

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
HELD ON THE 8TH DAY OF OCTOBER, 1979 AT 4:00 P.M.

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

PRESENT

Wayne E. Newton
J. Oliver Shannon, Sr.
C. Victor Thornton
Preston M. Geren, Jr.
Robert D. Alexander

Also present were Messrs. John M. Scott, General Counsel for the
District; Representatives from McCall, Parkhurst & Horton; First
Southwest and Bond Underwriters and Ben Hickey, General Manager of
the District.

President Newton acted in his capacity as President and
Director Thornton acted in his capacity as Secretary, whereupon pro-
ceedings were had and done as follows:

1.

On motion duly made and seconded, and with assurance from
management that all requirements of law relating to the "open meeting"
law had been met, the minutes of the meeting held August 29, 1979 were
read and approved by the Directors and it was accordingly ordered
that such minutes be placed in the permanent files of the District.

2.

President Newton stated that the purpose of this meeting
was to consider and act upon the following subject, to wit: The
Authorization of Water Revenue Bonds, and matters relating thereto
including the redemption of certain Water Revenue Bonds prior to

their scheduled maturity in connection therewith; whereon President Newton called upon Mr. Donald Patterson, spokesman for Blyth Eastman Dillon and Co., Inc.; Goldman, Sachs & Co.; and Merrill, Lynch, Pierce, Fenner and Smith, Inc. underwriters for the purchase of \$342,750,000.00 Tarrant County Water Control and Improvement District Number One Water Revenue Bonds, Series 1979-A. Mr. Patterson then presented President Newton with a cashiers check in the amount of \$3,427,500.00 as a good faith payment for the purchase; all as described in the proposed Underwriting Agreement - a copy attached hereto and made a part of these minutes that had heretofore been furnished the Directors for their consideration.

Following a general discussion and with recommendation of counsel and financial consultants to the District, Director Alexander moved, seconded by Director Thornton and unanimously approved, that the Underwriting Agreement, as presented and attached hereto, be adopted and executed by the District.

3.

President Newton stated that the next item to be considered relating to the "Richland Project" was a written proposed resolution - heretofore furnished the Directors for their consideration - authorizing the issuance of Tarrant County Water Control and Improvement District Number One Water Revenue Bonds, Series 1979-A. Following a full discussion, Director Thornton moved, seconded by Director Geren and unanimously approved, that with recommendations of management and counsel to the District, the District's bonds are hereby authorized to be issued in the principal amount of \$342,750,000. for the purpose

of obtaining the funds required (a) to refund that issue of Tarrant County Water Control and Improvement District Number One Water Revenue Bonds, Series 1979, now outstanding in the principal amount of \$7,750,000., and (b) to enable the District to improve its water system by acquiring and constructing additional sources of raw water supply, to wit: (1) Acquiring and constructing a dam and reservoir on Richland and Chambers Creeks in Navarro and Freestone Counties, and all related transportation, storage, and other facilities, and all real and personal property and interests pertaining thereto, and (2) acquiring water rights, permits, and approvals, and real estate and interests therein, for an adjacent and related dam and reservoir on Tehuacana Creek in Freestone County.

4.

President Newton stated that it would now be in order to authorize the option to redeem the Tarrant County Water Control and Improvement District Number One Revenue Bonds, Series 1979 heretofore issued by the District; whereon Director Shannon moved, seconded by Director Geren and unanimously approved, that there is attached to this Resolution, and made a part hereof for all purposes, a NOTICE OF PRIOR REDEMPTION OF BONDS for the Tarrant County Water Control and Improvement District Number One Revenue Bonds, Series 1979.


That the bonds described and bearing the numbers set forth in such NOTICE OF PRIOR REDEMPTION OF BONDS are hereby called for redemption, and shall be redeemed, prior to maturity, on the date, at the place, and at the price set forth therein; also that at least ten days prior to the date fixed for such redemption a copy of such

NOTICE OF PRIOR REDEMPTION OF BONDS shall be delivered to The Fort Worth National Bank, Fort Worth, Texas, to The First National Bank of Fort Worth, Fort Worth, Texas, and to The Continental National Bank of Fort Worth, Fort Worth, Texas and that by the date fixed for such redemption due provision shall be made with The Fort Worth National Bank, Fort Worth, Texas, for the payment of the redemption price of said bonds which have been so called for redemption.

5.

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


Secretary


President