

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT REGIONAL WATER DISTRICT
HELD ON THE 26TH DAY OF AUGUST, 1997 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
Brian C. Newby

Also present were James M. Oliver, Alan Thomas, Brian Gordon, Mike Witthaus, David Marshall, Mike Meza, Steve Christian and Ken Brummett.

Also in attendance were George F. Christie and Lee F. Christie, legal counsel for the District.

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

1.

On a motion made by Director Henderson and seconded by Director Newby, the Directors unanimously voted to approve the minutes from the meeting held July 22, 1997. It was accordingly ordered that such minutes be placed in the permanent files of the District.

2.

On a motion made by Director Henderson and seconded by Director Newby, the Directors unanimously voted to approve the minutes from the meeting held August 14, 1997. It was accordingly ordered that such minutes be placed in the permanent files of the District.

3.

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, 1997. It was accordingly ordered that such minutes be placed in the permanent files of the District.

4.

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

5.

The President and presiding officer next called an executive session under Chapter 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.

With the recommendation of management, Director Newby moved to approve of the Compromise Settlement Agreement and Mutual Release concerning pending litigation with the City of Bridgeport. Director Henderson seconded the motion and the vote in favor was unanimous.

8.

With the recommendation of management, Director Campbell moved to adopt a resolution regarding the District's Investment Policy. Director Henderson seconded the motion and the vote in favor was unanimous.

**RESOLUTION
OF
THE BOARD OF DIRECTORS OF
TARRANT REGIONAL WATER DISTRICT
REVIEWING AND RECORDING CHANGES MADE TO THE DISTRICT'S
INVESTMENT POLICY AND INVESTMENT STRATEGIES**

WHEREAS, Tarrant Regional Water District ("the District") is a political subdivision of the State of Texas, created under authority of Article XVI, § 59 of the Texas Constitution; and

WHEREAS, the District as a political subdivision of the State of Texas has legal authority to invest local funds (which are public funds in the custody of the District that are not required by law to be deposited in the State treasury and that the District has legal authority to invest); and

WHEREAS, TEX. GOV'T CODE ANN. § 2256, Subchapter A, requires the District, as a political subdivision, to adopt rules governing the investment of the local funds of the District and to specify the scope of authority of officers and employees of the District that are designated to invest local funds; and

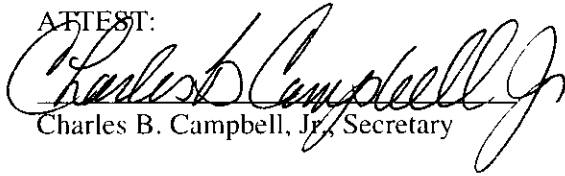
WHEREAS, the District has heretofore adopted a written Investment Policy governing the investment of local funds; and

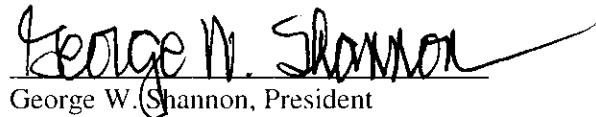
WHEREAS, the District has heretofore adopted a written Resolution designating the Investment Officers of the District in compliance with the requirements of TEX. GOV'T CODE ANN. § 2256, Subchapter A, authorizing such persons to deposit, withdraw, invest, transfer and manage in any other manner such funds;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF TARRANT REGIONAL WATER DISTRICT that notice is hereby given that the Board of Directors has on this date reviewed the District's investment policy and investment strategies. All changes made to either the District's investment policy or investment strategies following such review are as set forth hereinbelow: None

Passed and approved this 26th day of August, 1997.

ATTEST:


Charles B. Campbell, Jr., Secretary


George W. Shannon, President

9.

With the recommendation of management, Director Campbell moved to adopt a resolution regarding Investment Officers. Director Henderson seconded the motion and the vote in favor was unanimous.

**RESOLUTION
OF
THE BOARD OF DIRECTORS OF
TARRANT REGIONAL WATER DISTRICT
FORMALLY ESTABLISHING INVESTMENT
OFFICERS AND DESIGNATING ALAN THOMAS,
BRIAN GORDON AND ELISA AILARA
TO SERVE AS SAME**

WHEREAS, Tarrant Regional Water District ("the District") is a political subdivision of the State of Texas, created under authority of Article 16, Section 59 of the Texas Constitution; and

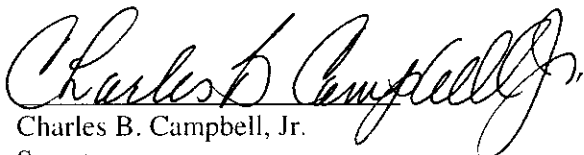
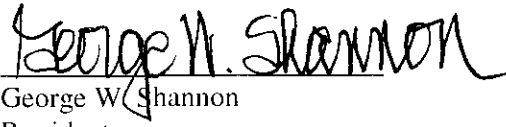
WHEREAS, the District as a political subdivision of the State of Texas has legal authority to invest local funds (which are public funds in the custody of the District that are not required by law to be deposited in the state treasury and that the District has legal authority to invest); and

WHEREAS, Tex. Gov't. Code Ann. Sec. 2256 Subchapter A requires the District, as a political subdivision, to adopt rules governing the investment of local funds of the District and to specify the scope of authority of officers and employees of the District that are designated to invest local funds; and

WHEREAS, the District has heretofore adopted a written Investment Policy governing the investment of local funds and requiring the Board of Directors of the District to designate one or more officers or employees of the District to be responsible for the investment of the funds of the District and to be the District's Investment Officers.

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF TARRANT REGIONAL WATER DISTRICT THAT Alan Thomas, Brian Gordon and Elisa Ailara are hereby designated as the Investment Officers for the District in compliance with the requirements of Tex. Gov't. Code Sec. 2256 Subchapter A, relating to the investment of public funds, and they are hereby authorized to deposit, withdraw, invest, transfer and manage in any other manner such funds. All investments shall be in securities and funds permitted by law and authorized by the District's written Investment Policy.

Passed and approved this 26th day of August, 1997.

	
Charles B. Campbell, Jr. Secretary	George W. Shannon President

10.

With the recommendation of management, Director Campbell moved to adopt a resolution regarding Authorized Representatives with TexPool. Director Henderson seconded the motion and the vote in favor was unanimous.

RESOLUTION

AMENDING AUTHORIZED REPRESENTATIVES

WHEREAS, Tarrant Regional Water District ("Participant") is a local government of the State of Texas and is empowered to delegate to a public funds investment pool the authority to invest funds and to act as custodian of investments purchased with local investment funds; and


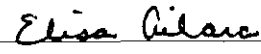
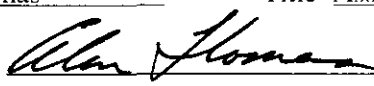
WHEREAS, it is in the best interest of the Participant to invest local funds in investments that provide for the preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act; and

WHEREAS, the Texas Local Government Investment Pool ("TexPool"), a public funds investment pool, was created on behalf of entities whose investment objective in order of priority are preservation and safety of principal, liquidity, and yield consistent with the public Funds Investment Act.

NOW THEREFORE, be it resolved as follows:

A. That the individuals, whose signatures appear on page 2 of this Resolution, are authorized representatives of the Participant and are each hereby authorized to transmit funds for investment in TexPool and are each further authorized to withdraw funds from time to time, to issue letters of instruction, and to take all other actions deemed necessary or appropriate for the investment of local funds.

List of the authorized representatives of the Participant. These individuals will be issued P.I.N. numbers.

1. Name Brian Gordon Title Finance Manager
Signature 
2. Name Elisa Ailara Title Accountant II
Signature 
3. Name Alan Thomas Title Assistant General Manager
Signature 

List the name of the Authorized Representative listed above that will have primary responsibility for performing transactions and receiving confirmations and monthly statements under the Participation Agreement.

Name: Brian Gordon

In addition and at the option of the Participant, one additional authorized representative can be designated to perform only inquiry of selected information. This limited representative cannot make deposits or withdrawals. If the Participant desires to designate a representative with inquiry rights only. Complete the following information.

3. Name _____ Title _____

B. That this resolution and its authorization shall continue in full force and effect until amended or revoked by the Participant, and until TexPool receives a copy of any such amendment or revocation.

This resolution is hereby introduced and adopted by the Participant at its regular/special meeting held on the 26th day of August, 1997.

NAME OF PARTICIPANT : Tarrant Regional Water District

BY: George N. Shannon
George Shannon
President

ATTEST: Charles Campbell
Charles Campbell
Secretary

11.

With the recommendation of management, Director Henderson moved to adopt a resolution regarding Authorized Representatives with LOGIC. Director Campbell seconded the motion and the vote in favor was unanimous.

**RESOLUTION
OF
THE BOARD OF DIRECTORS OF
TARRANT REGIONAL WATER DISTRICT
FORMALLY ESTABLISHING INVESTMENT
OFFICERS AND DESIGNATING ALAN THOMAS,
BRIAN GORDON AND ELISA AILARA
TO SERVE AS SAME**

WHEREAS, Tarrant Regional Water District (“the District”) is a political subdivision of the State of Texas, created under authority of Article 16, Section 59 of the Texas Constitution; and

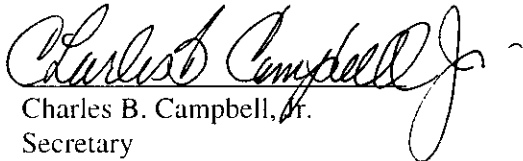
WHEREAS, the District as a political subdivision of the State of Texas has legal authority to invest local funds (which are public funds in the custody of the District that are not required by law to be deposited in the state treasury and that the District has legal authority to invest); and

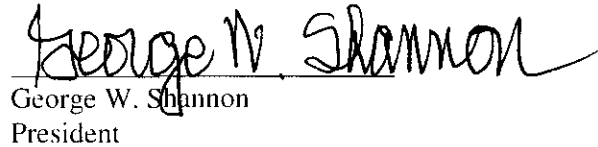
WHEREAS, Tex. Gov’t. Code Ann. Sec. 2256 Subchapter A requires the District, as a political subdivision, to adopt rules governing the investment of local funds of the District and to specify the scope of authority of officers and employees of the District that are designated to invest local funds; and

WHEREAS, the District has heretofore adopted a written Investment Policy governing the investment of local funds and requiring the Board of Directors of the District to designate one or more officers or employees of the District to be responsible for the investment of the funds of the District and to be the District’s Investment Officers.

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF TARRANT REGIONAL WATER DISTRICT THAT Alan Thomas, Brian Gordon and Elisa Ailara are hereby designated as the Investment Officers for the District in compliance with the requirements of Tex. Gov't. Code Sec. 2256 Subchapter A, relating to the investment of public funds, and they are hereby authorized to deposit, withdraw, invest, transfer and manage in any other manner such funds. All investments shall be in securities and funds permitted by law and authorized by the District's written Investment Policy.

Passed and approved this 26th day of August, 1997.


Charles B. Campbell, Jr.
Secretary


George W. Shannon
President

12.

Consideration of a revised Purchasing Policy was postponed.

13.

With the recommendation of management, Director Henderson moved to accept the low bid in the amount of \$25,920.00 submitted by B.G. Williams Asphalt for the chip seal penetration of roads located at the Richland - Chambers Reservoir Maintenance Compound. Funding for this project was included in the FY 1997 Revenue Fund Budget. Director Newby seconded the motion and the vote in favor was unanimous.

14.

With the recommendation of management, Director Sparks moved to approve, adopt and ratify as the correct District boundaries shown by Tarrant Appraisal District and furnished to the District as of October 1, 1996. Director Campbell seconded the motion and the vote in favor was unanimous.

15.

With the recommendation of management and with the assurance that all requirements of the Texas Property Code had been met, Director Newby moved to set the Tax Year 1997 ad

valorem property tax rate at 1.9823 cents per \$100.00 valuation and to adopt the same exemptions as may be adopted by the Tarrant County Commissioners Court. Director Henderson seconded the motion and the vote in favor was unanimous.

16.

With the recommendation of management, Director Henderson moved to approve of the Additional Party Raw Water Supply Contract between the District and Wise County Water Supply District. Director Sparks seconded the motion and the vote in favor was unanimous.

17.

With the recommendation of management, Director Henderson moved to approve the following list of vouchers for the month of July, 1997.

General Fund: Check numbers 52991 through 54603, the total expenditure being \$661,894.51.

Revenue Fund: Check numbers 31850 through 32565, the total expenditure being \$2,043,653.16.

Capital Projects Fund: Debit Number 128956, the total expenditure being \$506,336.81.

Retirement Fund: Debit Number 128026, the total expenditure being \$490,971.13.

Cedar Creek Construction Fund: Debit Number 127937 and Check numbers 2293 - 2301, 2303 - 2307 and 3100 , the total expenditure being \$184,286.45.

Richland-Chambers Construction Fund: Check numbers 16387 - 16393, 16398 - 16402, 17151, 17156 and 17156 the total expenditure being \$313,527.23.

Benbrook/Richland-Chambers Construction Fund: Debit numbers 128875, 127925 and as well as check numbers 16395, 16396, 16404 - 16406 and 17152 - 17154, the total expenditure being \$6,277,873.75.

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

18.

Staff reports were next presented regarding the painting of the Cedar Creek Spillway Gates and a brief video update was presented on maintenance and construction projects.

19.

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

George N. Shannon
President

Charles F. Campbell Jr.
Secretary