

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
HELD ON THE 19TH DAY OF SEPTEMBER, 1995

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
Brian C. Newby

Also present were James M. Oliver, Alan Thomas, Mike Meza, Brian Gordon, Wayne Owen, Madeline Robson, David Marshall, Steve Christian, Woody Frossard, Mike Witthaus and Wesley Cleveland.

Also in attendance were George Christie and Stan Harrell, legal counsel for the District, Lee Freese and Coy Veatch representing Freese and Nichols, Inc.

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 from the meeting held August 15, 1995. It was accordingly ordered that such minutes be placed in the permanent files of the District.

2.

There were no persons of the general public requesting the opportunity to address the Board of Directors.

3.

With the recommendation of management, Director Henderson moved to award the contract for the construction of the tunnel portion of the Benbrook Pipeline Project to Seven K Construction for the low bid of \$22,128,955.00. Director Sparks seconded the motion and the vote in favor was unanimous.

4.

With the recommendation of management, Director Sparks moved to approve Amendment Number One to the Benbrook Pipeline Engineering Services Agreement between the District and Freese and Nichols, Inc. dated December 28, 1990. The amendment provides for Resident Representation during construction of the tunnel section of the Benbrook Pipeline. Jenny Engineering will provide Resident Representation as a subcontractor of Freese and Nichols, Inc. for a cost not to exceed \$422,213.95. Director Henderson seconded the motion and the vote in favor was unanimous.

5.

The President and presiding officer next called an executive session under Chapters 551.071 of the Government Code to consider pending or contemplated litigation.

6.

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

7.

The Board of Directors next reviewed recommendations by the District's wholesale customer Advisory Committee related to the Fiscal Year 1996 Revenue Fund Budget. The proposed purchase of an airplane to replace the District's 17 year old pipeline surveillance aircraft was discussed. In addition, the Board of Directors discussed the performance of the TNRCC required management audit. Director Henderson moved to defer funding for a management audit until the Fiscal Year 1997. Director Sparks seconded the motion. The vote in favor included Director Campbell voting no. Staff was instructed to

initiate the preparation of a management audit scope in order to solicit consultant proposals during the summer of 1996 and begin the audit in the fall of 1996.

8.

With the recommendation of management and the District's Customer Advisory Committee, Director Campbell moved to approve the proposed Fiscal Year 1996 Revenue Fund Budget outlining \$55,977,679 in Revenues and Expenditures and corresponding raw water rates as follows:

| | |
|------------------|---------|
| In-District | 55.759¢ |
| Outside District | 62.959¢ |
| Arlington | 59.959¢ |

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

9.

With the recommendation of management, Director Henderson moved to approve the proposed Fiscal Year 1996 General Fund Budget outlining \$6,052,093 in Expenditures. Director Newby seconded the motion and the vote in favor was unanimous.

10.

With the recommendation of management, Directors Henderson, Campbell and Sparks jointly moved to adopt a zero tax rate for 1996. Director Newby seconded the motion and the vote in favor was unanimous.

11.

With the recommendation of management, Director Sparks moved to award the purchase of nine (9) ball valves for the Cedar Creek Lake Pump Station and Waxahachie Booster Pump Station to Golden Anderson for the bid cost of \$339,428. Funding for this purchase is allocated in the Fiscal Year 1995 Revenue Fund Budget. Director Campbell seconded the motion and the vote in favor was unanimous.

12.

With the recommendation of management, Director Newby moved to authorize the sale of surplus property for the appraised value as follows:

1. 54 square feet of land, adjacent to Lot 599 of the Oak Harbor Subdivision, Henderson County, Texas, to the adjacent owner, Claude P. McClary et ux, for the appraised value of \$148.50; and
2. 615 square feet of land, adjacent to Lot 5 of the Ruth's Hideaway Cove Subdivision, Henderson County, Texas, to the adjacent owner, Mrs. Marie S. Curry for the appraised value of \$2,152.50.

The sale shall be subject to the reservation of all minerals, the reservation of a flood flowage easement and the purchaser shall pay all closing costs, including survey and appraisal fees. Further, R. Steve Christian is authorized to execute all documents necessary to complete these conveyances. Director Henderson seconded the motion and the vote in favor was unanimous.

13.

With the recommendation of management, Director Campbell moved to authorize the purchase of 200 cubic yards of grout from Redi-Mix Concrete, Inc. for the low bid of \$59.50 per cubic yard. Funding for this purchase is to be allocated from the General Fund. Director Henderson seconded the motion and the vote in favor was unanimous.

14.

With the recommendation of management, Director Sparks moved to approve the District's Investment Policy. Director Henderson seconded the motion and the vote in favor was unanimous.

15.

With the recommendation of management, Director Newby moved to adopt a resolution authorizing the payment of Directors' Fees authorized by Section 49.060 of the Texas Water Code. Director Henderson seconded the motion and the vote in favor was unanimous.

A RESOLUTION
BY THE BOARD OF DIRECTORS
OF TARRANT COUNTY WATER CONTROL AND
IMPROVEMENT DISTRICT NUMBER ONE
TO ADOPT PROVISIONS OF SENATE BILL NO. 626

WHEREAS, the Texas Water Code outlines the powers and duties of Water Control and Improvement Districts and their elected Boards of Directors; and

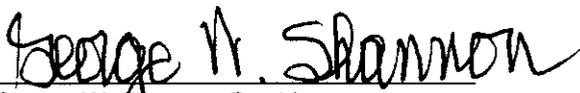
WHEREAS, the 74th Texas Legislature passed Senate Bill No. 626 recodifying the Texas Water Code and making substantive changes to the laws governing Water Control and Improvement Districts; and

WHEREAS, provisions for payment of fees of office to Directors now appear as recodified in Texas Water Code Section 49.060, which authorizes fees for each day actually spent performing the duties of a Director; and

WHEREAS, Texas Water Code Section 49.060(d) requires adoption of a resolution authorizing payment of the fees provided for in Section 49.060(a).

NOW THEREFORE BE IT RESOLVED by the Board of Directors of Tarrant County Water Control and Improvement District Number One that the District formally adopts the provisions set forth in Texas Water Code Section 49.060 and authorizes the payment of the fees authorized therein.

Passed and approved this 19th day of September, 1995.


George W. Shannon, President


Charles B. Campbell, Jr., Secretary

16.

Consideration of matters related to the repair of hail damaged roofs was postponed.

17.

With the recommendation of management, Director Campbell moved to approve the following list of vouchers for the month of August, 1995.

General Fund: Check numbers 46710 through 47033, the total expenditure being \$271,386.39.

Capital Projects Fund: Debit number 101295, the total expenditure being \$850,000.00.

Revenue Fund: Check numbers 26869 through 27119, the total expenditure being \$908,037.80.

Richland-Chambers Construction Fund: Check numbers 15722 through 15750, the total expenditure being \$6,980,568.96.

Interest and Redemption Fund: Check number 2255, the total expenditure being \$11,172,310.00.

1992 Reserve Fund: Debit numbers 101293, 101294, 101296, the total expenditure being \$5,302,061.67.

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

18.

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

George W. Shannon
President

Charles D. Campbell Jr.
Secretary