

MINUTES OF A REGULAR 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  
8TH DAY OF MARCH, 1949, AT 1:30 P.M.

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

PRESENT

Joe B. Hogsett  
Houston Hill  
Dan H. Priest  
Gaylord J. Stone  
W. L. Pier

Also present were Sidney L. Samuels, General Attorney, and C. L.  
McNair, General Manager.

Director Hogsett acted in his capacity as President, and  
Director Priest acted in his capacity as Secretary, whereupon  
proceedings were had and done as follows:

1.

The Directors had previously received copies of the Min-  
utes of a Special Meeting held on March 8, 1949, at 1:00 P.M.  
Having found no objection thereto, it was ordered that they be  
approved, signed and placed on record.

2.

Attached to these Minutes as Exhibit "A" is a statement  
of the financial condition of this District to which reference is  
made. Exhibit "A" shows that interim voucher-checks #665 to #685,  
inclusive, for the total sum \$2,426.24, had been issued since the  
last meeting; also proposed voucher-checks #686 to #699, inclusive,  
for the total sum \$215,881.36. There was full consideration of the  
proposed voucher-checks and the data to support same, whereupon  
Director Priest moved, seconded by Director Hill, that the issued

voucher-checks above listed be confirmed, and that the accounts payable be approved as covered by the proposed voucher-checks and that such checks be issued and delivered to the respective persons entitled to receive them. It was so ordered, subject to the usual audit.

3.

The written report dated March 8, 1949, of Mr. C. L. McNair for the month of February, 1949, was received, presented, and ordered filed as Exhibit "B" to these Minutes.

4.

The monthly report of the Auditors, Pitner and Adams, for the month of January, 1949, was ordered received and filed.

5.

Mr. McNair presented certain proposals for lease of District lands for the year 1949, which he recommended for approval, as follows:

<u>PROPOSAL OF</u>	<u>APPROX. ACRES</u>	<u>TOTAL CONSIDERATION</u>
(Option renewal for 1950-1951-1952)		
O. H. Creswell (3-1-49 to 12-31-49)	1.30	\$ 41.66
Morris R. Jackson	0.70	42.00
Kenneth Garrett	27.94	200.00
C. A. Lawrence	219.71	197.26
W. C. Lowdon	69.38	150.00
L. C. Yates	5.50	450.00
Fort Worth Transit Company	9.46	200.00

Upon consideration of each of the above lease proposals, Director Hill moved, seconded by Director Pier, that the said proposals be approved and closed in the usual manner, subject to the payment of the agreed rentals and execution of written contracts in the form required by the District. It was so ordered.

6.

The President, Mr. Hogsett, announced that bids for oil and gas lease on approximately 2,579.55 acres of land owned by the

District, on which bids had been solicited by advertisements as prescribed by law, should be opened and submitted.

It appeared that the following bids had been received:

(1) Bid of Mr. G. E. Francis, 2106 Live Oak Street, Dallas, Texas, (office address 2301 Swiss Avenue, Dallas, Texas) in which he submitted to the Board a bid on oil and gas lease on Tracts #1, 2, 3 and 4. The bid as made embraced all four tracts containing a mineral acreage of approximately 2,579.55 acres. The bid was a consolidated bid on all four tracts amounting altogether to \$5,160.00, for which he, the said Mr. Francis, enclosed Cashier's check #419452, dated March 7, 1949, drawn on National City Bank of Dallas, Texas, payable to the order of Tarrant County Water Control and Improvement District Number One, in the amount of \$5,160.00, which Cashier's check was executed by J. Leonard Smith, Cashier, counter-signed by Jane Clark, Teller.

(2) Bid of Mr. Wallace B. Boling, 1603 Electric Building, Fort Worth, Texas, which bid embraced the four tracts in question. A separate bid was made on each one of the four tracts, as follows:

- (a) On Tract No. 1 was \$3,160.00 cash bonus for a 10 year lease, with a \$1.00 per acre annual rental, in respect to which he enclosed a cashier's check for \$500.00, drawn on the First National Bank of Fort Worth, dated March 7, 1949, #492282, made payable to his order and endorsed by him, as earnest money on the bid;
- (b) On Tract No. 2 was \$3,870.00 cash bonus for a 10 year lease, with a \$1.00 per acre annual rental, in respect to which he enclosed a cashier's check for \$500.00, drawn on the First National Bank of Fort Worth, dated March 7, 1949, #492281, made payable to his order and endorsed by him, as earnest money on the bid;

- (c) On Tract No. 3, was \$3,200.00 cash bonus for a 10 year lease, with a \$1.00 per acre annual rental, in respect to which he enclosed a cashier's check for \$500.00, drawn on the First National Bank of Fort Worth, dated March 7, 1949, #492283, made payable to his order and endorsed by him, as earnest money on the bid.
- (d) On Tract No. 4 was \$2,710.00 cash bonus for a 10 year lease, with a \$1.00 per acre annual rental, in respect to which he enclosed a cashier's check for \$500.00, drawn on the First National Bank of Fort Worth, dated March 7, 1949, #492284, made payable to his order and endorsed by him, as earnest money on the bid.

(3) Bid of Cities Service Oil Company, with offices at 207 Danciger Building, Fort Worth, Texas, which bid was divided into four parts, as follows:

- (a) Bid on oil and gas lease covering 630.69 acres in Jack County, Texas, designated as Tract No. 1, on plat for which the bidder offered to purchase a 10 year commercial oil and gas lease embracing this tract at the rate of \$12.58 per acre, or a total of \$7,934.08, in respect to which the bidder enclosed draft #32356, dated at Fort Worth, Texas, March 2, 1949, draft to Cities Service Oil Company through Union National Bank, Bartlesville, Oklahoma, in the amount of \$7,934.08 (the amount of the bid), which draft was to be paid on approval of title and which draft was made payable to the order of Tarrant County Water Control and Improvement District Number One;
- (b) Bid on oil and gas lease covering 771.99 acres in Jack County, Texas, designated as Tract No. 2, on plat for which the bidder offered to purchase a 10 year commercial oil and gas lease embracing this tract at the rate of \$20.21 per acre, or a total of \$15,601.92, in respect to which the bidder enclosed draft #32353, dated at Fort Worth, Texas, March 2, 1949, draft to Cities Service Oil Company through Union National Bank, Bartlesville, Oklahoma, in the amount of \$15,601.92 (the amount of the bid), which draft was to be paid on approval of title and which draft was made payable to the order of Tarrant County Water Control and Improvement District Number One;

- (c) Bid on oil and gas lease covering 637.44 acres in Jack County, Texas, designated as Tract No. 3, on plat for which the bidder offered to purchase a 10 year commercial oil and gas lease embracing this tract at the rate of \$12.62 per acre, or a total of \$8,044.50, in respect to which the bidder enclosed draft #32355, dated at Fort Worth, Texas, March 2, 1949, draft to Cities Service Oil Company through Union National Bank, Bartlesville, Oklahoma, in the amount of \$8,044.50 (the amount of the bid), which draft was to be paid on approval of title and which draft was made payable to the order of Tarrant County Water Control and Improvement District Number One;
- (d) Bid on oil and gas lease covering 539.43 acres in Jack County, Texas, designated as Tract No. 4, on plat for which the bidder offered to purchase a 10 year commercial oil and gas lease embracing this tract at the rate of \$15.17 per acre, or a total of \$8,183.15, in respect to which the bidder enclosed draft #32354, dated at Fort Worth, Texas, March 2, 1949, draft to Cities Service Oil Company through Union National Bank, Bartlesville, Oklahoma, in the amount of \$8,183.15 (the amount of the bid), which draft was to be paid on approval of title and which draft was made payable to the order of Tarrant County Water Control and Improvement District Number One.

The foregoing three bids represented all and singular the bids that were made in response to the advertising by the District, and which three bids were received prior to the designated hour of 1:00 P.M. on March 7, 1949.

It was stated to the Board that at 4:05 P.M. on the afternoon of March 7th, 1949, there was brought to the office of the District in the Danciger Building, Fort Worth, Texas, a sealed envelope, and that the bearer of such envelope was Mr. P. M. Martin, who resides in the town of Nocona, Montague County, Texas. The bearer of the sealed envelope stated that it was a proposal or bid, for the acquisition of an oil and gas lease on the properties of the District in Jack County, Texas, in response to the advertisement

theretofore made. Inasmuch as the advertisement itself expressly stipulated that bids to be considered were to be delivered at the office of the District in Fort Worth, Texas, not later than 1:00 o'clock P.M. on March 7, 1949, it was the conclusion of the Board, supported by advice from Counsel, that such bid could not be considered, particularly in justice to other bidders who had complied with the hour and date affixed by the aforesaid advertisement. It was, therefore, resolved by the Board, all the members concurring, that the envelope which had been so delivered by Mr. P. M. Martin, be not opened, but that the said parcel should be returned to the owner, and it was accordingly so ordered.

With respect to the three bids which had been received by the Board in due order of time: After such bids had been opened and read, consideration of same and the determination of what bid represented the highest and best offer, was deferred to a further meeting of the Board to be held on March 10, 1949.

7.

The attention of the Board was directed to a letter dated March 4, 1949, addressed to Commandant, Eighth Naval District, Federal Building, New Orleans, Louisiana, concerning the matters which had been debated at a prior meeting with respect to the relinquishment by the Federal Government of its possession and possessory claim to Tract 16, in Tarrant County, Texas, adjacent to Eagle Mountain Lake, which had been lent to the Federal Government for use during the progress of the Great War, and for which restoration had been demanded from time to time by the District from the Federal Government, since the ter-

mination of the war.

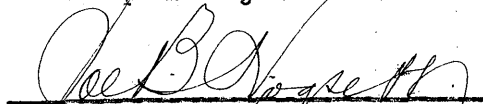
This letter, or the substance thereof, had been authorized at a meeting of the Board of Directors held on March 3, 1949, following a conference with a visiting delegation from the Eighth Naval District of New Orleans, Louisiana, composed of Captain W. B. Howard, Captain W. S. Harris, Lieutenant Commander R. B. Choate and civilian, Mr. H. L. Heflin, Real Estate Appraiser of the Eighth Naval District.

The letter above mentioned, dated March 4, 1949, with its contents, had been submitted individually to the members of the Board for reading and consideration prior to the within meeting, and orally, each and all of the members had authorized the transmission of the letter to the Commandant of the Eighth Naval District, Federal Building, New Orleans, Louisiana.

In order to make an official record of said letter, the same was exhibited to the Board at the within meeting, and the contents in their entirety read once again to the Board, and after the reading thereof, it was moved by Director Stone, seconded by Director Priest, that the aforesaid letter, with its contents, be in all things ratified and the action heretofore taken in transmitting said letter to said Commandant approved and transmitted; and that said letter be attached in folio to these Minutes. The motion having been put to the meeting, the same was unanimously carried and adopted, all the members voting "aye" thereon.

8.

There being no further business before the Board, the Meeting thereupon adjourned.

  
.....President.....

  
.....Secretary.....

# 43

TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE.

VOUCHER-CHECKS ISSUED FEBRUARY 28, 1949, #665 TO #685, INCLUSIVE.

<u>NO.</u>	<u>ISSUED TO</u>	<u>COVERING</u>	<u>AMOUNT</u>
665	Sidney L. Samuels	(Legal Services as General (Attorney, February, 1949)	\$ 300.00
666	C. L. McNair	(Salary, February, 1949 \$600.00) (Less: Withholding Tax 67.70)	532.30
667	E. B. Cheatham	(Salary, February, 1949 \$350.00) (Less: Withholding Tax 27.10)	322.90
668	Myrtle Hartmeister	(Salary, February, 1949 \$185.00) (Less: Withholding Tax 19.50)	165.50
669	B. W. Bintliff	(Salary, February, 1949 \$225.00) (Less: Withholding Tax 17.20)	207.80
670	Will Massingill	(Salary, February, 1949 \$165.00) (Less: Withholding Tax None)	165.00
671	W. H. Hutcheson	(Salary, February, 1949 \$175.00) (Less: Withholding Tax 9.40)	165.60
672	The Southwestern States Tel. Co.	Phone Service, B. P. Dam	4.85
673	Texas Power & Light Company	(Electric Service: Custodian's (Residence, B.P. . . . \$9.35 ) (Bridgeport Camphouse 1.55 )	10.90
674	Southwestern Bell Telephone Co.	(Phone Service: 3-2848 from ) (February 11, 1949 to ) (March 10, 1949. . . . \$ 9.65 ) (E. M. PHONE 6-3398: (From February 16, 1949 (to March 16, 1949 17.60)	27.25
675	Texas Electric Service Company	(Electric Service: Custodian's (Residence, E.M: \$ 9.00 ) (E. M. Range Lights 9.04 )	18.04
676	Chas. J. Lamance	(Labor at Eagle Mountain: (February, 1949. (96 hours @ .75 per hr. \$72.00) (Less: Withholding Tax None)	72.00
677	J. W. Lamance	(Labor at Eagle Mountain: (February, 1949. (96 hours @ .75¢ per hr. \$72.00) (Less: Withholding Tax None)	72.00
678	J. L. Driskill	(Labor at Eagle Mountain: (February, 1949: (96 hours @ .75¢ per hr. \$72.00) (Less: Withholding Tax 4.20)	67.80
679	Bill King	(Labor at Bridgeport: (February, 1949. (32 hours @ .60¢ per hr. \$19.20) (Less: Withholding Tax 80)	18.40
680	Joe B. Hogsett	Director's Fees, February, 1949	30.00
681	Houston Hill	Director's Fees, February, 1949	30.00
682	Dan H. Priest	Director's Fees, February, 1949	30.00
683	Gaylord J. Stone	Director's Fees, February, 1949	10.00
684	W. L. Pier	Director's Fees, February, 1949	30.00
685	Continental National Bank, Fort Worth, Texas.	Withholding Tax	145.90

T O T A L . . . . . \$ 2,426.24



DISTRIBUTION OF VOUCHER-CHECKS #665 TO #685, INCLUSIVE.

Directors	\$	130.00
General Manager		600.00
Office		544.65
Legal		300.00
Land Department: Labor		216.00

EAGLE MOUNTAIN LAKE:

Custodian's Salary	\$ 225.00	
Assistant Custodian's Salary	165.00	
Phone Service	17.60	
Electric Service	Custodians Res. \$9.00	
	Range Lights 9.04	18.04
		425.64

BRIDGEPORT LAKE:

Custodian's Salary	175.00	
Phone Service	4.85	
Electric Service	10.90	
Labor	19.20	209.95

T O T A L . . . . . \$ 2,426.24

TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE

VOUCHER-CHECKS #686 TO #699, INCLUSIVE.

<u>NO.</u>	<u>ISSUED TO</u>	<u>COVERING</u>	
686	Continental National Bank, Fort Worth, Texas.	(Telegraphic cost for transferr- ing \$215,507.37 by wire on March 14, 1949, to Central Han- over Bank and Trust Company, N.Y. . . . . . \$ 1.72 (Funds to be transferred by wire on March 14, 1949 to Central Hanover Bank and Trust Company, N.Y. in payment of their handling charge for pay- ing Bonds and Coupons <u>137.37</u> )	139.09
687	Continental National Bank, Fort Worth, Texas.	(Funds to be transferred by wire) (on March 14, 1949 to Central Hanover Bank and Trust Company New York. to pay \$104,000.00 Bonds and. . . . <u>111,370.00</u> interest Coupons (maturing Mar.15-49.	215,370.00
688	Danciger Building	Office rent, March, 1949	95.00
689	Continental Oil Company	Oil & Gas-District's Chev. Sedan	13.39
690	Majestic Reproduction Co.	(12 Prints-Jack County Lands) (for oil and gas lease.)	2.03
691	Tri-County Elec. Cooperative, Incorporated.	(Electric Service for Eagle) (Mountain Range Lights.)	4.59
692	Laz Lind	200 Cedar Posts @ .35¢ each	70.00

Continued.

<u>NO.</u>	<u>I S S U E D</u>	<u>T O</u>	<u>C O V E R I N G</u>	<u>AMOUNT</u>
693	Frank Kent Motor Company		(Car Wash \$ 1.00) (Parts 1.12) (Labor 10.05) (E. M.	\$ 12.17
694	Stafford-Lowdon Company		(One National Filler for 1949) (Diary. . . . . \$ 0.65 ) (100 Buff Col Sheets 3.35 )	4.00
695	Magnolia Petroleum Co.		(E.M. Oil & Gas: ) (Boats \$24.33 ) (Truck 29.08 ) \$53.41 (B. P. Oil & Gas: ) (Truck. . . . . 41.14 )	94.55
696	Fort Worth Star-Telegram		(Publication Legal Notices, Feb- ) (ruary 17; February 24th and ) (March 3, 1949, for oil and ) (gas purposes on approx. 2579.55 ) (acres of land in Jack County, ) (Texas. . . . . \$16.80 ) (and Bids for Deposi- ) (tary for this District 16.20 )	33.00
697	J. Edwin McKee, Postmaster		300 Three-cent Postage Stamps	9.00
698	The Jacksboro Gazette		(Publishing "Legal Notice" ) (inviting bids for oil and gas ) (purposes on 2,579.55 acres of ) (land situated in Jack County, ) (Texas. )	8.30
699	Banner Service Station		(Oil and Gas and parking Dis- ) (trict's Chevrolet Sedan dur- ) (ing the month of February, 1949)	26.24
T O T A L . . . . .				\$ 215,881.36

DISTRIBUTION OF VOUCHER-CHECKS #686 TO #699, INCLUSIVE.

General Manager	39.63
Office	108.00
Publishing Legal Notices	41.30
Expense paying Bonds and Coupons	139.09
Bonds maturing March 15, 1949	104,000.00
Interest Coupons maturing March 15, 1949	111,370.00
Land Department	70.00
Miscellaneous	2.03

EAGLE MOUNTAIN LAKE:

Electricity: Range Lights	\$ 4.59	
E.M. Truck: (Wash, Parts and Labor)	12.17	
Oil & Gas: (Boats \$24.33 )		
(Truck 29.08 )	53.41	70.17

LAKE BRIDGEPORT:

Oil and Gas: Truck	\$ 41.14	41.14
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T O T A L . . . . . \$ 215,881.36

CONDITION OF FUNDS

	<u>MAINTENANCE FUND</u>	<u>INTEREST AND SINKING FUND</u>
BOOK BALANCE: February 17, 1949 Cash	\$ 87,028.49	\$134,478.73
Receipts: Taxes, penalty and Interest	25,016.78	89,345.57
Land Rentals	<u>1,137.00</u>	<u>--- --</u>
	\$113,182.27	\$223,824.30
Less: Disbursed by vo-cks. #665 to #685, inclusive:	<u>2,426.24</u>	<u>--- --</u>
	\$110,756.03	\$223,824.30
Less: Disbursed by vo-cks. #686 to #699, Inclusive:	<u>511.36</u>	<u>215,370.00</u>
BOOK BALANCE: March 8, 1949, Cash	\$110,244.67	\$ 8,454.30

NOTE: The Interest and Sinking Fund now owns \$350,000.00 par value United States Government Securities.

The Maintenance Fund now owns \$100,000.00 par value United States Government Securities.

BOARD OF DIRECTORS

JOE B. HOGSETT, PRES.  
 HOUSTON HILL, VICE-PRES.  
 DAN H. PRIEST, SEC'Y  
 GAYLORD J. STONE  
 W. L. PIER

TARRANT COUNTY WATER CONTROL AND  
 IMPROVEMENT DISTRICT NUMBER ONE

DANCIGER BUILDING - COR. 5TH AND THROCKMORTON STS.

PHONE 3-2848

FORT WORTH 2, TEXAS.

SIDNEY L. SAMUELS,  
 GENERAL ATTORNEY

C. L. MCNAIR, GENERAL MANAGER

ED. B. CHEATHAM,  
 OFFICE MANAGER

March 8, 1949.

EXHIBIT "B" TO THE  
 MINUTES OF MARCH 8, 1949,  
 AT 1:30 P.M.

To: The Board of Directors,  
 Tarrant County Water Control and  
 Improvement District Number One.

REPORT FOR FEBRUARY, 1949.

Gentlemen:

On February 1, 1949, Lake Bridgeport was frozen over for the first time since construction, and a greater part of Eagle Mountain Lake was also frozen over.

Mr. B. W. Bintliff, Eagle Mountain Lake Custodian, has had a crew of workmen clearing land on the District's Tract No. 342. A new fence was built on the West line of the Marshall Tract No. 283, and fencing was begun on the West line of the Parish Tract No. 329, by this crew of workmen.

Rainfall at Eagle Mountain and Bridgeport Lakes was above normal for January and February, with the runoff being negligible, due to low intensity and long duration of the rainfall.

CONDITION OF LAKES

<u>Reservoir</u>	<u>Lake Level</u>	<u>Date</u>	<u>Capacity Acre Feet.</u>
Bridgeport	797.9	March 1, 1949	80,500
Bridgeport	797.4	February 1, 1949	<u>78,000</u>
		February Gain	2,500
Eagle Mountain	646.20	March 1, 1949	187,800
Eagle Mountain	645.94	February 1, 1949	<u>185,460</u>
		February gain	2,340
Total gain in storage for the month of February, 1949			4,840 Ac. Ft.

Respectfully,

  
 C. L. McNair, General Manager.

CLM: mh

To the Members of the Board:

In considering the letter attached to this note, after discussing certain features of the memorandum that contain our counter proposition, I thought it expedient to leave off any mention of benefits that the Federal Government would derive from the use of the waters of the Lake. I was apprehensive that the Government would construe that to mean a very broad concession on our part, that would enable the Government to use its great bombers and its planes on the waters to an extent that would confer a virtual monopoly of the Government in the use of the lake. Therefore, I took the liberty of omitting any reference to the lake.

Sidney L. Samuels.

*This letter was mailed 3-5-49 at 11:30 am*

TARRANT COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NUMBER ONE

BOARD OF DIRECTORS

JOE B. HOGSETT, PRES.  
HOUSTON HILL, VICE-PRES.  
DAN H. PRIEST, SEC'Y  
GAYLORD J. STONE  
W. L. PIER

DANCIGER BUILDING - COR. 5TH AND THROCKMORTON STS

PHONE 3-2848

SIDNEY L. SAMUELS,  
GENERAL ATTORNEY

C. L. MCNAIR, GENERAL MANAGER

ED. B. CHEATHAM,  
OFFICE MANAGER

FORT WORTH 2, TEXAS.

March 4, 1949.



Commandant,  
Eighth Naval District,  
Federal Building,  
New Orleans, Louisiana.

Your File: 447/HLH/ml  
NDS/KV44  
Serial 447-176

Subject: Former Marine Corps Air Station,  
Eagle Mountain Lake, Texas, Tract  
16, Tarrant County Water Control  
and Improvement District Number One.

Dear Mr. Commandant:

Pursuant to your letter of February 17, 1949, which was signed on your behalf by Captain W. B. Howard (CEC) USN, District Public Works Officer, which was addressed to Tarrant County Water Control and Improvement District Number One, Fort Worth, Texas, and pursuant to the discussion and negotiations had between the officers of your department, who appeared before this Board on February 24, 1949, in respect to Tract No. 16, in Tarrant County, Texas, of which this District is the owner, and pursuing the negotiations that were discussed between your visiting officers on February 24, 1949, and the Board of Directors of this District, we beg leave to submit the following memorandum as a basis for the adjustment and settlement of the controversial points which came up for consideration on February 24, 1949, at the time when the discussion with your visiting officers was had.

It is proper to observe that the officers of your department, who appeared before this Board consisted of Captain W. B. Howard, Captain W. S. Harris, Lieutenant Commander R. B. Choate and Mr. H. L. Heflin, Real Estate Appraiser of the Eighth Naval District.

As a premise to the submission of this communication, we beg leave to say that for the most part, the discussion had with your delegation revolved about the written lease which was transmitted to New Orleans in March, 1948, and which was duly transmitted to the Bureau of Yards and Docks, Washington, D. C., by the Commandant of the Eighth Naval District of New Orleans, Louisiana.

First, let us point out to you that no compensation was ever paid or allowed to this District by the Federal Government for the improvements and properties located on Tract No. 16 owned by

the District, which were either destroyed, moved away or appropriated to the use of the Federal Government, which was then occupying the tract under the terms of the agreement between the Federal Government and this District. In this connection, let us point out to you the improvements thus destroyed, moved away or appropriated and the value of same, were as follows:

One four-room frame house and barn valued at \$2,150.00;

One two-story six-room house, barn and windmill valued at \$4,000.00;

One four-room frame house valued at \$2,500.00;

Four and eight tenths miles of Barbed Wire Fence, valued at \$1,600.00;

making a sum total of \$10,250.00, representing the value of such improvements. This valuation does not include numberless shade trees, mostly live oak in their nature, which were destroyed and removed by the Federal Government at or about the time possession was obtained by the Government. Inasmuch, as the growing of trees in this latitude and in this part of the state is difficult, and the result of many years of vigil and care, and, inasmuch, as the grounds upon which such trees were standing formed an eligible site for recreational purposes, it is difficult to estimate the true value of such additions to the uses of said lands. In this connection, it is to be observed that the consideration heretofore paid by the Government (\$3,296.36) was not understood to be paid for the improvements of the District then standing on the premises nor did the stipulation in which such amount is recited contemplate, or provide, that the amount so paid, should include the value of the improvements situated on the land of which the District was the owner. It is not amiss also to say, that nothing in the stipulations growing out of the amount hereinabove specified, conferred upon the Government the right or authority to appropriate such improvements or to remove the same or to destroy such properties. Then, too, in the negotiations by the Government at that time, the District was also given to understand that when the war, then ensuing, had ceased, the Government would remove, without expense to the District, the improvements placed on the premises by the Government.

In the discussion that ensued between the officers representing the Naval Department and the Board of Directors, it was pointed out by the officers by and through Captain Howard, that the Federal Government was interested in using that part of Tract No. 16, on which improvements had been placed by the Federal Government, and that the area of land in Tract No. 16, on which said improvements had been so placed with means of ingress therein and egress therefrom, amounted, in a rough approximation by your Mr. Heflin, to 180 acres. It was also suggested by Captain Howard that the Federal Government desired to continue the use of the area on which such Federal Government improvements existed, and that it was sought to reach an accommodation between the parties that would permit such use.



The approximate 180 acres to which reference is made in the next preceding paragraph herein is, perhaps, the choicest part, (from a sales or leasing point) of the entire acreage in tract No. 16. This, because, it borders on the lake and is more sought after by purchasers or persons seeking to lease the same, than any other part of the tract, for recreation sites. In truth, such plan had already been devised by the District and had been included in the master plan of the engineers of the District. This desirability grows out of the fact that if sub-divided into smaller tracts, the sales price, or the price for leasing same, would amount, in the aggregate, to very much more than the amount of the ground rent which it is proposed by the District that the Government should pay, and, therefore, whether from the consideration of market value, for sale or for lease, the amount so to be paid by the Government is considerably less than would be paid by a private purchaser.

As evidence of our willingness to cooperate with the Government, we would submit this concession: If the Government should meet and approve the counter proposition which follows, the District would be willing to forego claim from the Government for the destruction or appropriation of its improvements, conditioned on the complete relinquishment by the Federal Government of any so-called assertion of title or possession on its part to the entirety of Tract No. 16, and the surrender and abandonment of such entire tract by virtue of any decree, or order, to that effect by the United States District Court at Fort Worth, in which event the District would agree that concurrently with the entry of such decree, or order, the District would grant unto the Federal Government the use of the ground consisting of approximately 180 acres. The Federal Government to pay to the District a money consideration for the use of such ground, for the improvements of the government, for and during the period which would mark the life of such improvements, which is estimated to be twenty (20) years. Such ground rent to be fixed by the District at \$1,200.00 per year, payable each year in advance for a period of five (5) years, and thereafter \$1,800.00 per year, payable each year in advance, for the remaining period of Fifteen (15) years, and at the expiration of such period, the improvements placed thereon by the said Federal Government to be construed and held as non-existent.

The ground rent arrangement to be embodied in a written instrument to be executed by both parties, and among other stipulations, to provide that at the termination of the twenty-year ground rent period, the Federal Government shall automatically abandon the use of the property, and such property then and there to be freed of such use and the District entitled to take possession of same.

The foregoing counter-proposition is one in which detail to a great degree, is ignored so that the matter is submitted in principle for your consideration and for the consideration of the authorities in Washington, who have this matter in charge. It is, however, our viewpoint that in substance, it embraces a solution which this District submits substantially as an avenue for a speedy and satisfactory adjustment of the controversy.



If this counter proposition is to be entertained by the Naval Department, we should like to have a prompt response to enable us to prepare an instrument in which both parties should concur. On the other hand, if the counter proposition is rejected, we should likewise have prompt word from the Government to that effect.

We shall appreciate your acknowledgment of the receipt of this communication. We shall hold this matter in abeyance for a period of ninety (90) days from the date of this communication, and should no acceptance be received by the District within that period of time, then, our General Counsel will be instructed to place the matter once again before the Federal Court at Fort Worth, where the decree was entered, and to move for restoration of the entire property to this District.

Awaiting your response, we are

Very sincerely yours,

TARRANT COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NUMBER ONE.

By \_\_\_\_\_  
President.

JBH-mh