

MINUTES OF A CALLED MEETING OF THE BOARD OF DIRECTORS OF
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
HELD IN THE DISTRICT OFFICE, IN FORT WORTH, TEXAS, ON THE
7TH DAY OF OCTOBER, 1937, AT 3:00 P.M.

The call of the roll disclosed the presence of all Directors, as follows, viz:

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|-----------------|----------------|
| C. A. Hickman | Joe B. Hogsett |
| E. E. Bewley | W. S. Cooke |
| W. K. Stripling | |

Also present for a conference with the Board were E. H. McKinley, John Lamb and Melvin Faulk, Jr., composing the Board of Supervisors of the Fort Worth Improvement District No. 1, together with Mr. Robert Sansom, as attorney for that District.

President Hickman acted in his capacity as President of the Board and Director Stripling acted in his capacity as Secretary, whereupon proceedings were had and done, as follows:

1.

Upon invitation from President Hickman, Mr. E. H. McKinley, President of the Levee District Board, made statement resulting in questions and answers, as follows: What changes have been made in the plan for remodelling and relocation of the levee in the area known as Subdivision 2 of Section "B," since the Levee Board originally gave approval of the plan?

Mr. Freese of this District's engineers stated that there was no substantive change, save that, more mature investigation had convinced the engineers that the cost to relocate the levee at the sharp angle turn on the land owned by Mrs. Clara Bullard and others and to substitute for the old sluice-gate a new sluice-gate of larger capacity would not be justified. That the levee would remain on its present location but have earth added to give the required height and thickness. That the old sluice-gate would be left in place but made efficient by adding to the conduit a flap-gate, which automatically would prevent water boiling back on the inside of the levee,

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during times of high water in the river. That the addition of this automatic flap-gate would make it very improbable that there would be need for an elevated cat-walk to lead from the top of the levee to the controls of the sluice-gate. That the present sluice-gate, so conditioned, will be efficient and have capacity fully adequate to give prompt discharge of the water originated inside of the levee, at all stages of the river which would make discharge possible. That the necessity for low elevation of the facility for the discharge of water from behind the levee would not be helped by providing a larger facility for discharge. For the reasons stated, the engineers were of the opinion that adhering to the original plan would involve unjustified expenditures.

Upon conferring with the other members of the Levee Board, Mr. McKinley stated while they would have preferred a new sluice-gate and relocation of the levee to eliminate the present sharp angle, they, relying on the opinion of the Water District's engineers, had no objection to offer to the present plan.

Thereupon Mr. McKinley, in substance, stated that the levee walker employed by the District had reported that the management of the Fort Worth League Ball Park had been dumping bottle caps, broken bottles, paper, other wastes and grass cuttings in the levee floodway, to the east of the Park. That Mr. Coombs, Manager of the Ball property, had reported that Mr. Hampton, at the time of trading for right-of-way for the relocated levee to the east of the Park, had stated that he saw no objection to the Park management so doing. Mr. Hampton stated that he understood the request to relate principally to grass cuttings and was of the opinion that the practice would be unobjectionable, provided the dumping was done at low pitted places and the dumpings covered by earth. Mr. McKinley replied that the Levee District had much trouble in keeping the floodway clear of old automobile bodies, brush and trash of all kinds; that if the Ball Park was permitted to make such use of the floodway, the district would not be in a position to forbid others to do the same.

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He stated that at the request of Mr. Coombs his Board had agreed that the Ball Park Management might continue this practice until the present ball season was ended. It was their desire that Director Stripling, who also is a director of the baseball corporation, give instruction that the practice be not followed after the stated time.

Mr. Lamb, of the levee board, stated that the storm sewer sluiceway of the City on West Fifth Street, on the westerly bank of the Clear Fork of the Trinity River, in flood time permits water to boil back into the basin behind the levee and that it was hoped that this District could repair that flood gate. Mr. Freese of this District's engineers suggested that the Levee Board should take this matter up with the City of Fort Worth, whose duty it is to give adequate maintenance of that facility, and that he would be glad to join the Levee Board in presenting the request to the City.

2.

Attached to these minutes as Exhibit "A" and here referred to as part hereof is one of several reciprocal receipts executed on October 6, 1937, as between the Continental National Bank of Fort Worth, as the District's statutory depository, and Director Bewley, as Custodian of the District's pledges of security, which shows the withdrawal from pledge of bonds of Fort Worth Independent School District, having par value \$75,000.00; also showing the delivery into pledge by the bank to the District one United States Treasury bond, having par value \$100,000., Director Bewley stated that the reciprocal receipt truly recited the facts and that, in his opinion, the deposits of the District now have adequate security; whereupon, he made a motion, seconded by Director Cooke, that the recited transactions be approved as the acts and deeds of the District, having effect on and after said 6th day of October A.D. 1937; further that, one of said reciprocal receipts be attached to the statutory bond of the depository as Exhibit #32 thereof, as is provided for in the bond. Upon a vote being taken, the motion was carried and it was so ordered.

3.

Having had report of the progress being made in procuring right-of-way for the work to be done on Subdivision 2 of Section "B" of the District's levee plan, Director Cooke made a motion, seconded by Director Bewley, that the attorneys and engineers for the District proceed to advertise for bids for said work as soon as may be done, after knowing the result of the award to be made by the special commissioners appointed in the District's condemnation proceeding against W. M. McDonald, et al. Upon a vote being taken, the motion was carried and it was so ordered.

4.

Attached to the minutes as Exhibit "B" is an opinion given by S. L. Samuels and Ireland Hampton, as attorneys for the District, relating to the right of the Board of this District to enter into leases for more than one year or for any period of time exceeding the time at which any given Board of Directors may be succeeded by other Directors. Said exhibit here is referred to as part hereof. The opinion was to the effect that the Board had such right. There was full discussion of this matter, particularly with reference to the request made by the Fort Worth Y.M.C.A. for a long term lease or right to purchase about sixteen acres of land. Decision on the policy to govern was reserved.

5.

There was extended discussion concerning the policy of the District with reference to selling or retaining land owned by it. It was the sense of the Board that decision of this matter be reserved for further consideration.

6.

There was brought to the attention of the Board the necessity of the District to advertise in Tarrant, Wise and Jack Counties notice of the intention of the Board to lease land situated in those several counties for

the year 1938, as required by H.B. #969, enacted at the Regular Session of the 45th Legislature. It was the sense of the Board that this advertisement be made in the several counties and it was so ordered.

7.

Director Bewley made a motion, seconded by Director Hogsett, that Mr. Geo. W. Duke of Newark, Texas, be retained to supervise leases of the District lands for the year 1938 and to make recommendation to the Board thereon, upon the same terms of compensation as for the present year. Upon a vote being taken, the motion was carried and it was so ordered.

8.

There was presented to the Directors a proposal of the attorneys for Mrs. Lois Lephin and others to compromise their pending suit against the District, in trespass to try title, for the sum of \$112.50, each party to pay their own costs. It was explained that this related to the title to approximately four and one half ($4\frac{1}{2}$) acres of land adjoining the southerly side of the bridge on the Jacksboro Highway and serving as a floodway for the remodelled levee. After discussion of this matter, and having the advice of the District's attorneys thereon, Director Stripling made a motion, seconded by Director Hogsett, that the attorneys of the District be authorized to compromise the suit, procure judgment thereon favoring the District, provided the same could be done by the payment of \$80.00 and the payment of the costs incurred by the District. Upon a vote being taken, the motion was carried and it was so ordered.

9.

No further business was presented and the meeting was adjourned.

APPROVED:


AS PRESIDENT

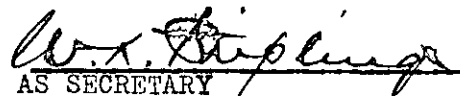

AS SECRETARY

EXHIBIT NO. 32

Withdrawal of Securities
and
Substitution of Securities

ON THIS the 6th day of October, 1937, the CONTINENTAL NATIONAL BANK OF FORT WORTH, Texas, hereby acknowledges receipt of withdrawal of securities heretofore pledged to secure TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE; Said securities are described in Exhibit No. 23, attached to the Bond of this bank, as the District's Depository, and the same are specifically described as follows:

Fort Worth Independent School District $\frac{4}{8}$ serial bonds with February 1, 1935, and subsequent coupons attached:

| | |
|--|---------------------|
| <u>Maturing February 1, 1945</u> | |
| Nos. 466-475, inclusive, @ \$1M each | \$10,000.00 |
| <u>Maturing February 1, 1946</u> | |
| Nos. 571-590 inclusive @ 1M each | 20,000.00 |
| <u>Maturing February 1, 1947</u> | |
| Nos. 646-665 inclusive @ \$1M each | 20,000.00 |
| <u>Maturing February 1, 1948</u> | |
| Nos. 681-705 inclusive @ \$1M each | 25,000.00 |
| | <u>\$ 75,000.00</u> |

(SEVENTY FIVE THOUSAND DOLLARS)

TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE, as of this date, hereby acknowledges receipt from the CONTINENTAL NATIONAL BANK OF FORT WORTH, Texas, to be deposited as collateral to secure the bond of said bank as the depository of this district, securities specifically described as follows:

U. S. $2\frac{3}{4}$ % Treasury Bonds of 1951-54, with December 15, 1937, and S. C. A.:

Sec. 1000-20, 2000-25-37, No. 5419 \$100,000.00

THE WITHDRAWAL of securities and the SUBSTITUTION OF SECURITIES as herein above related is in compliance with the terms of the Bond executed by the CONTINENTAL NATIONAL BANK OF FORT WORTH on May 14, 1935, as an Official Depository of this District.

THIS RECIPROCAL RECEIPT is hereby designated as "Exhibit No. 32" and is to be attached to the bond executed by said bank on May 14, 1935.

WITNESS OUR HANDS ON this the 6th day of October, 1937.

CONTINENTAL NATIONAL BANK OF FORT WORTH

By: [Signature]
As President

ATTEST:

[Signature]
As Cashier

TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE

By: [Signature]
Custodian of Pledges

EXHIBIT "B" October 7, 1937.
3:00 P.M.

TARRANT COUNTY WATER CONTROL AND
IMPROVEMENT DISTRICT NUMBER ONE

BOARD OF DIRECTORS

C. A. HICKMAN, PRES.
E. E. BEWLEY, VICE-PRES.
W. K. STRIPLING, SEC'Y
JOE B. HOGSETT
W. S. COOKE

OFFICE CAPPS BUILDING
PHONE 3-2848

SIDNEY L. SAMUELS | ATTORNEYS
IRELAND HAMPTON |

HAWLEY AND FRIESE
ENGINEERS

ED. B. CHEATHAM, OFFICE

FORT WORTH, TEXAS.

September 25, 1937.

To Board of Directors of
Tarrant County Water Control and
Improvement District Number One.
Delivered

Gentlemen:

At your last meeting you desired that we deliver to you our written opinion concerning the question:

Is it lawfully within the power of the present, or future, Boards to enter into leases of district lands; to endure longer than the term of office of the granting Board?

For this purpose, the term must be considered to end during January of each year, because on the second Tuesday of each year an election for directors must be held, three members (a majority) in one year and two members in the next. To assent to this suggestion would result that leases made after January 1st could not lawfully endure for one year. We do not agree to the suggestion and give advice that a Board lawfully may enter into lease contracts to endure for a reasonable term of years, which might be ten years or twice ten years, depending on the character of improvements desired for location on the leased premises, the expectancy of revenue from the lease and assurance that the improvements and the use thereof are to be of a character which will not substantially diminish the effective use of the District's flood-control devices; or subject the District to any lawful claim for damages, in case persons, improvements or personal property found on the leased land suffer harm by reason of flood-water being retarded and controlled by the District's facilities: Subject to the test of reasonableness, you have the power to make "long-term" leases.

If you are interested in our reasons, you will find them, as follows:

1st - The only statutory law bearing on the question will be found in Vernon's Annotated Civil Statutes, Art. 7880, under which your District operates. Art. 7880-125 relates to property of the District. Under that you lawfully hold all land now owned by the District. Art. 7880-36 provides that, "the Directors of the District shall be the managing officers in charge of all the business and affairs of the District xxx." Art. 7880-3 provides that objects to be accomplished by the District may be, "to control, abate and amend any shortage or harmful excess of waters xxx by any and all practicable means." Art. 7880-125, in the part here material, provides: "Any property or land owned by the District which may be found not to be reasonably required to carry out the plans of the District may be sold under orders of the Directors of the District, either by public or private sale xxx."

Art. 7880-138 clearly anticipates that Districts may enter into long-term contracts for the sale of water; for instance, water for a city.

It is our understanding that the present question has become active because of the desire of numerous persons to own or have long term leases on lands actually making contact with the water in your lakes, at normal storage elevations, to result, if indulged, in the placement of practically all improvements in the zones to be covered when your flood-gates are closed - There being no known demand for leases on severed lands situated higher than your maximum flood lines.

It is understood that leases from year to year will force the placing of "flimsy" improvements, while, it is thought, long-term leases will induce the placement of more substantial and costly improvements; probably to result in better lease values for the District's lands.

The above cited statute plainly implies that you should not sell lands needed for your flood-zones, but we think the courts will commend prudent leasing of the flood-way lands, assuming that no improvements so placed are of a character or in a location which would substantively diminish the effectiveness of the flood-storage basins.

Respectfully,



Ireland Hampton

ATTORNEYS FOR THE DISTRICT