund: Check numbers 15413 through 15638, the total expenditure being \$2,833,356.18.

Richland-Chambers Fund: Check numbers 14500 through 14511, the total expenditure being \$402,062.73.

Interest and Redemption Fund: Check numbers 2169 through 2174, the total expenditure being \$1,601,550.97.

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

11.

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

George W. Shannon
President

Charles B. Campbell Jr.
Secretary