

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
HELD ON THE 23RD DAY OF JULY, 1991 AT 9:00 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; Mike Williams, Customer and Community Relations Manager; Mike Meza, Eastern Division Manager; Lonnie Byers, Richland-Chambers Reservoir Superintendent; Madeline Robson, Administrative Manager; Steve Christian, Real Property Manager and Woody Frossard, Environmental Services Manager.

Also in attendance was George Christie and Stan Harrell, legal counsel for the District and Robert James and John Focht, geotechnical consultants 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 Geren, the Directors unanimously voted to approve the minutes of the meeting held June 18, 1991. 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, 2F, and 2G of the Texas Open Meetings Act to consider pending or contemplated litigation, real estate matters and personnel.

3.

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

*Director Geren departed at this point in the proceedings.

4.

With the recommendation of management, Director Sparks moved to approve the acquisition of an undivided 1/6 interest in 517 acres of land, including the grantor's undivided 1/6 interest in minerals, out of the J. B. Watson Survey A-835, Freestone County, Texas from Ronald J. Blount et al for the selling price of \$500 per acre or \$43,083.33 total. Director Henderson seconded the motion and the vote in favor was unanimous.

5.

With the recommendation of management, Director Henderson moved to accept the proposal submitted by the Judy Company of Kansas City, Kansas in the amount of \$76,500 for the purchase and installation of geotechnical instrumentation at the Richland-

Chambers Reservoir spillway structure. Proposals were solicited from four (4) firms for equipment consistent with the recommendation of the Board of Consultants. Director Sparks seconded the motion and the vote in favor was unanimous.

6.

With the recommendation of management, Director Campbell moved to adopt a resolution authorizing the General Manager to proceed with all requirements necessary to allow the amendment of Certificate of Adjudication Number 09-4976 and Certificate of Adjudication Number 08-5035.

Cedar Creek Reservoir Certificate of Adjudication Number 08-4976 should be amended to provide that the existing 175,000 acre feet of water currently designated annually for municipal and industrial purposes be decreased by 2,500 acre feet to allow for 2,500 acre feet to be designated for irrigation purposes.

Richland-Chambers Certificate of Adjudication Number 5035 should be amended to provide a designated recreational use for the reservoir. Also, the 210,000 acre feet of water designated annually for municipal purposes should be decreased by 5,000 acre feet to allow for 2,500 acre feet to be designated for industrial purposes and 2,500 acre feet to be designated for irrigation purposes.

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

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE TARRANT COUNTY WATER CONTROL AND
IMPROVEMENT DISTRICT NO. 1 AUTHORIZING APPLICATION
TO THE TEXAS WATER COMMISSION FOR AN AMENDMENT TO
CERTIFICATES OF ADJUDICATION NOS. 08-4976 AND 08-5035.

WHEREAS, Tarrant County Water Control and Improvement District No. 1 is the owner of Certificate of Adjudication No. 08-5035 issued by the Texas Water Commission on May 5, 1987, which authorizes the maintenance of an existing dam and reservoir on Richland Creek (Richland-Chambers Reservoir) and impoundment therein not to exceed 1,135,000 acre feet of water, and the use of the water for municipal purposes;

WHEREAS, Tarrant County Water Control and Improvement District No. 1 is the owner of Certificate of No. 08-4976 issued by the Texas Water Commission on May 5, 1987, which authorizes the maintenance of an existing dam and reservoir on Cedar Creek (Cedar Creek Reservoir) and impoundment therein not to exceed 678,900 acre feet of water, and the use of water for municipal and industrial purposes. The District is also authorized to use the impounded water for recreational purposes;

WHEREAS, Tarrant County Water Control and Improvement District No. 1 has entered into a contract to provide water for irrigation of a golf driving range and expects to be able to sell additional water for irrigation and industrial use;

WHEREAS, the Texas Water Commission has designated recreation as a use for Richland-Chambers Reservoir;

WHEREAS, Tarrant County Water Control and Improvement District No. 1 proposes to file an application to amend Certificate of Adjudication No. 08-5035 to allow the use of water stored in Richland-Chambers Reservoir for irrigation, industrial and recreational purposes; and

WHEREAS, Tarrant County Water Control and Improvement District No. 1 proposes to file an application to amend Certificate of Adjudication No. 08-4976 to allow the use of water stored in Cedar Creek Reservoir for irrigation.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1, THAT:

1. The General Manager of the Tarrant County Water Control and Improvement District No. 1 is hereby authorized on behalf of the Board of Directors to execute such applications as are necessary to be made to the Texas Water Commission for amendments to Certificate of Adjudication No. 08-4976 and Certificate of Adjudication No. 08-5035.

2. The General Manager of the Tarrant County Water Control and Improvement District No. 1 is hereby authorized and directed on behalf of the Board of Directors to file applications to amend Certificate of Adjudication No. 08-4976 and Certificate of Adjudication No. 08-5035 with the Texas Water Commission, to appear and arrange for the appearances of persons representing the Tarrant County Water Control and Improvement District No. 1 at the hearings and other proceedings on the applications before the Texas Water Commission, and otherwise direct prosecution of the applications on behalf of the Board of Directors.

PASSED, ADOPTED AND APPROVED this 23rd day of July, 1991.

Charles B. Campbell Jr.
Secretary
Tarrant County Water Control &
Improvement District No. 1

George W. Shannon
President
Tarrant County Water Control &
Improvement District No. 1

7.

With the recommendation of management, Director Henderson moved to approve a lease agreement with the Walker Lake Fishing Club covering 33.4656 acres of land situated in the John Thomas Survey, A-603, Freestone County, Texas and located adjacent to the Richland-Chambers Reservoir. Director Sparks seconded the motion and the vote in favor was recorded as follows:

Directors Sparks and Henderson voted aye, Director Campbell voted naye and Director Shannon, as chairman, was present not voting.

8.

With the recommendation of management, Director Sparks moved to adopt a resolution authorizing staff to execute the Special Warranty Deed, Closing Statement and all other documents necessary to close the conveyance of 10 acres of land owned by

the District to the Azle Independent School District as approved by the Board of Directors on June 18, 1991. Director Campbell seconded the motion and the vote in favor was unanimous.

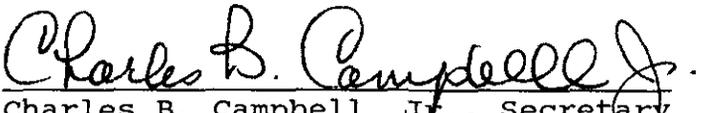
RESOLUTION
OF
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE

I, Charles B. Campbell, Jr., do hereby certify that I am the duly elected and qualified Secretary of Tarrant County Water Control and Improvement District Number One; that a Meeting of the Board of Directors of the District was duly convened and held on the 23rd day of July, 1991, at which Meeting a quorum of Directors was present and voting throughout; and that at said Meeting the Directors present duly adopted the following Resolution:

Resolved, that James M. Oliver is hereby authorized to act for Tarrant County Water Control and Improvement District Number One and to execute the Special Warranty Deed, Closing Statement and all other documents necessary to close the conveyance of certain real estate owned by Tarrant County Water Control and Improvement District Number One to the Azle Independent School District, such real estate being described in Exhibit "A" and attached hereto and incorporated herein for all purposes.

I hereby further certify that the foregoing Resolution has not been altered, amended or rescinded and is now in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of Tarrant County Water Control and Improvement District Number One, on the 23rd day of July, 1991.


Charles B. Campbell, Jr., Secretary

9.

With the recommendation of management, Director Sparks moved to approve the bid submitted by Top-Way Properties, Inc. for the lease of 161.90 acres of land out of the W. C. Hallmark Survey, A-361, Wise County, Texas for the mining and production of sand and gravel. Bids were solicited by advertisement as required by

law with the only bid received being that of Top-Way Properties, Inc. The Top-Way bid specified payment to the District of \$.90 per cubic yard and proposed the use of Coastal Bermuda in place of native grass for reclamation. Director Henderson seconded the motion and the vote in favor was unanimous.

10.

With the recommendation of management, Director Campbell moved to award the purchase of concrete required for the construction of the Westpark Low Water Dam from Tarrant Concrete for the low bid price of \$44.00 per yard. Based upon the estimated use of 547 cubic yards of 300 PSI 5 sack concrete, the total cost is estimated at \$24,068. Director Henderson seconded the motion and the vote in favor was unanimous.

11.

With the recommendation of management, Director Campbell moved to authorize staff to purchase Directors' and Officers' Liability Insurance in the amount of \$3,000,000. The Directors further instructed staff to attempt to acquire this level of coverage for \$31,500 and that this coverage also cover prior acts. Director Sparks seconded the motion and the vote in favor was unanimous.

12.

With the recommendation of management, Director Campbell moved to award the purchase of (1) Low Ground Pressure Dozer from Mega Equipment Company for the low bid price of \$147,200. Funding for this purchase has been included in the Fiscal Year

1991 General Fund Budget. Director Henderson seconded the motion and the vote in favor was unanimous.

13.

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

General Fund: Check numbers 32227 through 32505, the total expenditure being \$1,088,944.62.

Debt Service Fund: Check numbers 2159 through 2163, the total expenditure being \$1,051,333.05.

Capital Projects Fund: Check numbers 2326 through 2379, the total expenditure being \$825,049.38.

Revenue Fund: Check numbers 15640 through 15856, the total expenditure being \$3,168,143.56.

Richland-Chambers Fund: Check numbers 14513 through 14533, the total expenditure being \$2,558,294.64.

Interest and Redemption Fund: Check number 2176, the total expenditure being \$287,467.67.

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

14.

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

George W. Shannon
President

Charles B. Campbell Jr.
Secretary