

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT REGIONAL WATER DISTRICT
HELD ON THE 18TH DAY OF OCTOBER 2011 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
Marty V. Leonard
Jim Lane

Also present were Jim Oliver, Alan Thomas, Darrel Andrews, Darrell Beason, Kathy Berek, Travis Bird, Laura Blaylock, JL Cabrera, Shanna Cate, Steve Christian, Wesley Cleveland, David Dunaway, David Geary, J. D. Granger, Chad Lorance, David Marshall, Jennifer Mitchell, Rachel Navejar, Sandy Newby, Matt Oliver, Wayne Owen, Madeline Robson, Paula Stewart and Carol Tackel.

Also in attendance were George Christie, General Counsel for Tarrant Regional Water District (Water District); Lee Christie and Hal Ray of Pope, Hardwicke, Christie, Schell, Kelly, & Ray LLP; Dudley Brown of Save Eagle Mountain Lake; Dick Fish of Lake Country POA; Gary Savanyu of Beta/Gunter; Randy Romack of Black & Veatch; Patrick Prevost of Burns & McDonnell; Don Funderlic of CDM; Matt Johansen and Tatizona Troutman of Citi Bank; Robbie Thompson of Foster CM Group; Rosa Navejar of Fort Worth Hispanic Chamber of Commerce; Pat Whiteley of Hanson Pressure Pipe; Heath Barber of JP Morgan; Bob Johnson of MWH; Charlie Mock of Shaw; A. Lee Graham of Fort Worth Business Press; Judd Pritchard of TRC-JV and Earl Alexander.

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

1.

All present were given the opportunity to join in reciting the Pledge of Allegiance.

2.

On a motion made by Director Leonard and seconded by Director Stevens, the Directors unanimously voted to approve the minutes from the meeting held September 20, 2011. It was accordingly ordered that these minutes be placed in the permanent files of Tarrant Regional Water District.

3.

During public comment Rosa Navejar, Fort Worth Hispanic Chamber of Commerce thanked the District for supporting MusicArte on the River, the Chamber's scholarship fund raiser. This was the first year the event was on the river and it was so successful that they hope to hold it on the river again.

Also, Dick Fish, representing the Lake Country POA whose members are concerned about the runoff of sediment flowing into Eagle Mountain Lake, gave a brief presentation on sediment runoff into Chesapeake Bay after Hurricane Irene.

4.

With the recommendation of management and the committee as noted, Director Leonard moved to approve the capital expenditures as noted below:

Equipment	Vendor	Amount	Funding Source/s	Committee
Heavy Duty 15' Flexwing Mower	John Deere Company	\$14,969.74	Revenue	Construction and Operations
2 ea Heavy Duty 15' Flexwing Mowers	John Deere Company	\$29,939.48	General	Construction and Operations
150HP 4WD Tractor W/ Cab	John Deere Company	\$65,778.06	General	Construction and Operations

Commercial Wide Area Mower	Professional Turf Products	\$88,421.14	Revenue	Construction and Operations
One Ton Cab & Chassis W/ Utility Bed and Aerial Lift	Versalift Southwest	\$76,457.00	General	Construction and Operations
1/2 Ton 4WD Crew Cab SWB Pickup	Holiday Chevrolet, Inc.	\$35,058.90	General	Construction and Operations

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

5.

With the recommendation of management, Director Stevens moved to adopt a resolution to change the Water District policy to delegate approval of expenditures of greater than \$25,000 but not more than \$50,000 (or in such increased limit as hereafter set by the Legislature) to the General Manager. Director Leonard seconded the motion and the vote in favor was unanimous.

6.

With the recommendation of management and the Technology Committee, Director Stevens moved to approve the purchase of seventy-three additional Maximo licenses to ensure legal compliance with the IBM Maximo licensing agreement. This unbudgeted expense of \$123,357.87 will be split over three annual payments of \$41,119.29 from the FY 2012, FY 2013, and FY 2014 General Fund Budgets to minimize the initial impact of licensing compliance costs. Director Leonard seconded the motion and the vote in favor was unanimous.

7.

With the recommendation of management, Director Sparks moved to adopt the resolution supporting passage of Proposition 2, a proposed Texas Constitutional

amendment acknowledging critical water supply needs of the state of Texas and the necessity for cost-effective programs to assist in financing projects. Director Leonard seconded the motion and the vote in favor was unanimous.

8.

With the recommendation of management and the Construction and Operations Committee, Director Lane moved to approve close-out of the contract with Reliable Paving, Inc. for the Northside Trailhead Project and payment of the final pay request including release of retainage for a total of \$28,862.13. Funding for this payment is included in the FY 2012 General Fund. Director Sparks seconded the motion and the vote in favor was unanimous.

9.

With the recommendation of management and the Construction and Operations Committee, Director Lane moved to approve a change in calculation of the retainage being held on all future pay requests for The Fain Group for Twin Points Phase 1A shoreline protection, boat ramp, boat ramp turnaround and storm drains to 5% of the total contract price, following the recent 50% completion milestone of their respective contract. All remaining contract payments are to be made in full. However, any changes to the contract price by change orders will require adjustment to the retainage schedule. Funding for this contract is included in the FY 2012 General Fund. Director Sparks seconded the motion and the vote in favor was unanimous.

10.

With the recommendation of management and the Construction and Operations Committee, Director Stevens moved to approve a change in calculation of the retainage

being held on all future pay requests for the George W. Shannon Wetlands Water Reuse Project to 5% of the total contract price for GMP# 1, following the 50% completion milestone of their respective contract. All remaining contract payments are to be made in full. However, any changes to the contract price by change orders will require adjustment to the retainage schedule. Funding for this contract is included in the Bond Fund. Director Lane seconded the motion and the vote in favor was unanimous.

11.

With the recommendation of management and the Construction and Operations Committee, Director Stevens moved to approve a contract amendment with Halff Associates for modifications to the Fort Worth Floodway and Upper Basin forecasting model to include a reservoir release calculator and release override editor for a total cost of \$49,000. Funding for this contract amendment is included in the FY 2012 General Fund. Director Leonard seconded the motion and the vote in favor was unanimous.

12.

With the recommendation of management and the Environmental Committee, Director Lane moved to delegate authority to the Environmental Committee to approve a contract or contracts with a party or parties to be determined to perform the necessary work to relocate a previously unknown cemetery which has been discovered in the Richland-Chambers Reservoir. The contract will be brought before the full Board for ratification. Funding for this contract is included in the FY 2012 Revenue Fund. Director Stevens seconded the motion and the vote in favor was unanimous.

13.

STAFF UPDATES

- IPL UPDATE
- Water Supply Operations

14.

The Board of Directors recessed for a break from 10:37 a.m. to 10:50 a.m.

15.

The presiding officer next called an executive session at 10:51 a.m. under V.T.C.A., Government Code, Section 551.071 to consult with legal counsel on a matter in which the duty of counsel under the Texas Disciplinary Rules of Professional Conduct clearly conflicts with Chapter 551, Texas Government Code; to conduct a private consultation with attorneys regarding pending or contemplated litigation; and under Section 551.072 to deliberate the purchase, exchange, lease or value of real property.

16.

Upon completion of the executive session at 11:28 a.m., the President reopened the meeting.

17.

If negotiations to acquire the property by purchase are unsuccessful, Director Leonard moved that the Tarrant Regional Water District authorize the use of the power of eminent domain to acquire the surface estate only, **including improvements located thereon, of an approximately 27.997 acre tract of land out of the R.K. Wines Survey, Abstract Number 1178, Ellis County, Texas, and conveyed by deed to Texas Midstream Gas Services, L.L.C., an Oklahoma limited liability company, as recorded in Volume 2325, Page 1395, Deed Records, Ellis County, Texas, for**

construction and operation of the Integrated Pipeline Project. Funding for this purchase is included in the Bond Fund. Director Stevens seconded the motion and the vote in favor was unanimous.

18.

If negotiations to acquire the property by purchase are unsuccessful, Director Sparks moved that the Tarrant Regional Water District authorize the use of the power of eminent domain to acquire the surface estate only of **approximately 2.955 acres in fee simple, including improvements located thereon, being Lots 1 and 2, and the North 85 feet of Lot 3, Block 252, North Fort Worth Addition, to the City of Fort Worth, Tarrant County, Texas, according to the plat recorded in Volume 204-A, Page 117, Plat Records, Tarrant County, Texas, and further being a tract of land described in a deed to J.R. Stevens, Sr. and J.R. Stevens, Jr., recorded in Volume 12584, Page 1468, Deed Records, Tarrant County, Texas; together with the South 30 feet of a tract marked "Reserved" which lies between Blocks 251 and 252 on said plat** for construction and operation of the Trinity River Vision – Central City Project. Funding for this purchase is included in the FY 2012 General Fund. Director Lane seconded the motion and the vote in favor was unanimous.

19.

Director Lane thanked J. D. Granger, Jim Oliver, and staff for preparing briefing papers on Trinity River Vision – Central City and water projects. He has spoken using this information and many in the groups were surprised by the information.

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

Victor W. Henderson James L. Thomas
President Secretary