

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT REGIONAL WATER DISTRICT
HELD ON THE 23rd DAY OF MAY 2006 AT 9:30 A.M.

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

Present

Victor W. Henderson
Hal S. Sparks III
Jack R. Stevens
James W. Lane*
Marty V. Leonard*

*Assumed Director responsibilities following administration of oath of office

Also present were, James M. Oliver, Alan Thomas, Steve Christian, Linda Christie, JD Granger, Nancy King, Chad Lorance, David Marshall, Mark Olson, Wayne Owen, and Sandy Swinnea.

Also in attendance were George Christie, General Counsel for Tarrant Regional Water District (the Water District); Hal Ray representing Pope, Hardwicke, Christie, Harrell, Schell & Kelly, LLP; Max Baker and Rodger Mallison representing the Fort Worth Star Telegram; Jim Lane*, Marty Leonard*, Martha Reyes-Hewitt, Glyn Lane, Madelon Bradshaw, Judy Needham, Marty Craddock, Bryan Muhommd, Lyn Welsh, Beverly Branch, John Maddux, John Stevenson and Ann Arnold.

President Henderson convened the meeting with the assurance from management that all requirements of the "open meetings" laws had been met.

1.

The President and presiding officer next called an executive session at 9:40 a.m. under Chapter 551.071 of the Government Code to consider pending or contemplated litigation – Clapp lawsuit.

2.

Upon completion of the executive session at 9:47 a.m., the President reopened the meeting.

3.

With the recommendation of management, Director Stevens moved to approve the purchase of the following described land from Guy C. Clapp for the negotiated purchase price of \$185,000 with additional settlement terms noted below. Funding for this purchase is included in the 2002 Bond Issue.

1.683 acres in fee, Lot 1, Block 2, West 20 Business Park Addition, Tarrant County, Texas, for the negotiated settlement price of \$185,000.

TRWD will grant easements to Mr. Clapp in a form provided by TRWD for the following:

- Concrete approach to Blk 1, Lot 6 approximately 15 ft. x 65 ft. in size to be located on Blk 2, Lot 1;
- Roadway across Blk 1, Lot 5, approximately 28 ft. x 202 ft., located at the southern end of such lot;
- Existing concrete driveway extending across the western boundary of Blk 1, Lot 5;
- Mr. Clapp's installation of a curb along the northern boundary of Blk 1, Lot 5 and the southern boundary of Blk 2, Lot 2.

Mr. Clapp will not be allowed to construct any of the above improvements until after the completion of construction of TRWD's first pipeline and TRWD will notify Mr. Clapp of completion of that pipeline.

Additional terms of the settlement:

- TRWD agrees not to install a pump station on Blk 2, Lot 1 and Blk 1, Lot 5;
- TRWD will maintain the mowing of Blk 2, lot 1 and Blk 1, Lot 5.

In addition, R. Steve Christian is granted authority to execute all documents necessary to complete this transaction. Director Sparks seconded the motion and the vote in favor was unanimous.

4.

The agenda item on collection of delinquent property taxes was tabled.

5.

With the recommendation of management, Director Sparks moved to adopt a resolution in recognition of George W. Shannon and as an expression of deep appreciation for his work and leadership, direct that from this day forward, the Richland-Chambers Wetland Facility shall be dedicated to George W. Shannon and bear his name. Director Stevens seconded the motion and the vote in favor was unanimous.

6.

The Board recessed for a break from 10:00 to 10:28 a.m.

The Water District contracted with the Tarrant County Elections Administrator to conduct the joint election for Water District directors and the Tarrant County special bond election on May 13, 2006.

The Tarrant County Elections Administrator has counted, summarized and delivered the sealed precinct returns to Nancy L. King as the Representative of the Presiding officer of the canvassing authority President Henderson. President Henderson then tendered to the Board as the canvassing authority the sealed precinct returns and a tabulation stating for each candidate the total number of votes received in each precinct and the sum of the precinct totals.

The tabulation reflects that Marty Leonard and Jim Lane were duly elected to the Board, and President Henderson recommended that this Board certify them as duly elected members of the Board of Directors of Tarrant Regional Water District, and declare the election results to be as shown on the tabulation.

Director Stevens moved that the Board of Directors find and declare the results were as follows:

<u>Candidate</u>	<u>Votes</u>
Mike Utt	1,196
GJ (Marty) Martinez	813
Marty Leonard	5,949
Jim Lane	5,848
Timothy Nold	343
Clyde Picht	5,746
J. R. Kimball	590
Ben B. Boothe	1,005
Tracey Smith	1,512
Tom Waltz	333
Gary R. Alexander	376
Gina Puente Brancato	4,793
Howard W. Stone	419

Number of Ballots Cast: 17,442

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

8.

According to the results of the election for two (2) Tarrant Regional Water District Board of Directors, James W. Lane and Martha V. Leonard were administered the Oaths of office by Victor W. Henderson, President.

Upon completion of being sworn in, Marty Leonard expressed excitement on being on the Board and will do her best as promised. Guests present in honor of Director Leonard include John Maddux, John Stevenson, Madelon Bradshaw and Marty Craddock. Director Leonard thanked the voters.

Guests attending in honor of Jim Lane include his mother, Glyn Lane, and Martha Reyes-Hewitt. Director Lane expressed his intent to make the Trinity Uptown Project a success.

9.

The President and presiding officer next called an executive session at 10:40 a.m. under Chapter 551.072 of the Government Code to consider real property issues – leasing of office space.

10.

Upon completion of the executive session at 11:36 a.m., the President reopened the meeting.

11.

With the recommendation of management, Director Lane moved to approve a lease of up to 5,289 sq. ft. of office space in the Commerce Building for Trinity River Vision support staff and public access space at a rate of \$16.00 per square foot rental for a primary term of five (5) to seven (7) years and a finish out allowance of approximately \$15.00 per square foot.

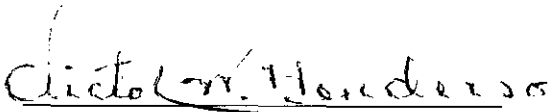
In addition, R. Steve Christian is granted authority to enter into a lease incorporating the agreed terms and such other terms and conditions as are necessary and appropriate. Director Leonard seconded the motion and the vote in favor was unanimous.

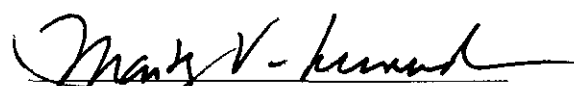
12.

With the recommendation of management, Director Sparks moved to approve a contract with the Fort Worth Star-Telegram in the amount of \$35,000 for advertisements that promote the Water District's water conservation efforts. Funding for this contract is budgeted in the FY 2006 Revenue Fund Budget. Director Lane seconded the motion and the vote in favor was unanimous.

13.

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


President


Secretary Pro Tem